UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2014

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 001-35961

LIBERTY GLOBAL®

Liberty Global plc

(Exact name of Registrant as specified in its charter)

England and Wales	**98-1112770**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
38 Hans Crescent, London, England	**SW1X 0LZ**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code: +44.20.7190.6449 or 303.220.6600

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	**Name of Each Exchange on Which Registered**
Class A Ordinary Share, par value $0.01 per share	NASDAQ Global Select Market
Class B Ordinary Shares, par value $0.01 per share	NASDAQ Global Select Market
Class C Ordinary Shares, par value $0.01 per share	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: none

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months. Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☑

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer, accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. Check one:

Large Accelerated Filer ☑	Accelerated Filer ☐	Non-Accelerated Filer ☐	Smaller Reporting Company ☐

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☑

State the aggregate market value of the voting and non-voting common equity held by non-affiliates, computed by reference to the price at which the common equity was last sold, or the average bid and ask price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: $32.5 billion.

The number of outstanding ordinary shares of Liberty Global plc as of February 6, 2015 was: 251,290,944 Class A ordinary shares; 10,139,184 Class B ordinary shares; and 625,736,759 Class C ordinary shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive proxy statement for the Registrant's 2015 Annual General Meeting of Shareholders are incorporated by reference in Part III of this Form 10-K.

LIBERTY GLOBAL PLC

2014 ANNUAL REPORT ON FORM 10-K

TABLE OF CONTENTS

PART I

Item 1. BUSINESS

General Development of Business

Liberty Global plc (Liberty Global) is an international provider of video, broadband internet, fixed-line telephony and mobile services, serving 27.3 million customers across 14 countries at December 31, 2014. Through Virgin Media Inc. (Virgin Media) and Unitymedia KabelBW GmbH (Unitymedia KabelBW), each a wholly-owned subsidiary, and Telenet Group Holding N.V. (Telenet), a 56.6%-owned subsidiary, we provide video, broadband internet, fixed-line telephony and mobile services in the United Kingdom (U.K.), Germany and Belgium, respectively. In the Netherlands, we provide video, broadband internet, fixed-line telephony and mobile services through (1) Ziggo Holding B.V (formerly known as Ziggo N.V.) (Ziggo), which we acquired on November 11, 2014 (see *Recent Developments—Ziggo Acquisition* below), and (2) UPC Nederland B.V. (UPC Nederland). We also provide video, broadband internet and fixed-line telephony services in eight other European countries and mobile services in four other European countries. The operations of Virgin Media, Unitymedia KabelBW, Telenet, Ziggo, UPC Nederland and our other operations in Europe, including our direct-to-home satellite (DTH) operations based in Luxembourg, are collectively referred to herein as the European Operations Division. In Chile, we provide video, broadband internet, fixed-line telephony and mobile services through our wholly-owned subsidiary VTR GlobalCom SpA (VTR). Our consolidated operations also include the broadband communications operations in Puerto Rico that we conduct through a 60%-owned subsidiary, Liberty Cablevision of Puerto Rico (Liberty Puerto Rico).

As a result of a series of mergers that were completed on June 7, 2013, Liberty Global became the publicly-held parent company of the successors by merger of Liberty Global, Inc. (LGI) (the predecessor to Liberty Global) and Virgin Media. In the following text, the terms “we,” “our,” “our company” and “us” may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries.

Unless otherwise indicated, convenience translations into United States (U.S.) dollars are calculated as of December 31, 2014, and operational data, including subscriber statistics and ownership percentages, are as of December 31, 2014.

Recent Developments

LiLAC Group Tracking Stock

On October 22, 2014, we announced that our board of directors had approved a plan to create a tracking stock (the LiLAC ordinary shares) for our operations in Latin America and the Caribbean (the LiLAC Group). The LiLAC Group will initially have attributed to it our 100% interest in VTR and our 60% interest in Liberty Puerto Rico. All of our businesses not attributed to the LiLAC Group will be attributed to the “Liberty Global Group”. The creation of the LiLAC Group and issuance of the LiLAC ordinary shares is subject to various conditions, including requisite approvals of the shareholders of Liberty Global at general and class meetings to be held on Tuesday, February 24, 2015. In connection with the proposed issuance of our LiLAC Group ordinary shares, we have filed with the Securities and Exchange Commission (SEC) a registration statement on Form S-4 and filed with the SEC and mailed to our shareholders a proxy statement/prospectus that contains additional information, including descriptions of our Latin American and Caribbean businesses, the conditions to the issuance of the LiLAC ordinary shares and our board of directors’ reasons and purposes for pursuing the transaction. If approved at the general and class meetings of our shareholders, we expect to issue the LiLAC ordinary shares during the first half of 2015.

Ziggo Acquisition

On November 11, 2014, pursuant to an agreement with respect to an offer to acquire all of the shares of Ziggo that we did not already own (the Ziggo Offer), we gained control of Ziggo through the acquisition of 136,603,794 additional Ziggo shares, which increased our ownership in Ziggo to 88.9%. From November 12, 2014 through November 17, 2014, we acquired 18,998,057 additional Ziggo shares through the Ziggo Offer, further increasing our ownership interest in Ziggo to 98.4%. These transactions are referred to as the Ziggo Acquisition. Under the terms of the Ziggo Offer, Ziggo shareholders who tendered their shares received (1) 0.2282 Class A ordinary shares of Liberty Global, (2) 0.5630 Class C ordinary shares of Liberty Global and (3) €11.00 ($13.71 at the applicable rates) in cash for each Ziggo share they tendered. Accordingly, we issued an aggregate of 35,508,342 Class A ordinary shares and 87,603,842 Class C ordinary shares pursuant to the Ziggo Acquisition. In connection with the completion of the Ziggo Acquisition, we obtained regulatory clearance from the European Commission, subject to certain conditions primarily related to (a) the sale of our Film1 pay TV channel and (b) certain carriage agreement provisions with broadcasters in the Netherlands. For more information, see *Regulatory Matters—The Netherlands*. On December 3, 2014, we initiated a statutory squeeze-out procedure in accordance with the Dutch Civil Code in order to acquire the remaining 3,162,605 Ziggo shares not tendered through November 19, 2014. During the first quarter of 2015, we plan to combine the Ziggo and UPC Nederland operations.

For additional information on the above Ziggo transactions, including related financings, see notes 4, 10 and 20 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K. In addition, during 2014, we completed various other smaller acquisitions in the normal course of business.

Chellomedia Disposition

We completed the sale of substantially all of our programming interests held through Chellomedia B.V. on January 31, 2014, for €750.0 million ($1,013.1 million at the applicable rate) in cash (the Chellomedia Transaction). The assets disposed of in the Chellomedia Transaction excluded Chellomedia's premium sports and film channels in the Netherlands. Prior to the sale, through Chellomedia's programming networks, we provided programming channels to multi-channel distribution systems owned by us and by third parties.

Financings

- *VTR Financing Transactions.* On January 24, 2014, VTR was placed in a separate credit pool with its parent and one of our wholly-owned subsidiaries, VTR Finance B.V. (VTR Finance). In connection with this reorganization, VTR Finance and certain of its subsidiaries (including VTR) were extracted from the credit pool of our wholly-owned subsidiary UPC Holding B.V. (UPC Holding) and VTR Finance and certain of its subsidiaries entered into certain financing transactions. On January 24, 2014, VTR Finance issued $1.4 billion principal amount of 6.875% senior secured notes due January 15, 2024 (the VTR Finance Senior Secured Notes). The net proceeds from the VTR Finance Senior Secured Notes were used, together with existing cash of our subsidiaries, to repay all of the outstanding indebtedness under Facilities R, S and AE of the senior secured credit facility of UPC Broadband Holding B.V., a wholly-owned subsidiary of UPC Holding (UPC Broadband Holding), in connection with the extraction of VTR Finance and its subsidiaries from the UPC Holding credit pool.

- *Virgin Media 2014 Refinancings*. On March 28, 2014, Virgin Media Secured Finance PLC (Virgin Media Secured Finance), a wholly-owned subsidiary of Virgin Media, issued (1) $425.0 million principal amount of 5.5% senior secured notes due January 15, 2025 (the 2025 VM 5.5% Dollar Senior Secured Notes), (2) £430.0 million ($670.0 million) principal amount of 5.5% senior secured notes due January 15, 2025 (together with the 2025 VM 5.5% Dollar Senior Secured Notes, the 2025 VM Senior Secured Notes) and (3) £225.0 million ($350.6 million) principal amount of 6.25% senior secured notes due March 28, 2029 (the Original 2029 VM Senior Secured Notes). In April 2014, the net proceeds from the 2025 VM Senior Secured Notes and the Original 2029 VM Senior Secured Notes were used to redeem all of Virgin Media's £875.0 million ($1,363.4 million) principal amount of Virgin Media's 7.0% senior secured notes due 2018.

  In April 2014, (1) Virgin Media Secured Finance issued £175.0 million ($272.7 million) principal amount of 6.25% senior secured notes due March 28, 2029 (the Additional 2029 VM Senior Secured Notes) at an issue price of 101.75% and (2) Virgin Media entered into (a) a new £100.0 million ($155.8 million) term loan (VM Facility D) and (b) a new £849.4 million ($1,323.5 million) term loan (VM Facility E), each under the Virgin Media senior secured credit facility agreement, as amended and restated on June 14, 2013 (VM Credit Facility). In connection with these transactions, (1) certain lenders under the existing £600.0 million ($934.9 million) term loan (VM Facility C) under the VM Credit Facility effectively rolled £500.4 million ($779.7 million) of their drawn commitments to VM Facilities D and E and (2) the remaining outstanding balance of VM Facility C was repaid with existing liquidity. VM Facilities D and E were fully drawn in May 2014, and the net proceeds, together with the net proceeds from the Additional 2029 VM Senior Secured Notes, were used to fully redeem Virgin Media's $1.0 billion principal amount of 6.5% senior secured notes due 2018.

  On October 7, 2014, Virgin Media Finance PLC (Virgin Media Finance), a wholly-owned subsidiary of Virgin Media, issued (1) £300.0 million ($467.4 million) principal amount of 6.375% senior notes due October 15, 2024 (the 2024 VM Sterling Senior Notes) and (2) $500.0 million principal amount of 6.0% senior notes due October 15, 2024 (together with the 2024 VM Sterling Senior Notes, the 2024 VM Senior Notes). On October 24, 2014, the net proceeds from the 2024 VM Senior Notes were used to fully redeem (1) Virgin Media's $507.1 million principal amount of 8.375% senior notes due 2019 and (2) the £253.5 million ($395.0 million) principal amount of Virgin Media's 8.875% senior notes due 2019, including the related redemption premium.

- *Unitymedia KabelBW December 2014 Refinancing*. On December 17, 2014, Unitymedia Hessen GmbH & Co. KG and Unitymedia NRW GmbH (each a subsidiary of Unitymedia KabelBW) issued (1) €1,000.0 million ($1,210.1 million) principal amount of 4.0% senior secured notes due January 15, 2025 (the December 2014 UM Euro Senior Secured Notes) and (2) $550.0 million principal amount of 5.0% senior secured notes due January 15, 2025 (together with the December 2014 UM Euro Senior Secured Notes, the December 2014 UM Senior Secured Notes). A portion of the net proceeds from the December 2014 UM Senior Secured Notes were used to redeem in full Unitymedia KabelBW's 7.5% senior secured notes due March 15, 2019, including the related redemption premium.

- *2015 Reorganization Transactions*. During the first quarter of 2015, we undertook the financing transactions described below in connection with certain internal reorganizations of our broadband and mobile communications businesses in Europe. We intend to use the proceeds from these transactions to redeem (1) in full the UPC Holding 8.375% senior notes due 2020, (2) in full the UPCB Finance Limited 7.625% senior secured notes, and (3) €560.0 million ($677.6 million) of the UPCB Finance II Limited 6.375% senior secured notes, including the related redemption premiums.

  UPC Ireland Transfer. On February 12, 2015, UPC Holding transferred a controlling interest in UPC Broadband Ireland Ltd. and its subsidiaries from a subsidiary of UPC Holding to a subsidiary of Virgin Media, with the remaining noncontrolling interest transferred to another subsidiary of Liberty Global outside of the UPC Holding borrowing group. On January 28, 2015, in contemplation of the transfer of such controlling interest in UPC Broadband Ireland Ltd. and its subsidiaries:

  - Virgin Media Secured Finance issued £300.0 million ($467.4 million) principal amount of 5.125% senior secured notes due January 15, 2025; and

  - Virgin Media Finance issued (1) $400.0 million aggregate principal amount of 5.75% senior notes and (2) £460.0 million ($556.6 million) aggregate principal amount of 4.50% senior notes, each of which are due January 15, 2025.

  NL Reorganization. In contemplation of the planned internal reorganization of our broadband and mobile communications businesses in the Netherlands (the NL Reorganization), pursuant to which UPC Nederland and Ziggo and/or their successor companies and their subsidiaries will become indirect subsidiaries of Ziggo Group Holding B.V., a wholly-owned subsidiary of Liberty Global that was formed subsequent to December 31, 2014:

  - on January 29, 2015, Ziggo Bond Finance B.V., a special purpose financing entity, issued (1) $400.0 million principal amount of 5.875% senior notes and (2) €400.0 million ($484.0 million) aggregate principal amount of 4.625% senior notes, each of which are due January 15, 2025;

  - on February 4, 2015, Ziggo Secured Finance B.V., a special purpose financing entity, issued €800.0 million ($968.1 million) aggregate principal amount of 3.750% senior secured notes, which are due January 15, 2015; and

  - lenders under the existing Facility AG under the UPC Broadband Holding Bank Facility agreed to roll €684.2 million ($827.9 million) into a new euro denominated term loan (Facility AJ) under the UPC Broadband Holding Bank Facility. The terms of Facility AJ will be substantially the same as the terms of Facility AG, except that the terms of Facility AJ will provide for the rollover of Facility AJ, upon completion of the NL Reorganization, into new term loans under a new senior secured credit facility with Ziggo Secured Finance B.V. as the borrower.

For a further description of the terms of the above financings and certain other transactions affecting our consolidated debt in 2014, see notes 10 and 20 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K.

Equity Transactions

- *Share Dividend.* On January 26, 2014, our board of directors approved a share split in the form of a share dividend (the 2014 Share Dividend), which constitutes a bonus issue under our articles of association and English law, of one Liberty Global Class C ordinary share on each outstanding Class A, Class B and Class C ordinary share as of the February 14, 2014 record date. The distribution date for the 2014 Share Dividend was March 3, 2014. As a result, the share and per share amounts presented herein and in our consolidated financial statements have been retroactively adjusted to give effect to the 2014 Share Dividend.

- *Share Repurchases.* Pursuant to our share repurchase program, during 2014, we repurchased a total of 8,062,792 Liberty Global Class A ordinary shares at a weighted average price of $42.19 per share and 28,401,019 Liberty Global Class C ordinary shares at a weighted average price of $44.25 per share, for an aggregate cash purchase price of $1,596.9 million, including direct acquisition costs and the effects of derivative instruments. The timing of the repurchase of shares pursuant to this program is dependent on a variety of factors, including market conditions. As of December 31, 2014, the remaining amount authorized for share repurchases was $1,933.7 million. Subsequent to December 31, 2014, our board of directors authorized an additional $2.0 billion of availability for share repurchases.

For a further description of our share repurchases, see note 12 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K.

* * * *

Certain statements in this Annual Report on Form 10-K constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. To the extent that statements in this Annual Report are not recitations of historical fact, such statements constitute forward-looking statements, which, by definition, involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. In particular, statements under Item 1. *Business*, Item 1A. *Risk Factors*, Item 2. *Properties*, Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations* and Item 7A. *Quantitative and Qualitative Disclosures About Market Risk* may contain forward-looking statements, including statements regarding our growth prospects and our strategic, operating and finance initiatives over the next few years (including the planned network extension in the U.K.), the percentage of revenue represented by our property and equipment additions in 2015 and beyond, the amount of our anticipated non-functional currency transactions in 2015, the future projected cash flows of our continuing operations, subscriber growth and retention rates, competitive, regulatory and economic factors, anticipated cost increases and target leverage levels, our intention to create a tracking stock with respect to our Latin America and Caribbean operations, and other information and statements that are not historical fact. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. In evaluating these statements, you should consider the risks and uncertainties discussed under Item 1A. *Risk Factors* and Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*, as well as the following list of some but not all of the factors that could cause actual results or events to differ materially from anticipated results or events:

- economic and business conditions and industry trends in the countries in which we operate;
- the competitive environment in the industries in the countries in which we operate, including competitor responses to our products and services;
- fluctuations in currency exchange rates and interest rates;
- instability in global financial markets, including sovereign debt issues and related fiscal reforms;
- consumer disposable income and spending levels, including the availability and amount of individual consumer debt;
- changes in consumer television viewing preferences and habits;
- consumer acceptance of our existing service offerings, including our digital video, broadband internet, fixed-line telephony, mobile and business service offerings, and of new technology, programming alternatives and other products and services that we may offer in the future;
- our ability to manage rapid technological changes;
- our ability to maintain or increase the number of subscriptions to our digital video, broadband internet, fixed-line telephony and mobile service offerings and our average revenue per household;
- our ability to provide satisfactory customer service, including support for new and evolving products and services;
- our ability to maintain or increase rates to our subscribers or to pass through increased costs to our subscribers;
- our ability to maintain our revenue from channel carriage arrangements, particularly in Germany;
- the impact of our future financial performance, or market conditions generally, on the availability, terms and deployment of capital;
- changes in, or failure or inability to comply with, government regulations in the countries in which we operate and adverse outcomes from regulatory proceedings;
- government intervention that opens our broadband distribution networks to competitors, such as the obligations imposed in Belgium;
- our ability to obtain regulatory approval and satisfy other conditions necessary to close acquisitions and dispositions and the impact of conditions imposed by competition and other regulatory authorities in connection with acquisitions, including the impact of the conditions imposed in connection with the acquisition of Kabel BW GmbH (KBW) on our operations in Germany and the Ziggo Acquisition on our operations in the Netherlands;

- our ability to successfully acquire new businesses and, if acquired, to integrate, realize anticipated efficiencies from, and implement our business plan with respect to, the businesses we have or may acquire, such as Ziggo;
- changes in laws or treaties relating to taxation, or the interpretation thereof, in the U.K., U.S. or in other countries in which we operate;
- changes in laws and government regulations that may impact the availability and cost of credit and the derivative instruments that hedge certain of our financial risks;
- the ability of suppliers and vendors (including our third-party wireless network providers under our mobile virtual network operator (MVNO) arrangements) to timely deliver quality products, equipment, software, services and access;
- the availability of attractive programming for our digital video services and the costs associated with such programming, including retransmission and copyright fees payable to public and private broadcasters;
- uncertainties inherent in the development and integration of new business lines and business strategies;
- our ability to adequately forecast and plan future network requirements including the costs and benefits associated with the planned U.K. network extension;
- the availability of capital for the acquisition and/or development of telecommunications networks and services;
- problems we may discover post-closing with the operations, including the internal controls and financial reporting process, of businesses we acquire;
- the leakage of sensitive customer data;
- the outcome of any pending or threatened litigation;
- the loss of key employees and the availability of qualified personnel;
- changes in the nature of key strategic relationships with partners and joint venturers; and
- events that are outside of our control, such as political unrest in international markets, terrorist attacks, malicious human acts, natural disasters, pandemics and other similar events.

The broadband distribution and mobile service industries are changing rapidly and, therefore, the forward-looking statements of expectations, plans and intent in this Annual Report are subject to a significant degree of risk. These forward-looking statements and the above-described risks, uncertainties and other factors speak only as of the date of this Annual Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based. Readers are cautioned not to place undue reliance on any forward-looking statement.

Financial Information About Operating Segments

Financial information about our reportable segments appears in note 18 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K.

Narrative Description of Business

Broadband Distribution

Overview

We offer a variety of broadband services over our cable distribution systems, including video, broadband internet and fixed-line telephony and, in certain of our operations, we offer mobile services. We design these services to enable our customers to access the digital world on their own terms and at their own pace. In most of our footprint, the core of our offer to customers is “triple-play”, which we use to describe bundled services of digital video, internet and fixed-line telephony in one subscription. We are enhancing this offer by expanding our services to include mobile in certain markets. Available service offerings depend on the bandwidth capacity of a particular system and whether it has been upgraded for two-way communications. In select markets, we also offer video services through DTH or through multichannel multipoint (microwave) distribution systems (MMDS). Our consumer brands include Virgin Media, Ziggo, UPC, Unitymedia Kabel BW, Telenet, VTR and in Puerto Rico, Liberty. In 2015, we will replace the UPC brand in the Netherlands with the Ziggo brand. Also in 2015, we will use solely the Unitymedia brand in Germany, discontinuing the Kabel BW brand. In terms of video subscribers, we operate the largest cable network in each of Austria, Belgium, Chile, the Czech Republic, Hungary, Ireland, the Netherlands, Poland, Puerto Rico, Slovakia, Switzerland and the U.K. and the second largest cable network in each of Germany and Romania.

The following table presents certain operating data as of December 31, 2014, with respect to the cable, DTH and MMDS systems of our subsidiaries in Europe, Chile and Puerto Rico. This table reflects 100% of the operational data applicable to each subsidiary regardless of our ownership percentage.

Consolidated Operating Data
at December 31, 2014

					Video						
	Homes Passed (1)	**Two-way Homes Passed (2)**	**Customer Relationships (3)**	**Total RGUs (4)**	**Analog Cable Subscribers (5)**	**Digital Cable Subscribers (6)**	**DTH Subscribers (7)**	**MMDS Subscribers (8)**	**Total Video**	**Internet Subscribers (9)**	**Fixed-line Telephony Subscribers (10)**
European Operations Division:											
United Kingdom	12,627,400	12,598,400	5,016,500	12,513,500	—	3,760,300	—	—	3,760,300	4,536,600	4,216,600
Germany	12,713,300	12,401,900	7,126,800	12,202,300	4,280,100	2,277,800	—	—	6,557,900	2,896,400	2,748,000
The Netherlands (11)	6,982,700	6,968,000	4,291,600	9,931,400	902,100	3,387,300	—	—	4,289,400	3,066,000	2,576,000
Belgium	2,916,300	2,916,300	2,066,700	4,751,500	490,100	1,576,600	—	—	2,066,700	1,530,600	1,154,200
Switzerland (11)	2,193,300	2,192,400	1,433,000	2,585,200	697,800	689,300	—	—	1,387,100	729,400	468,700
Austria	1,350,400	1,350,400	653,100	1,350,900	153,000	364,400	—	—	517,400	464,000	369,500
Ireland	854,800	754,900	519,000	1,111,200	40,100	333,200	—	30,200	403,500	363,400	344,300
Total Western Europe	39,638,200	39,182,300	21,106,700	44,446,000	6,563,200	12,388,900	—	30,200	18,982,300	13,586,400	11,877,300
Poland	2,783,900	2,706,100	1,437,400	2,755,000	282,600	918,800	—	—	1,201,400	997,200	556,400
Hungary	1,556,400	1,540,300	1,075,900	1,967,300	209,600	430,900	280,400	—	920,900	554,100	492,300
Romania	2,405,200	2,282,800	1,186,300	1,925,200	305,600	548,400	324,800	—	1,178,800	433,500	312,900
Czech Republic	1,372,700	1,282,400	716,300	1,185,900	89,600	369,500	112,000	—	571,100	445,000	169,800
Slovakia	504,500	482,000	280,000	432,300	39,300	141,800	66,100	600	247,800	116,800	67,700
Total Central and Eastern Europe	8,622,700	8,293,600	4,695,900	8,265,700	926,700	2,409,400	783,300	600	4,120,000	2,546,600	1,599,100
Total European Operations Division	48,260,900	47,475,900	25,802,600	52,711,700	7,489,900	14,798,300	783,300	30,800	23,102,300	16,133,000	13,476,400
Chile	2,978,800	2,459,700	1,225,300	2,639,300	111,600	901,900	—	—	1,013,500	932,000	693,800
Puerto Rico	706,500	706,500	281,600	590,900	—	219,900	—	—	219,900	210,300	160,700
Grand Total	**51,946,200**	**50,642,100**	**27,309,500**	**55,941,900**	**7,601,500**	**15,920,100**	**783,300**	**30,800**	**24,335,700**	**17,275,300**	**14,330,900**

(1) Homes Passed are homes, residential multiple dwelling units or commercial units that can be connected to our networks without materially extending the distribution plant, except for DTH and MMDS homes. Our Homes Passed counts are based on census data that can change based on either revisions to the data or from new census results. We do not count homes passed for DTH. With respect to MMDS, one MMDS customer is equal to one Home Passed. Due to the fact that we do not own the partner networks (defined below) used in Switzerland and the Netherlands (see note 11 below), we do not report homes passed for Switzerland's and the Netherlands' partner networks.

(2) Two-way Homes Passed are Homes Passed by those sections of our networks that are technologically capable of providing two-way services, including video, internet and fixed-line telephony services.

(3) Customer Relationships are the number of customers who receive at least one of our video, internet or fixed-line telephony services that we count as Revenue Generating Units (RGUs), without regard to which or to how many services they subscribe. To the extent that RGU counts include equivalent billing unit (EBU) adjustments, we reflect corresponding adjustments to our Customer Relationship counts. For further information regarding our EBU calculation, see Additional General Notes to Tables below. Customer Relationships generally are counted on a unique premises basis. Accordingly, if an individual receives our services in two premises (e.g., a primary home and a vacation home), that individual generally will count as two Customer Relationships. We exclude mobile customers from Customer Relationships. For Belgium, Customer Relationships only include customers who subscribe to an analog or digital cable service due to billing system limitations.

(4) Revenue Generating Unit is separately an Analog Cable Subscriber, Digital Cable Subscriber, DTH Subscriber, MMDS Subscriber, Internet Subscriber or Fixed-line Telephony Subscriber. A home, residential multiple dwelling unit, or commercial unit may contain one or more RGUs. For example, if a residential customer in our Austrian system subscribed to our digital cable service, fixed-line telephony service and broadband internet service, the customer would constitute three RGUs. Total RGUs is the sum of Analog Cable, Digital Cable, DTH, MMDS, Internet and Fixed-line Telephony Subscribers. RGUs generally are counted on a unique premises basis such that a given premises does not count as more than one RGU for any given service. On the other hand, if an individual receives one of our services in two premises (e.g., a primary home and a vacation home), that individual will count as two RGUs for that service. Each bundled cable, internet or fixed-line telephony service is counted as a separate RGU regardless of the nature of any bundling discount or promotion. Non-paying subscribers are counted as subscribers during their free promotional service period. Some of these subscribers may choose to disconnect after their free service period. Services offered without charge on a long-term basis (e.g., VIP subscribers, free service to employees) generally are not counted as RGUs. We do not include subscriptions to mobile services in our externally reported RGU counts. In this regard, our December 31, 2014 RGU counts exclude our separately reported postpaid and prepaid mobile subscribers in the U.K., Belgium, Germany, the Netherlands, Chile, Hungary, Poland, Switzerland and Austria of 3,053,000, 894,500, 309,800, 129,500, 110,500, 11,200, 10,600, 8,800 and 200, respectively. Our mobile subscriber count represents the number of active subscriber identification module (SIM) cards in service.

(5) Analog Cable Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our analog cable service over our broadband network. Our Analog Cable Subscriber counts also include subscribers who may use a purchased set-top box or other means to receive our basic digital cable channels without subscribing to any services that would require the payment of recurring monthly fees in addition to the basic analog service fee (Basic Digital Cable Subscriber). Our Basic Digital Cable Subscribers are attributable to the fact that our basic digital cable channels are not encrypted in certain portions of our footprint and the use of purchased digital set-top boxes in Belgium. In Europe, we have approximately 110,600 "lifeline" customers that are counted on a per connection basis, representing the least expensive regulated tier of video cable service, with only a few channels.

(6) Digital Cable Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our digital cable service over our broadband network or through a partner network. We count a subscriber with one or more digital converter boxes that receives our digital cable service in one premises as just one subscriber. A Digital Cable Subscriber is not counted as an Analog Cable Subscriber. As we migrate customers from analog to digital cable services, we report a decrease in our Analog Cable Subscribers equal to the increase in our Digital Cable Subscribers. As discussed in further detail in note 5 above, Basic Digital Cable Subscribers are not included in the respective Digital Cable Subscriber counts. Subscribers to digital cable services provided by our operations in Switzerland and the Netherlands over partner networks receive analog cable services from the partner networks as opposed to our operations.

(7) DTH Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our video programming broadcast directly via a geosynchronous satellite.

(8) MMDS Subscriber is a home, residential multiple dwelling unit or commercial unit that receives our video programming via MMDS.

(9) Internet Subscriber is a home, residential multiple dwelling unit or commercial unit that receives internet services over our networks, or that we service through a partner network. Our Internet Subscribers exclude 89,200 asymmetric digital subscriber line (ADSL) subscribers within our U.K. segment and 65,900 digital subscriber line (DSL) subscribers within our Austria segment that are not serviced over our networks. Our Internet Subscribers do not include customers that receive services from dial-up connections. In Switzerland, we offer a 2 Mbps internet service to our Analog and Digital Cable Subscribers without an incremental recurring fee. Our Internet Subscribers in Switzerland include 66,800 subscribers who have requested and received this service.

(10) Fixed-line Telephony Subscriber is a home, residential multiple dwelling unit or commercial unit that receives voice services over our networks, or that we service through a partner network. Fixed-line Telephony Subscribers exclude mobile telephony subscribers. Our Fixed-line Telephony Subscribers exclude 59,300 and 48,400 subscribers within our segments in the U.K. and Austria, respectively, that are not serviced over our networks. In Switzerland, we offer a basic phone service to our Analog and Digital Cable Subscribers without an incremental recurring fee. Our Telephony Subscribers in Switzerland include 2,800 subscribers who have requested and received this service.

(11) Pursuant to service agreements, Switzerland and, to a much lesser extent, the Netherlands offer digital cable, broadband internet and fixed-line telephony services over networks owned by third-party cable operators (partner networks). A partner network RGU is only recognized if there is a direct billing relationship with the customer. At December 31, 2014, Switzerland's partner networks account for 143,600 Customer Relationships, 279,500 RGUs, 107,700 Digital Cable Subscribers, 101,900 Internet Subscribers and 69,900 Fixed-line Telephony Subscribers.

Additional General Notes to Table:

Most of our broadband communications subsidiaries provide fixed-line telephony, broadband internet, data, video or other business services. Certain of our business service revenue is derived from small or home office (SOHO) subscribers that pay a premium price to receive enhanced service levels along with video, internet or fixed-line telephony services that are the same or similar to the mass marketed products offered to our residential subscribers. All mass marketed products provided to SOHOs, whether or not accompanied by enhanced service levels and/or premium prices, are included in the respective RGU and customer counts of our broadband communications operations, with only those services provided at premium prices considered to be "SOHO RGUs" or "SOHO customers". With the exception of our business SOHO subscribers, we generally do not count customers of business services as customers or RGUs for external reporting purposes.

Certain of our residential and commercial RGUs are counted on an EBU basis, including residential multiple dwelling units and commercial establishments, such as bars, hotels and hospitals, in Chile and Puerto Rico and certain commercial and residential multiple dwelling units in Europe (with the exception of Germany and Belgium, where we do not count any RGUs on an EBU basis). Our EBUs are generally calculated by dividing the bulk price charged to accounts in an area by the most prevalent price charged to non-bulk residential customers in that market for the comparable tier of service. As such, we may experience variances in our EBU counts solely as a result of changes in rates. In Germany, homes passed reflect the footprint, and two-way homes passed reflect the technological capability of our network up to the street cabinet, with drops from the street cabinet to the building generally added, and in-home wiring generally upgraded, on an as needed or success-based basis. In Belgium, Telenet leases a portion of its network under a long-term capital lease arrangement. These tables include operating statistics for Telenet's owned and leased networks.

While we take appropriate steps to ensure that subscriber statistics are presented on a consistent and accurate basis at any given balance sheet date, the variability from country to country in (1) the nature and pricing of products and services, (2) the distribution platform, (3) billing systems, (4) bad debt collection experience and (5) other factors add complexity to the subscriber counting process. We periodically review our subscriber counting policies and underlying systems to improve the accuracy and consistency of the data reported on a prospective basis. Accordingly, we may from time to time make appropriate adjustments to our subscriber statistics based on those reviews.

Subscriber information for acquired entities is preliminary and subject to adjustment until we have completed our review of such information and determined that it is presented in accordance with our policies.

Residential Services

- *Video.* Our cable operations offer a full range of video services, including basic and premium programming, which can be viewed on the television and, in select markets, through internet connected devices in the home and whenever there is internet connectivity. We provide advanced service offerings, such as an electronic programming guide, high definition (HD) channels, digital video recorders (DVR) and HD DVR. In certain markets, our advance service offerings also include video-on-demand (VoD) and advance next generation set-top boxes like the multimedia home gateway "Horizon TV" or the "TiVo" service offered by Virgin Media in the U.K. These services, together with DVR and HD DVR functionality, give our customers the ability to control when they watch their programming. In several of our markets, we have enhanced pay-per-view programming on channels we distribute and through VoD. In addition, we offer select programming in three-dimensional (3D) format to our customers who have 3D capable televisions. Several of our operations offer television applications (apps) that allow access to programming on a variety of devices, including laptops, smartphones and tablets.

  To receive our digital services, a subscriber must either rent a set-top box from our operators, or purchase one and obtain a conditional access security card, or a "smart card", from our operators. Neither a set-top box nor a smart card is required to receive basic digital television channels in our unencrypted footprints. Accordingly, where our basic digital television channels are unencrypted, subscribers are able to also watch our basic digital television channels, provided that they pay the monthly subscription fee for our analog package and have televisions capable of receiving digital signals. The basic digital television channels in our entire footprints in Germany, Switzerland, Austria, Poland, the Czech Republic and Romania are unencrypted as of December 31, 2014. In the Netherlands, the footprint of UPC Nederland is also unencrypted. We plan to unencrypt the digital versions of our basic analog tier in our entire footprint in the Netherlands in 2015 and we may take similar steps in additional markets in 2015 and future periods. Regardless of whether basic digital channels are offered on an unencrypted basis, expanded channel packages and premium channels and services continue to be available for an incremental monthly fee in all of our markets.

  In some of our markets, instead of a set-top box, a subscriber may use a common interface plus (CI+) module to access our encrypted digital services. A CI+ module is a small device (credit card size) that allows customers with a CI+ enabled television set, who subscribe to, or otherwise have access to, our digital video service, to view such services without a set-top box. No set-top box, CI+ module or smart card is required to receive our analog or unencrypted basic digital services.

  Our cable operations generally offer two or three tiers of digital video programming and audio services. Subscribers to our basic digital video service pay a fixed monthly fee and generally receive at least 60 video channels and several audio services. This service also includes VoD access and an electronic programming guide. In our markets where our basic digital service is not encrypted, the cost of our digital service is the same cost as our analog services. In the markets where we encrypt our basic digital service, our digital service is generally offered at an incremental cost equal to or slightly higher than the monthly fee for our basic analog service. For an additional monthly charge, a subscriber may upgrade to one of our extended digital tier services and receive an increased number of video channels, including the channels in the basic tier service. A limited number of HD channels are generally included in our basic tiers of service. Digital subscribers may also subscribe to one or more packages of premium channels, including additional HD channels. In all digital tiers of service, a subscriber also has the option for an incremental monthly charge to upgrade the standard digital device to one with DVR or HD DVR capabilities, which may be rented or purchased. Customers who subscribe to a digital tier generally receive a VoD enabled set-top box without an additional monthly charge. Our VoD services, including catch-up television, are available on a subscription basis or a transaction basis, depending on location and the tier of digital service selected by the subscriber.

  In addition to our digital video services, we offer limited analog services in all of our broadband markets, except in the U.K. and in Puerto Rico. Subscribers to our analog video service typically receive 21 to 67 channels of video service, depending on their location. Subscribers to our digital services also receive the channels available through our analog service. In Ireland and Slovakia, we offer a limited number of video channels through MMDS.

  Discounts to our monthly service fees are available to any subscriber who selects a bundle of two or more of our services (bundled services): video, internet, fixed-line telephony and, in certain markets, mobile services. Bundled services consist of "double-play" for two services, "triple-play" for three services and "quadruple-play" for four services.

  We tailor our tiers of video services in each country of operation based on programming preferences, culture, demographics and local regulatory requirements. Our channel offerings include general entertainment, sports, movies, documentaries, lifestyles, news, adult, children and ethnic and foreign channels. In each of our markets, we also offer a variety of premium channel packages (such as sports, family and international focus) and our VoD service provides a wide variety of movies and special events to meet the special interests of our subscribers. In all of our broadband operations, we continue to upgrade our systems to expand our digital services and encourage our analog subscribers to convert to a digital or premium digital service.

We offer digital video services through DTH satellite in the Czech Republic, Hungary, Romania and Slovakia. We offer these services through UPC DTH S.á.r.l (UPC DTH), a subsidiary of UPC Holding organized in Luxembourg, which also has a management arrangement with another subsidiary, FocusSat Romania Srl (FocusSat), to provide these services in Romania. Similar to our video cable services, we offer a lifeline tier of service, a basic video tier of service and, for an additional monthly charge, subscribers may upgrade to an extended tier of service and may subscribe to various premium channel packages.

- *Interactive Services.* To enhance our customers video experience, we offer "Horizon TV", a next generation multimedia home gateway, in Germany, Switzerland, Ireland and in the UPC Nederland footprint of the Netherlands. Horizon TV is a central media platform that is capable of distributing video, voice and data content throughout the home and to multiple devices. It has a sophisticated user interface that enables customers to view linear channels, VoD programming and personal media content and to pause, replay and record programming. The Horizon TV platform sets up a wireless network that connects the digital video content available on the television to other devices, such as laptops, smartphones and tablets. It also integrates access to personal media content, such as photos, music and movies stored in the home network.

  The box for Horizon TV has six inbuilt tuners, two of which are dedicated to channel-surfing. This allows the customer to view programming information while their current program is playing. Also, up to four programs can be recorded simultaneously and up to four devices can connect to the Horizon TV box at the same time and view different content. In certain markets, we offer a box for Horizon TV without the recording functionality. For our multimedia gateway customers, we also offer apps for various services. We intend to (1) expand the availability of Horizon TV to other markets within our footprint and (2) continue to improve the Horizon TV user experience with new functionality and software updates.

  For our Horizon TV subscribers, we offer apps for various online services (such as YouTube, Facebook, Picasa and others). The Horizon family of products also includes an online television app for viewing on a second screen called "Horizon Go" that allows video customers to view linear channels, with many channels available outside of the home. Horizon Go also offers access to VoD, and, for Horizon TV customers, when in the home, the second screen devices also act as a remote control. We also have available through Horizon Go the ability to remotely schedule the recording of a television program on the Horizon TV box at home through an iOS or Android mobile digital device or an internet web browser. Other iOS and Android apps that are available allow customers to use their smartphone as an extension of their home phone line.

  At December 31, 2014, we had 911,700 Horizon TV subscribers. We are expanding the Horizon TV experience through cloud TV, including cloud DVR, VoD navigation and advanced applications. The Horizon TV cloud platform allows users to stream experiences to set-top boxes and CI+ modules. It also integrates access to personal media content, such as photos, music and movies stored in the home or in the cloud, enabling access on devices both in and outside the home. In November 2014, we launched this cloud-based Horizon TV platform in select areas in Poland, followed by a full commercial launch in January 2015. In Poland, we had over 1,800 Horizon TV subscribers at December 31, 2014. Digital video experiences are offered by us through the "TiVo" platform in the U.K. under a strategic partnership agreement with TiVo Inc. The TiVo boxes provide converged television and broadband internet capabilities.

  In addition, we have launched our subscription VoD offering, which we refer to as "MyPrime". MyPrime offers customers unlimited streaming access to a library of on-demand content. Each library has been tailored to the specific market based on available content, consumer preferences and competitive offers. Generally, the library contains 1,500 movies and 2,000 TV episodes from local and international suppliers such as ABC/Disney, NBC/Universal, CBS/Paramount, Warner TV and Sony. The MyPrime offering also includes over 500 children's episodes. Where available, MyPrime is included with the Horizon TV platform services (or separately as a premium channel for non-Horizon TV subscribers). We have launched MyPrime in the Netherlands, Switzerland, Poland and Hungary.

- *Broadband Internet.* We offer multiple tiers of broadband internet service in all of our broadband communications markets. Depending on location, this service includes download speeds ranging from less than 1 Mbps to an ultra high-speed internet service of 500 Mbps in Hungary and Romania. To a select market in Switzerland, we also have available an ultra high-speed internet service with download speeds of up to 500 Mbps. Our key mass-market package in most of our European operations include a download speed of up to 120 Mbps. Generally, we provide our broadband internet service without any time or data volume restrictions. Our ultra high-speed internet service is based primarily on Euro

DOCSIS 3.0 technology, which is an international standard that defines requirements for a data transmission over a cable system. Our internet service generally includes email, address book, parental controls and online audio. We also offer value-added broadband services through certain of our operations for an incremental charge. These services include security (e.g., anti-virus and spam protection) and online storage and web spaces. In certain of our markets, we offer mobile broadband services as described under —*Mobile* below.

Our residential subscribers generally access the internet via cable modems connected to their internet capable devices, including personal computers, at various speeds depending on the tier of service selected. This standard means of access is changing as we expand our services to offer wireless networks for the home. In certain of our markets, we are deploying a community WiFi in the home (Community WiFi), which provides a seamless connectivity experience over WiFi to our customers. The Community WiFi is branded as "Wi-Free" in Belgium, Switzerland, Ireland, Poland, Hungry and Romania, as "WifiSpots" in the Netherlands and as "WiFi Buddy" in the U.K. At December 31, 2014, we had approximately 5.1 million WiFi access points in our European footprint. In 2015, through an agreement with Comcast Corporation, our internet customers will also have access to millions of new WiFi access points in the U.S. and across various European countries, for no additional costs. In the U.K., Virgin Media's customers have access to an extensive network of public WiFi access points, including in the London underground train stations.

Community WiFi is enabled by a cable modem WiFi access point (WiFi modem) in the set-top box, and starting in 2014 the Horizon TV box, of our internet customers. Access is free for our internet customers. The Community WiFi is created through the sharing of access to the public channel of our customers' home wireless routers. The public channel is a separate network from the secure private network used by the customer within the home and is automatically enabled when the WiFi modem is installed. By using the WiFi modems and the Horizon TV box, the Community WiFi does not affect the internet speeds of our customers.

In the Netherlands, Romania and Switzerland, a subscriber must subscribe to our video service in order to subscribe to our internet service. In our other markets, our broadband internet service is available on a standalone basis or in combination with one or more of our other services. Subscribers to our internet service pay a monthly fee based on the tier of service selected. In addition to the monthly fee, customers pay an activation service fee upon subscribing to an internet service. This one time fee may be waived for promotional reasons. We determine pricing for each different tier of internet service through an analysis of speed, market conditions and other factors.

- *Telephony.* Multi-feature fixed-line telephony services are available through our managed, quality of service based voice-over-internet-protocol (VoIP) technology in all of our broadband communication markets. In the U.K., Chile and Hungary, we also provide traditional circuit-switched fixed-line telephony services. We pay interconnection fees to telephony providers when calls by our subscribers terminate on another network and receive similar fees from providers when calls by their users terminate on our network through interconnection points.

  Our fixed-line telephony service may be selected in several of our markets on a standalone basis and in all of our markets in combination with one or more of our other services. Our fixed-line telephony service includes a basic fixed-line telephony product for line rental and various calling plans, which may consist of any of the following: unlimited network, national or international calling, unlimited off-peak calling and minute packages, including calls to fixed and mobile phones. We also offer value added services, such as a personal call manager, unified messaging and a second or third phone line at an incremental cost. In some of our markets, we offer a phone app that allows our fixed-line telephony customers with smartphones to use their fixed-line call packages.

- *Mobile.* We offer mobile services, both data and voice, as an MVNO over third-party networks in the U.K., Germany, the Netherlands, Belgium, Switzerland, Austria, Chile and Hungary. In Poland we have a small legacy MVNO service that we maintain for those subscribers. We plan to add MVNO arrangements in certain of our other broadband communication markets. The Netherlands, Belgium, Switzerland, Austria, Hungary and Chile provide their mobile telephony services as full MVNOs through partnerships with a third-party mobile network operator in their respective footprints. All of these operations lease the third party's radio access network and, except for the network in the footprint of Ziggo, own the core network, including switching, backbone, interconnections, etc. These arrangements permit us to offer our customers in these markets all mobile services using the core network without having to build and operate a cellular radio tower network. In the U.K. and Germany, we provide mobile telephony as light MVNOs. In these countries, we lease the core network as well as the radio access network from a mobile network operator. These arrangements permit our customers in these countries to have access to the third party mobile communications services while we maintain the customer relationship. We offer our mobile services throughout the U.K., Belgium, Austria and Chile. Our mobile services in Hungary are available in select areas, with full commercial launch expected in March 2015. In the Netherlands, Germany and Switzerland, we offer our mobile service to our customers located within our footprints who subscribe to at least one of our other products: video, broadband internet or fixed-line telephony.

Where mobile services are available within our operations, subscribers pay varying monthly fees depending on whether the mobile service is included with our fixed-line telephony service or includes mobile data services via mobile phones, tablets or laptops. Our mobile services typically include voice, short message service (or SMS) and internet or data access. Calls, both within and out of network, incur a charge or are covered under a postpaid monthly service plan. Our standalone mobile services are primarily on a postpaid basis with customers subscribing to services for periods ranging from activation for a SIM-only contract to up to 24 months, with the latter often taken with a subsidized mobile handset. In Belgium, however, our postpaid service is offered without a minimum contract term. In the U.K., we also offer a prepaid service, where the customers pay in advance for a pre-determined amount of airtime or data and generally have no minimum contract term. In almost all of our markets, subscribers to a double-or triple-play bundle receive a discount on their mobile service fee.

Business Services

In addition to our residential services, we offer voice, broadband internet, data, video, wireless and cloud services to business customers and public sector organizations. Our business services are designed to meet the specific demands of the business customer. These services differ from residential services in several fundamental ways, such as bandwidth, service levels, billing, security services and the blending of public and private network features. Our business customers include SOHO (generally fewer than 10 employees), small business and medium and large enterprises, as well as on a wholesale basis to other operators. In addition, in some of our markets, we target specific industry segments, such as financial institutions, health care facilities, education institutions and government offices, with tailored solutions combining our standard services with value added features, such as dedicated customer care and enhanced service performance monitoring. We also offer a range of data, voice and internet services to carriers, internet service providers (ISPs) and mobile operators.

Our business services are designed to meet the specific demands of our business customers with a wide range of services. These services fall into five broad categories: (1) VoIP and circuit-switch telephony, hosted private branch exchange solutions and conferencing options, (2) data services for internet access, virtual private networks Ethernet transport and high capacity point-to-point services, (3) video programming packages and select channel lineups for targeted industries, (4) wireless services for mobile voice and data, as well as WiFi networks, and (5) value added services, including webhosting, managed security systems and storage and cloud enabled software.

Our business services are provided to customers at established prices based on the type of services received, the volume and the duration of the service agreement. SOHO and small business customers pay business market prices on a monthly subscription basis to receive enhanced service levels and business features that support their needs. For more advanced business services, these customers generally enter into a service agreement. For medium to large business customers, we enter into individual agreements that address their needs. These agreements are generally for a period of one or more years.

Technology

In almost all of our markets, our video, broadband internet and fixed-line telephony services are transmitted over a hybrid fiber coaxial cable network. This network is composed primarily of fiber optics with only the last part that connects the home to the network composed of coaxial cable. Over 97% of our network allows for two-way communications and is flexible enough to support our current services, as well as new services. In addition, the capacity available on our network increases as our analog subscribers switch to a digital service. This is because multiple digital channels can be compressed into the same space as a single analog channel in the broadcast spectrum. The available space can then be used for other purposes, such as VoD services and high broadband speeds.

We continue to explore new technologies that will enhance our customer’s connected entertainment experience, such as:

- recapturing bandwidth and optimizing our networks by:
  - increasing the number of nodes in our markets;
  - increasing the bandwidth of our hybrid fiber coaxial cable network to 1 GHz;
  - converting analog channels;
  - bonding additional 3.0 channels; and
  - using digital compression technologies;

- increasing the efficiency of our networks by moving headend functions (encoding, transcoding and multiplexing) to the cloud;
- enhancing our network to accommodate business services;
- using wireless technologies to extend our services outside the home;
- offering remote access to our video services through laptops, smartphones and tablets; and
- developing and introducing next-generation platforms through multimedia home gateways or online media sharing and streaming or cloud based video, as well as enhanced next generation user interfaces for existing set-top boxes.

In addition, we may expand our hybrid fiber coaxial cable network into new market areas. For example, in 2015, we plan to undertake a network extension program in the U.K. See Item 7. *Overview*.

We deliver our high-speed data and fixed-line telephony over our cable network. The cable networks of our operations are connected to our “aorta” backbone, a tier 1 carrier, that permits us to serve our customers through settlement free collaboration with other carriers without the cost of using a third-party network.

Supply Sources

For our video services, we license almost all of our programming and on-demand offerings from broadcast and cable programming networks, as well as DTH content providers. For such licenses, we generally pay a monthly fee on a per channel or per subscriber basis. We generally enter into long-term programming licenses with volume discounts and marketing support. For on-demand programming and streaming services, we generally enter into shorter-term agreements. For our distribution agreements, we seek to include the rights to offer the licensed programming to our customers through multiple delivery platforms and through our apps for smartphones and tablets.

We purchase each type of customer premise equipment from a number of different suppliers with at least two or more suppliers for our high-volume products. Customer premise equipment includes set-top boxes, modems, CI+ modules, DVRs, tuners and similar devices. For each type of equipment, we retain specialists to provide customer support. For our broadband services, we use a variety of suppliers for our network equipment and the various services we offer. Similarly, we use a variety of suppliers for mobile handsets to offer customers in our operations with mobile services.

We license software products, including email and security software, and content, such as news feeds, from several suppliers for our internet services. The agreements for these products require us to pay a per subscriber fee for software licenses and a share of advertising revenue for content licenses. For our TiVo service in the U.K., we have a partnership arrangement where TiVo is the exclusive provider of the user interface software for our next generation set-top boxes, which provide converged television and broadband internet capabilities, and we are the exclusive distributor of the TiVo services and technology in the U.K. For our fixed-line telephony services, we license software products, such as voicemail, text messaging and caller ID, from a variety of suppliers. For these licenses we seek to enter into long-term contracts, which generally require us to pay based on usage of the services.

The following table presents certain penetration and network data as of December 31, 2014, with respect to the cable systems of our consolidated subsidiaries in Europe, Chile and Puerto Rico. The table reflects 100% of the data applicable to each of our subsidiaries regardless of our ownership percentage. Percentages are rounded to the nearest whole number.

Network & Product Penetration Data (%)
at December 31, 2014

	U.K.	Germany	The Netherlands	Belgium	Switzerland	Austria	Ireland	Poland	Hungary	Czech Republic	Romania	Slovakia	Chile	Puerto Rico
Liberty Global Network Data:														
Two-way homes passed (HP) percentage (1)	100	98	100	100	100	100	88	97	99	93	95	96	83	100
Digital video availability percentage (2)	100	100[9]	100[10]	100	100[9]	95	97	97	98	95	95	96	82	100
Broadband internet availability percentage (2)	100	98[9]	100	100	100[9]	100	88	97	99	95	95	93	83	100
Fixed-line telephony availability percentage (2)	100	98[9]	100	100	100[9]	100	87	96	99	95	95	93	82	100
Bandwidth percentage (3):														
at least 860 MHz	14	98	100	26	100	85	59	99	20	94	95	97	64	40
750 MHz to 859 MHz	76	--	--	--	--	--	35	--[11]	55	--	--[11]	--	22	--
less than 750 MHz	10	2	--	74	--	15	6	1	25	6	5	3	14	60
Liberty Global Product Penetration:														
Cable television penetration (4)	30	52	61	71	63	38	44	43	41	33	36	36	34	31
Digital cable penetration (5)	100	35	79	76	50	70	89	76	67	80	64	78	89	100
HD, DVR & HD DVR penetration (6)	86	46	31	100	89	79	89	93	42	47	23	35	41	55
Broadband internet penetration (7)	36	23	44	52	33	34	48	37	36	35	19	24	38	30
Fixed telephony penetration (7)	33	22	37	40	21	27	46	21	32	13	14	14	28	23
Double-play penetration (8)	18	9	15	29	18	14	25	23	13	37	17	9	22	19
Triple-play penetration (8)	66	31	58	51	31	47	44	34	35	14	23	23	47	45

(1) Percentage of total HP that are two-way HP.

(2) Percentage of total HP to which digital video (including digital MMDS), broadband internet or fixed telephony services, as applicable, are made available.

(3) Percentage of total HP served by a network with the indicated bandwidth. HP for Ireland excludes MMDS HP.

(4) Percentage of total HP that subscribe to cable television services (Analog Cable or Digital Cable).

(5) Percentage of cable television subscribers (Analog Cable and Digital Cable Subscribers) that are Digital Cable Subscribers.

(6) Percentage of Digital Cable Subscribers with HD, DVR or HD DVR. This Percentage would not include subscribers who may use a purchased set-top box or other means to receive our basic digital cable channels without subscribing to any services that would require the payment of recurring monthly fees in addition to the basic analog service fee due to the fact that our basic digital cable channels are not encrypted in certain portions of our footprint.

(7) Percentage of two-way HP that subscribe to broadband internet or fixed-line telephony services, as applicable.

(8) Percentage of total customers that subscribe to two services (double-play customers) or three services (triple-play customers) offered by our operations (video, broadband internet and fixed-line telephony).

(9) Assuming the contractual right to serve the building exists in the case of multiple dwelling units.

(10) Digital video is 100% available in the Ziggo footprint and 99% available in the UPC Nederland footprint.

(11) Less than 1%.

The following table provides information on the products and services available to our cable customers as of December 31, 2014. Percentages are rounded to the nearest whole number.

Video, Broadband Internet & Fixed-Line Telephony and Mobile Services at December 31, 2014

	U.K.	Germany	The Netherlands	Belgium	Switzerland	Austria	Ireland	Poland	Hungary	Czech Republic	Romania	Slovakia	Chile	Puerto Rico
Video services (excluding DTH):														
Next Generation Video (1)	X	X	X		X		X	X[8]						
VoD	X	X	X	X	X	X	X	X	X				X	X
DVR	X	X	X	X	X	X	X	X	X	X	X	X	X	X
HD	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Electronic programming guide	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Number of channels in basic digital tier	61	84 or 83[4]	81 or 60[5]	75	85	103	63	129	88	100	141	99	86	105
Number of channels in basic analog tier (2)	n/a	40 or 38[4]	30 or 25[5]	21	65	30	26	32 or 42[9]	29	41	51	47	67	n/a
Number of unique channels in basic digital tier (3)	61	44 or 45[4]	51 or 35[5]	54	20	70	37	87 or 97[9]	55	75	90	51	19	105
Number of HD channels	43	66 or 67[4]	52 or 41[5]	15	90	48	41	53	24	36	33	26	33	101
Broadband internet service:														
Maximum download speed offered (Mbps)	152	200	200 or 180[5]	160	250[6]	250	200	250	500	240	500	300	120	100
Percentage of Two-way Homes Passed with 3.0 speeds of at least 100 Mbps	100	100	99 or 100[5]	100	100	100	98	100	93	98	100	100	100	100
Fixed-line telephony and mobile services:														
VoIP Fixed-line	[7]	X	X	X	X	X	X	X	X	X	X	X	X	X
Mobile (MVNO)	X	X	X	X	X	X		[10]	[11]				X	

(1) Available on the Horizon TV platform, except in the U.K. where these services are available through TiVo.

(2) Excludes the lifeline tier.

(3) Excludes the channels that are also included in basic analog tier.

(4) Depending on whether the subscriber is located in Baden-Württemberg, North Rhine-Westphalia or Hesse.

(5) Depending on whether the subscriber is located in the UPC Nederland footprint or the Ziggo Footprint.

(6) Offers 500 Mbps in a limited area.

(7) Available to business customers only.

(8) Launched in select areas in November 2014, with full commercial launch in January 2015.

(9) Depending on location.

(10) Limited to legacy subscribers.

(11) Available in select areas.

Operations

Provided below is country-specific information with respect to the broadband communications and DTH services of our subsidiaries.

- *United Kingdom and Ireland.* The European Operations Division operates a cable network in the U.K. under the Virgin Media brand and cable and MMDS networks in Ireland under the UPC brand (UPC Ireland). Both Virgin Media's and UPC Ireland's video services include a broad range of digital interactive services, including VoD, and a range of premium subscription-based and pay-per-view services.

  U.K. Virgin Media offers triple-play services consisting of video, internet and fixed-line telephony in parts of many metropolitan areas in England, Wales, Scotland and Northern Ireland. Virgin Media also offers quadruple-play services that include mobile voice and data services as an MVNO through an arrangement with a mobile communications provider.

  As a complement to its broadband services, Virgin Media offers a comprehensive internet streaming video service, Virgin TV Anywhere, that allows its video customers to stream up to 103 real-time video channels and watch VoD content anywhere in the U.K. where they have a broadband connection. The streaming service is available at no extra cost to Virgin Media's digital video customers. In addition, Virgin Media offers the multimedia home gateway TiVo to its digital video customers. Customers can record up to three programs simultaneously when watching an existing recording. TiVo customers can also access real-time television channels and manage their TiVo box with a laptop, smartphone or tablet. When in the home, these devices also act as a remote control for TiVo. It also offers a TiVo app for the Netflix video service that allows up to five individual profiles on a single account. At December 31, 2014, Virgin Media had 2.5 million connected TiVo customers. Virgin Media does not offer an analog video service.

  Virgin Media offers its subscribers premium digital channels from Sky plc (Sky) through an agreement with Sky and premium BT Sport channels through an agreement with BT Group plc (BT). Virgin Media subscribers may receive these channels through a smart card on Virgin Media's network as part of Virgin Media's services or for an incremental subscription fee. In addition, Virgin Media subscribers using TiVo may access internet programming services and a Eurosport app pursuant to agreements between Virgin Media and such service providers.

  Through its twisted copper network, Virgin Media offers fixed-line telephony services to its residential customers. It offers its mobile service on both a prepaid and postpaid basis. Virgin Media's telephony services via VoIP are only available to its business customers. In addition, Virgin Media offers mobile services and its customers have access to an extensive network of public WiFi hotspots, including in the London underground train (or Tube) stations.

Ireland. UPC Ireland's operations are located in five regional clusters, including the capital city of Dublin and other cities, including Cork, Galway and Limerick. To complement its digital offering, UPC Ireland offers its digital subscribers several premium channels (sports, movies, adult, ethnic and kids). UPC Ireland's services include Horizon TV and, at December 31, 2014, it had 113,000 connected Horizon TV subscribers. It also offers Horizon Go, giving access to linear channels and VoD programming. For its business customers, UPC Ireland has introduced a number of Community WiFi networks. In January 2015, UPC Ireland increased its fastest broadband internet download speed to 240 Mbps. Also in 2015, UPC Ireland will expand its products to include mobile services as an MVNO.

- *Germany.* The operations of the European Operations Division in Germany are currently conducted under the brands Unitymedia and Kabel BW (collectively, Unitymedia KabelBW). Unitymedia KabelBW's operations are located in the German federal states of Baden-Württemberg, North Rhine-Westphalia and Hesse and include the major cities of Cologne, Dortmund, Düsseldorf, Essen, Frankfurt, Karlsruhe, Mannheim, Stuttgart and Wiesbaden. Unitymedia KabelBW offers triple-play services consisting of video, internet and fixed-line telephony services in nearly all of its footprint. Unitymedia KabelBW offers a CI+ module to its video cable customers for an incremental monthly charge. No set-top box, CI+ module or smart card is, however, required to receive basic digital services because our basic digital service is unencrypted in our German footprint. In September 2013, Unitymedia KabelBW launched Horizon TV in North Rhine-Westphalia and Hesse followed by a launch in Baden-Württemberg in November 2014. At December 31, 2014, Unitymedia KabelBW had over 245,000 connected Horizon TV subscribers.

  Through an agreement with Sky Deutschland AG (Sky Deutschland), Unitymedia KabelBW offers its subscribers premium video channels from Sky Deutschland. Unitymedia KabelBW subscribers may receive Sky Deutschland channels for an incremental subscription fee through a smart card on the Unitymedia KabelBW network. VoD is available to subscribers to its digital video service on a pay-per-view basis and includes HD and 3D content. In addition, Unitymedia KabelBW offers Horizon Go, giving subscribers access to 100 linear channels of which 13 channels plus VoD programming may be accessed remotely.

  Approximately two-thirds of Unitymedia KabelBW's video customers are in multiple dwelling units where Unitymedia KabelBW has the billing relationship with the landlord or housing association or with a third party (Professional Operator) that operates and administers the in-building network on behalf of housing associations. Many of these agreements allow Unitymedia KabelBW to offer its digital video, broadband internet and fixed-line telephony services directly to the end customer. Professional Operators may procure the basic video signals from Unitymedia KabelBW at volume-based discounts and generally resells them to housing associations with whom the operator maintains the customer relationship. Unitymedia KabelBW has entered into agreements with Professional Operators, such as Tele Columbus Multimedia GmbH, that allow Unitymedia KabelBW to market its digital video, broadband internet and fixed-line telephony services directly to the Professional Operator's subscriber base.

  Unitymedia KabelBW has entered into various long-term agreements with the incumbent telecommunications operator, Deutsche Telekom AG (Deutsche Telekom), for the lease of cable duct space and hubs, as well as use of fiber optic transmission systems, towers and facility space. In addition, Unitymedia KabelBW purchases a portion of the electricity required for the operation of its networks through Deutsche Telekom under such agreements. Unitymedia KabelBW's ability to offer its broadband communications services to customers is dependent on the agreements with Deutsche Telekom. These agreements are long-term and may only be terminated under certain limited exceptions. Any termination, however, would have a material adverse effect on the operations of Unitymedia KabelBW. For information on a legal action that Unitymedia KabelBW commenced against Deutsche Telekom in December 2012 regarding these agreements, see note 17 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K.

- *The Netherlands.* The operations of the European Operations Division in the Netherlands are conducted by UPC Nederland under the UPC brand and, since November 12, 2014, by Ziggo under the Ziggo brand. UPC Nederland's operations are located in six regional clusters, including the major cities of Amsterdam and Rotterdam. Ziggo's operations cover six regional areas, including the cities The Hague, Utrecht, Maastricht, Groningen and Tilburg. Both UPC Nederland and Ziggo (collectively, the Ziggo Group) offer video, internet, fixed-line telephony and mobile services as an MVNO.

  Digital subscribers may subscribe to premium channels, including HBO, Film1, Sport1, Fox Sports International and the premium football league channel, Fox Sports Eredivisie, alone or in combination, for additional monthly charges. For subscribers in the UPC Nederland footprint who want access to thousands of movies and TV series, the video service MyPrime is available. VoD services, including catch-up television, are available on a subscription or a transaction basis, depending on location and the tier of digital service selected by the subscriber. VoD services are also available to CI+ users in the Ziggo footprint. A subscription-based VoD service is included in the extended digital tier for no additional charge. The transaction VoD service includes over 2,000 titles of on-demand content in the UPC Nederland footprint and over 5,000 titles in the Ziggo footprint.

Horizon TV is available to UPC Nederland customers as are applications on the gateway device that provide access to various internet services, such as YouTube and Facebook. At December 31, 2014, UPC Nederland had over 330,000 connected Horizon TV subscribers. We intend to expand the availability of Horizon TV to Ziggo customers during 2015.

Ziggo offers its customers a cloud-based interactive television service using existing set-top boxes. By combining IP protocol with the standard set-top box, devices without built-in hardware functionality for interactivity can make use of interactive services through the cable network in the Ziggo footprint. Also available in the Ziggo footprint is a CI+ 1.3 module that enables subscribers to the digital video service to view such service without a set-top box and use a single remote control. To utilize this service, Ziggo customers must have a CI+ 1.3 enabled television and obtain the CI+ 1.3 module and smart card from Ziggo. At December 31, 2014, Ziggo had over 690,000 interactive subscribers in the Ziggo footprint.

- *Belgium.* The operations of the European Operations Division in Belgium are conducted under the Telenet brand. At December 31, 2014, we owned 56.6% of Telenet's outstanding ordinary shares. Telenet offers quadruple-play services consisting of video, broadband internet, fixed-line telephony and mobile voice and data services in Belgium, primarily to residential customers in the Flanders region and approximately one-third of the city of Brussels. In addition, pursuant to an agreement executed on June 28, 2008 (the PICs Agreement) with four associations of municipalities in Belgium (the pure intercommunales or PICs), Telenet leases the PICs broadband communications network and, accordingly, makes its services available to all of the homes passed by the cable network owned by the PICs.

Telenet's premium video channels include general entertainment, sports (including non-exclusive broadcasting rights for the domestic football league), documentary, foreign language, kids, music, adult and movies. In February 2013, Telenet launched Yelo TV. Yelo TV is an online video service that offers linear channels and VoD programming on a laptop, smartphone or tablet and in the home on the television via the customer's set-top box. At December 31, 2014, it had over 400,000 connected Yelo TV subscribers. Telenet offers Yelo TV apps that allow Telenet's digital video customers to remotely manage their DVR, view programs remotely (up to seven days after the original broadcast) and access VoD with a laptop, smartphone or tablet. Telenet also offers a CI+ module for an incremental monthly charge to access its encrypted digital service.

Telenet has an extensive network of Community WiFi across its footprint, branded "Wi-Free". The Community WiFi provides free WiFi access to its customers who are traveling within its footprint. Telenet has approximately 1.2 million access points to the Community WiFi as of December 31, 2014, including approximately 2,000 public hotspots covering train stations, bars, hotels and similar public places. In addition, Telenet offers, individually and as a bundle, fixed-line telephony services over its network and mobile telephony services as a full MVNO under the "Telenet Mobile" brand name.

Telenet has the direct customer relationship with the analog and digital video subscribers on the PICs network. Pursuant to the PICs Agreement, Telenet has full rights to use substantially all of the PICs network under a long-term capital lease. Unless extended, the PICs Agreement will expire on September 23, 2046, and cannot be terminated earlier (except in the case of non-payment or bankruptcy of Telenet).

- *Switzerland and Austria.* The European Operations Division also operates a cable network in Switzerland under the UPC Cablecom brand (UPC Cablecom) and cable and DSL networks in Austria under the UPC brand (UPC Austria). The DSL services are provided over an unbundled loop or, in certain cases, over a shared access network. Both UPC Cablecom and UPC Austria offer mobile voice and data services as an MVNO. Customers with the necessary equipment and who subscribe to the analog service are also able to access our basic digital service, which is unencrypted in the UPC Cablecom and UPC Austria's footprints.

<u>Switzerland</u>. UPC Cablecom's operations are located in 24 of the 26 member states (Cantons) of Switzerland, including major cities such as Bern, Zürich, Lausanne and Geneva. UPC Cablecom's basic video service (digital or analog) is available in any one of three languages (French, German or Italian). At the beginning of 2013, UPC Cablecom launched Horizon TV and at December 31, 2014, it had 223,000 connected subscribers. As a complement to its digital video service, UPC Cablecom also offers apps that allow its subscribers to remotely manage a DVR, view linear channels, replay a linear channel without recording it and access VoD with a laptop, smartphone or tablet anywhere a broadband or WiFi connection is available. Beginning in 2015, UPC Cablecom's basic digital service will be a triple-play package consisting of video, broadband internet and fixed-line telephony services, plus an app to use the fixed-line telephony service on a smartphone. In addition, UPC Cablecom has launched a Community WiFi network throughout its footprint.

In each of its digital cable packages, UPC Cablecom includes the functionality for transaction-based VoD service (depending on location), including catch-up television and pay-per-view services, and HD channels. Fully integrated in the VoD service is the video library MyPrime, which UPC Cablecom launched in September 2014. MyPrime is included in the extended digital tiers for no additional charge. UPC Cablecom's basic digital service is not encrypted. A CI+ module or set-top box in combination with a smart card is, however, required to view any of UPC Cablecom's encrypted digital packages with the customer paying the incremental charge over the digital entry tier's applicable rate.

For 66% of its video subscribers, UPC Cablecom maintains billing relationships with landlords or housing associations, and provides basic video service to the tenants. The landlord or housing association administers the billing for the basic video service with their tenants and manages service terminations for their rental units.

UPC Cablecom offers digital video, broadband internet and fixed-line telephony service directly to the analog cable subscribers of those partner networks that enter into service operating contracts with UPC Cablecom. UPC Cablecom has the direct customer billing relationship with these subscribers. By permitting UPC Cablecom to offer some or all of its digital video, broadband internet and fixed-line telephony products directly to those partner network subscribers, UPC Cablecom's service operating contracts have expanded the addressable markets for UPC Cablecom's digital products. In exchange for the right to provide digital products directly to the partner network subscribers, UPC Cablecom pays to the partner network a share of the revenue generated from those subscribers. UPC Cablecom also provides full or partial analog television signal delivery services, network maintenance services and engineering and construction services to its partner networks.

Austria. UPC Austria's cable operations are located in regional clusters encompassing the capital city of Vienna, the regional capitals of Graz, Innsbruck and Klagenfurt, two smaller cities and the Vorarlberg region. Three of these cities (Vienna, Wr. Neustadt and Baden), directly or indirectly, own 5% of the local operating subsidiary of UPC Austria serving the applicable city. UPC Austria's DSL operations are available in the majority of Austria, wherever the incumbent telecommunications operator has implemented DSL technology. UPC Austria's video service (digital and analog) is available primarily in the German language. Its premium packages include ethnic channels (such as Serb, Bosnian and Turkish channels), music, adult and international channels. In addition, through an agreement with Sky Deutschland, UPC Austria offers its digital subscribers a number of premium channels, including HD channels, from Sky Deutschland. UPC Austria also offers Horizon Go that allows its customers with double play services of video and broadband internet to access up to 55 to 100 linear channels (depending on tier of service) and VoD programming. UPC Austria offers its broadband internet service over cable and over DSL.

- *Central and Eastern Europe.* The European Operations Division also operates cable networks under the UPC brand in Poland (UPC Poland), Hungary (UPC Hungary), the Czech Republic (UPC Czech), Romania (UPC Romania) and Slovakia (UPC Slovakia). VoD service, including catch-up television, is available to our subscribers in Hungary and in major metropolitan areas in Poland. UPC Hungary, UPC Poland and UPC Romania have each launched apps for no charge to subscribers that permit them to view the digital channel programming guide, schedule DVR recordings from any location, and use their smartphones as a television remote control. The European Operations Division also has DTH operations in most of these countries, which it provides through UPC DTH.

Poland. UPC Poland's operations are located in regional clusters encompassing nine of the 10 largest cities in Poland, including the capital city of Warsaw and the cities of Cracow and Katowice. Customers with the necessary equipment and who have a monthly subscription to UPC Poland's analog service are also able to access its basic digital service, which is unencrypted. UPC Poland also offers a catch-up television service and Horizon Go. UPC Poland launched Horizon TV using the cloud in select areas in November 2014 with a full commercial launch in January 2015. At December 31, 2014, had over 1,800 connected Horizon TV subscribers. The video service MyPrime became available to video subscribers in December 2014. In addition, UPC Poland launched Community WiFi in 2014, which is free to its broadband internet service customers subscribing to download speeds of at least 30 Mbps.

Hungary. UPC Hungary's operations are located in 23 major Hungarian towns and cities, including the capital city of Budapest and the cities of Debrecen, Miskolc, Pécs and Székesfehérvár. For its digital video subscribers, UPC Hungary offers a CI+ module, which in combination with a smart card, allows the subscriber to view the digital service without the need for a set-top box. In each of its digital cable packages, UPC Hungary includes the functionality for transaction-based VoD services. UPC Hungary offers to its subscribers with HD set-top boxes apps for various online services (such as YouTube, Picasa, Flickr and others). It also offers the video service MyPrime and the online streaming service HBO Go. HBO Go is available at no additional charge to UPC Hungary customers who subscribe to the HBO channels. In November 2014, UPC Hungary launched mobile services as an MVNO in select areas and Community WiFi, which has approximately 280,000 access points in Hungary. UPC Hungary offers its fixed-line telephony services through circuit-switched fixed-line telephony to subscribers on its twisted copper pair network and through VoIP over its two-way capable cable network.

The Czech Republic. UPC Czech's operations are located in cities and towns throughout the Czech Republic, including Prague, Brno, Ostrava and Plzen. Over 40% of the subscribers to UPC Czech's digital video service receive such service through a set-top box with HD or HD DVR functionality. In November 2014, UPC Czech launched the online video service Horizon Go. It plans to launch Horizon TV based on the cloud in 2015. UPC Czech offers a lifeline tier and basic tier of digital programming, as well as extended tiers and premium packages. Approximately 48% of UPC Czech's digital cable subscribers receive the basic and extended tier services. UPC Czech's analog service is offered only in areas where its digital service is not available and includes a lifeline tier of services.

Romania. UPC Romania's operations are located primarily in three regional clusters, which include nine of the 12 largest cities (each with more than 150,000 inhabitants) in Romania, including the capital city of Bucharest and the cities of Cluj-Napoca, Timisoara, Iasi and Constanta. UPC Romania's video service includes Romanian terrestrial broadcast channels, selected European satellite programming and other programming. In November 2014, UPC Romania launched the online video service Horizon Go. In addition to its standard broadband internet service offerings, UPC Romania also offers a 256 Kbps service at no incremental charge as an inducement for customers to subscribe to certain services. Its Community WiFi services has approximately 240,000 access points in Romania.

Slovakia. UPC Slovakia's operations are located in seven regions in Slovakia, including the five largest cities of Bratislava, Kosice, Presov, Banská Bystrica and Zilina. Besides its video cable services, UPC Slovakia offers video services in certain areas over its MMDS network. UPC Slovakia offers almost all of the Slovakian terrestrial, cable and local channels available, selected European satellite and other programming, and audio channels. The online streaming service HBO Go is available to HBO channel subscribers. Subscribers to UPC Slovakia's digital video services may receive such service through a CI+ module in combination with a smart card without the need for a set-top box. UPC Slovakia's analog service, which is not available to its MMDS subscribers, includes a lifeline tier of service.

UPC DTH. UPC DTH, based in Luxembourg, provides DTH services in the countries of the Czech Republic, Hungary and Slovakia and manages the Romania DTH provider FocusSat. UPC DTH and FocusSat together provide DTH services to over 780,000 customers. UPC DTH offers a lifeline tier and either directly or through FocusSat a basic tier, an extended tier and premium channel options, as well as 25 free-to-air (FTA) television and audio channels. A subscriber to its basic tier may receive 50 to 70 digital video channels depending on their location. Its premium channel offerings cover a range of interests (such as movies, adventure, sports, adult and comedy). In 2013, UPC DTH launched a CI+ module offer in the Czech Republic and Slovakia. The CI+ module will enable its subscribers in the Czech Republic and Slovakia to receive its signals without a set-top box. DVRs are also available and a subscriber to the extended tier receives 10 to 14 HD channels depending on their location. In 2014, UPC DTH added HBO Go for its HBO customers in Hungary, Czech Republic and Slovakia. For no additional charge, such customers may access their HBO channels anytime, anywhere on multiple devices.

Subscribers to the DTH services may pay either an annual fee and receive an activation card for the lifeline tier of video service or pay a monthly fee for a basic or extended tier of service. UPC DTH provides DTH services to 20% of our total video subscribers in the Czech Republic, 30% of our total video subscribers in Hungary, 27% of our total video subscribers in Slovakia and, through FocusSat, 28% of our total video subscribers in Romania.

UPC DTH and FocusSat have agreements with Telenor Satellite Broadcasting for the lease of transponder space, including expansion capacity, on the Thor satellites. These agreements will expire on December 31, 2017, unless extended as provided in such agreements. All of UPC DTH's services are on the Thor satellite system. UPC DTH offers both standard definition (SD) and HD services to all of its customers in Hungary, the Czech Republic, Slovakia and, through FocusSat, in Romania.

- *Latin America.* Our Latin American operations are currently located in Chile and Puerto Rico, where we offer a variety of broadband services over our cable distribution systems, plus mobile services in Chile. Our broadband distribution business and mobile services in Chile are conducted through our wholly-owned subsidiary VTR. Our broadband telecommunications service in Puerto Rico is conducted through our indirect 60%-owned subsidiary Liberty Puerto Rico.

Chile. VTR offers triple-play services consisting of video, broadband internet and fixed-line telephony services in 34 communities within Santiago and 42 communities outside Santiago, including Chile's largest cities, such as Iquique, Antofagasta, Concepción, Viña del Mar, Valparaiso and Rancagua, and smaller cities across Chile. VTR obtains programming from the United States, Europe, Argentina and Mexico. VTR also carries domestic Chilean cable programming, which includes local events such as football (soccer) matches and regional content.

VTR offers a full range of digital video services, including basic and premium packages. All digital video services are encrypted and require a set-top box provided by VTR. In addition, digital cable customers may subscribe to one or more premium video channels, including HD channels for an additional monthly charge. The premium channels include movies, sports, kids, international and adult channels. VoD services, including catch-up television, are available on a subscription or a transaction basis, depending on location. VoD services include over 3,900 titles of on-demand content, including multi-screen features. VTR plans to launch Horizon TV through an advanced, cloud-based platform in 2015. VTR's analog service is offered only in areas where its digital service is not available.

VTR offers its broadband internet services in 34 communities within Santiago and 42 communities outside Santiago. In its highest tier of service, VTR offers high-speed internet service with download speeds of up to 120 Mbps. Its key mass-market package includes a download speed of up to 40 Mbps. VTR also offers multi-feature telephony service over its cable network to customers in 34 communities within Santiago and 42 communities outside Santiago via either circuit-switched telephony or VoIP, depending on location. VTR offers mobile voice and data services as a full MVNO pursuant to an arrangement with a third-party mobile telecommunications provider.

Puerto Rico. Liberty Puerto Rico offers only digital broadband services and provides these services in the San Juan metropolitan area and numerous other municipalities covering two-thirds of the island. Liberty Puerto Rico's video service includes a basic tier of digital programming, an extended tier and premium packages, as well as a VoD service. The Liberty Puerto Rico network includes a 360 mile fiber ring around its network providing enhanced interconnectivity points to the island's other local and international telecommunications companies. Liberty Puerto Rico is exploring adding MVNO arrangements to its product line-up and other features of mobility to its service. For example, it recently launched Community WiFi in Plaza Las Americas, a major shopping center in San Juan. On December 9, 2014, an entity jointly-owned by us and Searchlight Capital entered into an agreement to acquire the parent of Puerto Rico Cable Acquisition Company, Inc., dba Choice Cable TV, the second largest cable and broadband services provider in Puerto Rico. This acquisition is subject to customary closing conditions, including regularity approvals, and is expected to close in the first half of 2015.

Competition

The markets for video, broadband internet, fixed-line telephony and mobile services are highly competitive and rapidly evolving. In addition, technological advances and product innovations have increased and are likely to continue to increase the number of alternative providers available to our customers. Consequently, our businesses have faced and are expected to continue to face significant competition in these markets in the countries in which they operate and specifically, as a result of deregulation, in the European Union (EU). The percentage information in this section reflects the data for each country regardless of the extent of our footprint in such country and is as of the date of the relevant sources listed in the following sentences. The percentage information provided below for the various countries is based on information from the subscription based website DataXis for the third quarter of 2014. The competition in certain countries in which we operate is described more specifically after the respective competition overview on video, broadband internet, fixed-line telephony and mobile services.

Video Distribution

Our businesses compete directly with a wide range of providers of communication and entertainment services to consumers. Depending upon the country and market, these may include:

- traditional FTA broadcast television services;
- DTH satellite service providers;
- other fixed-line telecommunications carriers and broadband providers, including the incumbent telephony operators offering (a) DTH satellite services, (b) IPTV over broadband internet connections using asymmetric digital subscriber line (ADSL) or very high-speed DSL technology (VDSL) or an enhancement to VDSL called "vectoring", (c) IPTV over fiber optic lines where the fiber is to the home, cabinet, or building or to the node networks (fiber-to-the-home/-cabinet/-building/-node is referred to herein as FTTx), or (d) long-term evolution wireless service, the next generation of ultra high-speed mobile data, also called "4G" (referred to herein as LTE) services;
- digital terrestrial television (DTT) broadcasters, which transmit digital signals over the air providing a greater number of channels and better quality than traditional analog broadcasting;
- other cable operators in the same communities that we serve;
- over-the-top video content aggregators utilizing our or our competitors' high-speed internet connections;
- satellite master antenna television systems, commonly known as "SMATVs", which generally serve condominiums, apartment and office complexes and residential developments;

- MMDS operators; and
- movie theaters, video stores, video websites and home video products.

Our businesses also compete to varying degrees with other sources of information and entertainment, such as online entertainment, newspapers, magazines, books, live entertainment/concerts and sporting events.

We believe that our deep-fiber access provides us with several competitive advantages in the areas served by our network. For instance, our cable network allows us to concurrently deliver internet access, together with real-time television and VoD content at higher speeds and with less data loss than comparable services of other providers. In addition, our cable infrastructure allows us to provide “triple-play” bundled services of broadband internet, television and fixed-line telephony services without relying on a third-party service provider or network. Our capacity is dimensioned to support peak consumer demand. In serving the business market, many aspects of the network can be leveraged at very low incremental cost given that business demand peaks at a time when consumer demand is low, and peaks at lower levels than consumer demand.

Europe

In the European countries in which we operate, over 90% of the households have a television. Our principal competition in the provision of video services in our European markets has historically been from traditional FTA broadcasters; DTH satellite providers in many markets, such as the U.K., Germany, Austria, Ireland, the Czech Republic and Slovakia, where we compete with long-established satellite platforms; incumbent telecommunications providers using fiber technology; and cable operators in various markets where portions of our systems have been overbuilt. In addition, in Belgium we are beginning to experience competition on own network as a result of the Belgium Regulatory Authorities granting third-party operators (including the incumbent telephony operator) access to cable operators’ networks. See *Regulatory Matters—Belgium*. Mobile broadband has gained a noticeable share of subscribers, and competition from SMATV or MMDS could also be a factor. In addition, as accessibility to video content on the internet increases, over-the-top viewing is a competitive factor. Overall, we are experiencing more and more convergence as customers are increasingly looking to receive all their media and communication services from one provider at attractive prices. As a result, our ability to offer triple-play or quadruple-play bundles is a key marketing concept to continue to attract and retain customers.

Over the last several years, competition has increased significantly from both new entrants and established competitors using advanced technologies, aggressively priced services and exclusive channel offerings. Our competitors are also improving their video platforms with next generation set-top boxes. DTT is a significant part of the competitive market in Europe as a result of a number of different business models that range from full blown encrypted pay television to FTA television. Similarly, VDSL, which is either provided directly by the owner of the network or by a third party, is a significant part of the competitive environment in many of our markets as are FTTx networks. In all of our European markets, competitive video services are offered by the incumbent telecommunications operator, whose video strategies include DTH, DTT and IPTV over VDSL and FTTx networks. The ability of incumbent operators to offer the triple-play of video, broadband internet and fixed-line telephony services and, in some countries, a quadruple-play with mobile services, is exerting growing competitive pressure on our operations, including the pricing and bundling of our video products. The providers of DTH satellite services, particularly in the Central and Eastern European markets, are also significant competitors. In addition, over-the-top video aggregators are becoming more active in all our markets with their VoD service for television series and movies, catch-up television and linear channels from broadcasters. In some cases, these over-the-top services are provided free-of-charge, or the content library of such services are offered on an unlimited basis for a monthly fee.

Our ability to continue to attract and retain customers will depend on our continued ability to acquire appealing program content and third-party programming services on acceptable financial or other terms. Some competitors, such as Swisscom AG (Swisscom) in Switzerland, have obtained long-term exclusive contracts for certain popular programs, which limits the opportunities for other providers, including our operations, to offer such programs. Other competitors also have obtained long-term exclusive contracts for programs, but our operations have access to certain of such programming through select contracts with these companies, including Sky Deutschland in Germany and Sky in the U.K. and in Ireland. If exclusive content offerings increase through other providers, programming options could be a deciding factor for subscribers on selecting a video service.

Portions of our systems have been overbuilt by FTTx networks, primarily in the Czech Republic, Romania and Slovakia and, to a lesser extent, in Hungary, the Netherlands and Switzerland. Based on research of various telecommunication publications, including by the Organization for Economic Cooperation and Development, and internal estimates, approximately 65%, 92%, and 73% of our cable networks in the Czech Republic, Romania and Slovakia, respectively, have been overbuilt by FTTx networks. Also, 12% of our footprint in Hungary, 28% of our footprint in the Netherlands and 37% of our footprint in Switzerland are overbuilt by FTTx networks. Although we have extensive FTTx overbuild in Switzerland, connectivity to the FTTx network is not available at all locations. In addition, government and quasi-government entities in certain of the countries in which we operate in Europe continue to invest in FTTx networks, creating another source of competition. In order to achieve download speeds of up to 100 Mbps or greater for customers, incumbent telecommunications operators are increasingly adopting VDSL with vectoring and bonding technologies as a more cost efficient solution compared to FTTx initiatives.

Our Central and Eastern European markets are also experiencing significant competition from other cable operators. These cable operators have significantly overbuilt our operations in Poland, Hungary, Romania and Slovakia. Based on research of various telecommunication publications, including the Organization for Economic Cooperation and Development, and internal estimates, approximately 42%, 52%, 95% and 47% of our operations in Poland, Hungary, Romania and Slovakia, respectively, are overbuilt by other cable providers.

In most of our Central and Eastern European markets, we also face intense competition from DTH services. Digi TV, the DTH platform of RCS & RDS S.A. (Digi TV), a Romanian cable, telephony and internet service provider is targeting our analog cable, MMDS and DTH customers with aggressively priced DTH packages, in addition to overbuilding portions of our cable network in Hungary and Romania. In the Czech Republic and Slovakia, SkyLink, the brand name of M7 Group SA, a European provider of DTH services, is a DTH competitor providing aggressively priced packages of video content. The incumbent telecommunications operator in Romania also operates a competing DTH platform. UPC DTH offers advanced services and functionality, including DVR and premium content, to most of our Central and Eastern European markets. UPC DTH's share of the subscription-based television market is 8% for Hungary, 4% for the Czech Republic, 4% for Slovakia and, through FocusSat, 5% for Romania.

In order to gain video market share, the incumbent operators and alternative service providers in a number of our larger markets have been pricing their DTT, VDSL or DTH video packages at a discount to the retail price of the comparable digital cable service and, in some cases, including DVRs as a standard feature.

To meet the challenges in this competitive environment, we compete on value by offering advanced digital services, such as DVR functionality, HD, VoD, catch-up television and multi-media gateways. We seek to compete by accelerating the migration of our customers from analog to digital services, using such advanced digital features and offering attractive content packages and bundles of services at reasonable prices. HD and DVRs are an integral part of our digital services in all of our markets and VoD and catch-up television are an integral part of our digital services in most of our markets. In each of our countries we also tailor our packages to include attractive channel offerings and offer recurring discounts for bundled services and loyalty contracts. Discounts for bundled services are available in all our Europe operations. In addition, from time to time, digital channel offerings are modified by our operations to improve the quality of our programming. We also use the triple-play bundle as a means of driving video, as well as other products where convenience and price can be leveraged across the portfolio of services. In several of our markets, we have expanded our services to include mobile voice and data. We also continue to explore new technologies that will enhance our customer's television experience. In this regard, to further enhance our digital video services, we have expanded our markets in which Horizon TV is available, including the recent launch of a cloud-based Horizon TV platform in Poland. We have also launched our on-line Horizon Go and MyPrime in a number of markets and we continue to enhance the TiVo platform in the UK and Yelo TV in Belgium.

- *United Kingdom.* We are the largest cable television provider in the U.K. in terms of the number of video cable customers and the sole provider of video cable services in substantially all of our network area. Virgin Media's video cable services are available to approximately 46% of the U.K. television households and it serves 14% of the total U.K. television market. Virgin Media's digital television services compete primarily with those of Sky, which is the primary pay satellite television platform in the U.K. Sky has approximately 10.1 million subscribers in the U.K. or 37% of the total television market. Sky owns the U.K. rights to SD, HD and 3D versions, as the case may be, of various sports and movie programming content. Sky is both a principal competitor in the pay-television market and an important supplier of content to us. Virgin Media distributes several basic and premium video channels supplied by Sky. BT, which offers VDSL services throughout the U.K., is also a principal competitor as well as an important supplier of content to us. BT owns premium BT Sport channels, providing a range of sports content including football (soccer) from the English Premier League and, from the 2015/2016 football (soccer) season, exclusive rights to the UEFA Champions League and the UEFA Europa League. The BT Sport channels are available over BT's IPTV platform, Sky's satellite system and our cable network. BT offers customers who subscribe to their broadband service free access to the SD version of the BT Sport channels. In addition, FTA DTT and internet-connected television services are a competitive factor. For example, Netflix, Google and Apple have all launched IPTV products.

  To compete effectively, Virgin Media promotes its ability to offer attractive triple-play bundles over its cable network and its multimedia platform TiVo. TiVo, together with Virgin Media's VoD service and DVR functionality, allow its subscribers to personalize their programming. It also offers Virgin TV Anywhere, which allows its video subscribers to stream linear channels and access VoD services anywhere with WiFi connectivity. Recently, Virgin Media rolled back prices on key bundles with a 12-month service contract, increased the number of HD channels and offers targeted bundles for sports enthusiasts. In addition, Virgin Media's quadruple-play bundles are a key market offer.

- *Ireland.* UPC Ireland is the sole provider of video cable services in Ireland. UPC Ireland's video cable service is available to approximately half of the television households in Ireland and it serves 22% of the total television market. UPC Ireland's primary competition for video customers is from Sky, which provides DTH satellite services to 39% of the television households in Ireland and launched triple-play services in 2013. Sky has announced it intends to increase its service offerings through FTTx networks in 2015. UPC Ireland also faces potential competition from a recently launched over-the-top video service by Eircom Limited and smaller video providers, including providers using FTTx networks. Although FTA DTT is available in most of Ireland, primarily through Ireland's national public broadcaster, Raidió Teilifís Éireann, competition is limited due to its small programming offering. To enhance its competitive position, UPC Ireland offers Horizon TV. With Horizon TV, UPC Ireland realigned its bundle offers, including increasing the broadband internet speed to 200 Mbps for its mass market bundles followed by another increase to 240 Mbps in January 2015. It also increased the number of its sports channels in HD.

- *Germany.* We are the second largest cable television provider in Germany and the largest cable television provider in the federal states of Baden-Württemberg, North Rhine-Westphalia and Hesse based on the number of video cable subscribers. Unitymedia KabelBW's video cable services are available to approximately 33% of the television households in Germany and it serves 17% of the total television market. Unitymedia KabelBW's primary competition is from FTA television received via satellite. Unitymedia KabelBW also competes with the IPTV services over VDSL and FTTx and DTH of the incumbent telecommunications operator, Deutsche Telekom. Deutsche Telekom has approximately 2.4 million video subscribers in Germany, or 6% of the total television market, for primarily its IPTV services and has announced plans to cover approximately 65% of German homes with its VDSL network by 2016. We estimate it will have overbuilt nearly our entire network with VDSL by the end of 2016. Deutsche Telekom offers competitively priced triple-play bundles and promotional discounts for new customers. In addition, Vodafone Group Plc (Vodafone) bundles its IPTV service with its broadband offerings through Deutsche Telekom's DSL network under a resell agreement. Deutsche Telekom and Professional Operators compete with Unitymedia KabelBW for housing association contracts. Over the last few years, Deutsche Telekom has become increasingly competitive in this market. Professional Operators typically procure the broadcast signals they distribute from Unitymedia KabelBW or from DTH providers. Certain Professional Operators may also use such opportunities to build their own distribution networks or to install their own head-ends for receiving satellite signals.

  Other alternative distributors of television services are an increasing threat as well. To a lesser extent, Unitymedia KabelBW competes with the services of Sky Deutschland, which offers a digital premium subscription service to households that receive their basic television service via FTA satellite, cable or other technologies. Competition with Sky Deutschland may increase following its October 2014 launch of a standalone online video streaming service. In addition, there is a risk of competition for video services from commercial broadcasters and other content providers that currently pay Unitymedia KabelBW fees for transmitting their signals, but may seek to diversify their distribution on alternative platforms such as over-the-top video through high-speed internet connections. There are several over-the-top content providers, including ProSiebenSAT.1 Media AG's Maxdome and Netflix.

  To enhance its competitive position, Unitymedia KabelBW offers Horizon TV. With the launch of HorizonTV, Unitymedia KabelBW realigned its digital packages and created new bundle options. It also introduced Horizon Go giving customers remote access to 100 linear channels and VoD programming. In 2014, it also increased the number of HD channels to over 65 channels and expanded its VoD services and HD channels. The bundle options allow subscribers to select various combinations of services to meet their needs. Promotional discounts are typically available to new subscribers.

- *The Netherlands.* We are the largest cable television provider in the Netherlands based on the number of video cable subscribers. The Ziggo Group's video cable services are available to approximately 92% of the television households in the Netherlands and it serves 58% of the total television market. The Ziggo Group experiences most of its competition in the Netherlands from other fixed-line telecommunications carriers and broadband providers, including the incumbent telephony operator KPN. KPN offers (a) IPTV over FTTx networks, (b) IPTV through broadband internet connections using DSL, ADSL or VDSL or an enhancement to VDSL called "vectoring", (c) DTT, and (d) LTE services. KPN provides subscription video services to 27% of the total television households in the Netherlands. Its ability to offer bundled triple-play of video, broadband internet and telephony services and a quadruple-play with mobile services, is exerting growing competitive pressure on the Ziggo Group's operations, including the pricing and bundling of its video products. Its VDSL service includes VoD and DVR functionality, including restarting and second screen viewing. In addition, the FTTx networks of Reggefiber Group B.V. (a subsidiary of KPN) are a competitive factor in a number of cities and villages, where they have overbuilt portions of our network. Reggefiber Group B.V. continues to expand these networks within the Ziggo Group's service area. In addition to KPN, the DTH provider CanalDigitaal, a subsidiary of M7 Group S.A., is also a principal competitor. CanalDigitaal, which offers DTH and DTT services, provides subscription video services to 12% of the total television households in the Netherlands. In addition, mobile broadband has gained a noticeable share of subscribers, and as accessibility to video content on the internet increases, over-the-top viewing is becoming a competitive factor.

To enhance its competitive position in the UPC Nederland footprint, UPC Nederland rolled out improvements to its multimedia platform Horizon TV, which, together with its VoD service and DVR functionality, allows the subscribers in the UPC Nederland footprint to personalize their programming. It also launched the online service Horizon Go. UPC Nederland subscribers also have the ability to watch linear and VoD programming through a second screen app and to record programs remotely. In the Ziggo footprint, Ziggo expanded its interactive video options through a CI+ 1.3 module that allows subscribers to have access to a cloud-based interactive television service without the need of a set-top box with interactive functionality. In addition, Ziggo continues to improve the quality of its programming and modify its video options by offering attractive content packages. Also, its triple-play bundle is used as a means of driving video, as well as other products, where convenience and price can be leveraged across the portfolio of services. The bundle options give subscribers the option to select various combinations of services, including high-speed internet and fixed-line telephony options, to meet their needs. Customers may also include mobile voice and data to any bundle package.

- *Belgium.* Telenet is the sole provider of video cable services in all of its network area. Its video cable service is available to approximately 62% of the television households in Belgium and it serves approximately 44% of the total television market. It is the largest subscription television provider in Belgium based on the number of pay video subscribers. Telenet's principal competitor is Belgacom NV/SA (Belgacom), the incumbent telecommunications operator, which has interactive digital television, VoD and HD service as part of its video offer, as well as a remote access service. Belgacom also offers double-play and triple-play and discounts on mobile services when taken with a triple-play offer. It also includes certain sports programming (primarily football (soccer) related) at no additional charge. Approximately 27% of total television households in Belgium subscribe to Belgacom's IPTV services over its DSL and VDSL networks. Also, with the decision that Telenet and other Belgian cable operators must give alternative providers access to their cable networks, Telenet will be facing increased competition from these providers who may then be able to offer triple- and quadruple-play services as well. For more information, see *Regulatory Matters—Belgium.* Telenet's multimedia platform YeloTV, together with its extensive cable network, the broad acceptance of its basic cable television services and its extensive additional features, such as HD and DVR functionality and VoD offerings, allows Telenet to compete effectively against alternative providers. In addition, Telenet offers promotional discounts and competitively priced bundles. Telenet also continues to enhance its programming.

- *Switzerland.* We are the largest cable television provider in Switzerland based on the number of video cable subscribers and the sole provider in substantially all of our network area. UPC Cablecom's video cable services are available to approximately 64% of the television households in Switzerland and it serves 42% of the total television market. Our main competitor is Swisscom, the incumbent telecommunications operator, which provides IPTV services over DSL and FTTx networks to approximately 33% of all television households in Switzerland. Swisscom offers VoD services, DVR functionality, and HD channels, as well as the functionality to allow remote access to its video services, and has exclusive rights to distribute certain sports programming. Swisscom's internet speeds available in its bundled offers, include up to 100 Mbps and up to 300 Mbps in areas served by its FTTx network. Swisscom continues to aggressively expand its FTTx network to Switzerland households in our footprint as well as in our partner network footprints. It has built its fiber-to-the-home network in several cities in cooperation with municipality-owned utility companies and, where no cooperation agreement has been reached, Swisscom is building its own fiber-to-the-home network. Outside of urban areas, Swisscom has announced that it will extend its fiber-to-the-node network by introducing vectoring, which allows Swisscom to offer speeds comparable to those offered by UPC Cablecom. Due to a small program offering, competition from terrestrial television in Switzerland is limited, with DTT available primarily along the borders with France and Italy. DTH satellite services are also limited due to various legal restrictions such as construction and zoning regulations or rental agreements that prohibit or impede installation of satellite dishes. With respect to subscribers on partner networks, UPC Cablecom competes with other service providers for the contracts to serve these subscribers. To compete effectively, UPC Cablecom offers Horizon TV, which combines television, internet and fixed-line telephony on one device, giving subscribers the ability to personalize their programming. As a complement to this service, UPC Cablecom introduced the video service Horizon Go. It also offers promotional discounts and launched MyPrime in 2014 as an enhancement to its mid to high-end bundles.

- *Austria.* In Austria, we are the largest cable television provider based on the number of video cable subscribers. UPC Austria's video cable service is available to approximately 37% of the television households in Austria and it serves 14% of the total television market. UPC Austria's primary competition is from FTA television received via satellite and DTT services by the public broadcaster. Competition from the VDSL services provided by the incumbent telecommunications operator, Telekom Austria AG (A1) (Telekom Austria), and from DTH satellite services offered by Sky Deutschland also continue to increase. At various times, Telekom Austria offers promotional discounts for its VDSL service, which includes advanced features, such as VoD, when taken as part of either a double- or triple-play bundle. To compete effectively, UPC Austria offers its basic digital service unencrypted and realigned its bundle offers in 2014, with promotional discounts for new customers. It also launched Horizon Go and increased internet speeds for its core triple-play bundle to a top speed of up to 250 Mbps.

- *Central and Eastern Europe.* We are the largest cable television provider in Poland based on the number of video cable subscribers. UPC Poland's video cable services are available to approximately 20% of the television households in Poland and it serves 9% of the total television market. In providing video services, UPC Poland competes primarily with DTH service providers, including the largest DTH providers, Cyfrowy Polsat SA and NC+ platform (owned by the Vivendi Group). Cyfrowy Polsat SA and NC+ serve 27% and 16%, respectively, of the television households in Poland. The DTH service provider Orange Poland, a subsidiary of France Telecom S.A., is another significant competitor. In addition, UPC Poland competes with other cable operators with triple-play services, who have overbuilt portions of UPC Poland's operations. One of these companies is Vectra SA, which offers aggressively priced double- and triple-play bundles. To enhance its competitive position, UPC Poland launched MyPrime as an additional service in its extended tier video services. It also realigned its video offers with additional HD channels and launched Horizon Go. Then in January 2015, after a limited offer in select markets, it launched the Horizon TV cloud platform throughout its footprint.

  UPC Hungary's video cable service is available to approximately 42% of the television households in Hungary and it serves 17% of the total television market in Hungary. Our subsidiary, UPC DTH, also provides satellite services in Hungary, in competition with other DTH providers. One of these, Digi TV, is an aggressive competitor. Digi TV's DTH services can reach all of UPC Hungary's cable service area, as well as UPC DTH's service area, and it has overbuilt portions of UPC Hungary's cable service areas with its own cable network. As a DTH provider, Digi TV offers more HD channels, including key sports channels, than UPC DTH. UPC Hungary also faces competition from the incumbent telecommunications company Magyar Telekom, a subsidiary of Deutsche Telekom. Magyar Telekom offers a VDSL service, including a VoD service, to its internet subscribers. With its ability to offer bundled triple-play and quadruple-play services, including its DTH video content, Magyar Telekom is a significant competitor. To meet such competition, UPC Hungary emphasizes its competitively priced bundles, which have been enhanced with increased broadband speeds of up to 500 Mbps with up to 120 Mbps or 240 Mbps included in its core bundle offers. In 2014, it launched the video service MyPrime and for its HBO customers the on-line streaming service HBO Go. Of the television households in Hungary, 8% subscribe to Digi TV's DTH service, 14% subscribe to Digi TV's cable service and 20% subscribe to Magyar Telekom's DTH or VDSL service. UPC DTH serves 7% of the television households in Hungary with its DTH service.

  With the discontinuation of FTA analog services in the Czech Republic and Slovakia, DTH services have increased significantly in popularity, with M7 Group SA (SkyLink) being the main provider. This company provides DTH services to approximately 30% and 26% of the television households in the Czech Republic and Slovakia, respectively. As in Hungary, Digi TV is also an aggressive competitor in the Czech Republic and Romania. Digi TV provides DTH services to 5% and 17% of the television households in the Czech Republic and Romania, respectively. In Slovakia, we compete with the DTH service provider, Slovak Telekom a.s., a subsidiary of Deutsche Telekom, which offers exclusive sports channels and is expanding its DTH network to cover not only Slovakia but other Central and Eastern European countries as well. In Slovakia, it serves 20% of the television households. UPC DTH provides DTH services to 2%, 4% and 3% of the television households in the Czech Republic, Romania and Slovakia, respectively. To stay competitive, UPC DTH offers prepaid DTH services in the Czech Republic, as well as a prepaid product through FocusSat in Romania. Also, FocusSat has enhanced the channel offering in Romania, including the addition of non-exclusive broadcasting rights for domestic football league. In Romania, competition also comes from DTH services offered by Rom Telecom SA, the incumbent telecommunications company, with 11% of the total television households.

  Of the television households in the Czech Republic, Romania and Slovakia, 10%, 12% and 8%, respectively, subscribe to our video cable service. Our cable services are available to the television households in each of these countries as follows: 30% in the Czech Republic, 33% in Romania and 22% in Slovakia. In addition to its DTH services in Romania, Digi TV continues to overbuild portions of our cable network with its own cable network. UPC Czech competes with the incumbent telephone company's VDSL service and several other operators that provide DTH services and a number of local ISPs that provide IPTV services over FTTx networks. Providers of IPTV services over FTTx networks can reach approximately 65% of the households passed by our cable network in the Czech Republic. Of the television households in Romania, 30% subscribe to Digi TV's cable service. In Slovakia, a number of ISPs make video services available to a majority of the homes passed by our cable networks. In particular, Slovak Telekom and Orange Slovensko a.s., a subsidiary of France Telecom S.A., have overbuilt homes passed by our cable network with their FTTx networks and offer triple-play packages through these networks.

FTA broadcasters are also significant competitors in the Czech Republic and in Slovakia. Subscribers in these countries tend to be more price sensitive than in other European markets. In particular, almost 100% of the Czech Republic can receive DTT for free or a comprehensive satellite service for a minimal recurring monthly fee. To address such sensitivity and meet competition, our operations in Central and Eastern Europe offer enhanced digital services, such as HD channel offerings and, in certain markets, MyPrime, Horizon Go and expanded VoD services. In addition, all of these operations have realigned their bundle offers to include increased broadband internet speeds in their triple-play bundles ranging from up to 240 Mbps in the Czech Republic to 500 Mbps in Hungary and Romania. Promotional discounts are available, particularly on bundled options. Also, CI+ cards for DTH only products are available in the Czech Republic and in Slovakia.

Latin America

In Latin America, our principal competition is the provision of video services from DTH satellite providers, where we compete with established satellite platforms, as well as other pay television providers. Over-the-top viewing is also a competitive factor. To enhance the video offerings in both Chile and Puerto Rico, we are in the process of developing cloud-based, next generation user interfaces for these operations based on advanced technologies, including Horizon TV.

- *Chile.* In Chile, we are the largest cable television provider based on number of video cable subscribers. VTR's video cable services are available to approximately 60% of the Chilean television households and it serves 21% of the total television market in Chile. VTR competes primarily with DTH service providers in Chile, including the incumbent Chilean telecommunications operator Compañia de Telecomunicaciones de Chile SA using the brand name Movistar (Movistar), Claro Chile S.A., a subsidiary of América Móvil, S.A.B. de C.V. (Claro), and DirecTV Chile. Movistar offers double-play and triple-play packages using DTH for video and ADSL for internet and fixed-line telephony and offers mobile services. On a smaller scale, Movistar also offers IPTV services over FTTx networks in Chile. Claro offers triple-play packages using DTH and, in most major cities in Chile, through a hybrid fiber coaxial cable network. It also offers mobile services. To a lesser extent, VTR also competes with video services offered by or over networks of fixed-line telecommunication providers using DSL or ADSL technology. Of the Chilean television households, 12%, 7% and 9% subscribe to the DTH services of Movistar, Claro and DirecTV Chile, respectively. To enhance its competitive position, VTR offers VoD, catch-up television, DVR functionality, premium HD channels, pay-per-view, HD receivers and a variety of premium channels as value added services that can be purchased by VTR's video cable customers. These services and its variety of bundle options, including internet and telephony, enhance VTR's competitive position.

- *Puerto Rico.* Liberty Puerto Rico is the largest provider of video cable services in Puerto Rico and the third largest provider of video services in Puerto Rico. Its video cable service is available to approximately 58% of the television households in Puerto Rico and it serves 18% of the total television market in Puerto Rico. Liberty Puerto Rico's primary competition for video customers is from DTH satellite providers DirecTV and Dish Network Corporation. These competitors provide DTH satellite services to 25% and 24%, respectively, of the television households in Puerto Rico. Dish Network Corporation is an aggressive competitor, offering low introductory offers, free HD channels and in its top tier packages a multi-room DVR service for free. DirecTV is also a significant competitor offering similar programming in Puerto Rico compared to Dish Network. Additionally, Claro has launched an IPTV service that may become a competitive factor. In order to compete, Liberty Puerto Rico has increased the number of its HD channels, improved the functionality of its electronic program guide, and expanded its VoD offerings. In June 2014, Liberty Puerto Rico increased its internet speeds in its bundle offers with download speeds of up to 100 Mbps in its core bundles.

Internet

With respect to broadband internet services and online content, our businesses face competition in a rapidly evolving marketplace from incumbent and non-incumbent telecommunications companies, mobile operators and cable-based ISPs, many of which have substantial resources. The internet services offered by these competitors include both fixed-line broadband internet services using DSL or FTTx and wireless broadband internet services, in a range of product offerings with varying speeds and pricing, as well as interactive computer-based services, data and other non-video services offered to homes and businesses. With technological developments, competition from wireless services using various advanced technologies has become significant. Recently, competitors have started offering high-speed mobile data via LTE wireless networks in certain of our markets. In addition, other wireless technologies, such as WiFi, are becoming more prevalent. We are also seeing intense competition in Europe from mobile carriers that offer mobile data cards allowing a laptop user to access the carrier's broadband wireless data network with varying speeds and pricing.

Our strategy is speed leadership, including increasing the maximum speed of our connections, offering varying tiers of service and varying prices and offering a variety of bundled product offerings and a range of value added services. In most of our operations we have launched new bundling strategies, including speeds of 120 Mbps or more at mass market price points and ultra high-speed internet with speeds of generally up to 250 Mbps and in select markets up to 500 Mbps to compete with VDSL and FTTx initiatives. The focus continues to be on high-end internet products to safeguard our high-end customer base and allow us to become more aggressive at the low- and medium-end of the internet market. By fully utilizing the technical capabilities of Euro DOCSIS 3.0 technology, we can compete with local FTTx initiatives and create a competitive advantage compared to DSL infrastructures on a national level and LTE initiatives as they expand to a national level.

Europe

Across Europe, our key competition in this product market is from the offering of broadband internet products using various DSL-based technologies both by the incumbent phone companies and third parties. The introduction of cheaper and ever faster fixed-line broadband offerings is further increasing the competitive pressure in this market. Wireless broadband services, such as LTE, are also taking a foothold in a number of countries using high-speed mobile networks and high-speed downlink packet access systems.

<u>United Kingdom and Ireland.</u> In the U.K., we have a number of significant competitors in the market for broadband internet services. Of these broadband internet providers, BT is the largest, serving 33% of the total market in the U.K. Virgin Media serves 20% of the total broadband market in the U.K. BT provides broadband internet access services over its own DSL network and is upgrading its FTTx network, which is available to approximately 70% of the U.K. population. BT Openreach, a division of BT, manages BT’s local access network and provides competitors, including Virgin Media, access to BT’s networks. BT has announced its intention to expand and accelerate FTTx deployments, which will allow its retail arm, and its wholesale customers, to offer ultra high-speed broadband services. Where fully deployed, operators will be able to offer download speeds of up to 330 Mbps.

Operators such as Sky, TalkTalk Telecom Group plc and Everything Everywhere Limited (EE) deploy their own network access equipment in BT exchanges via a process known as local loop unbundling (LLU). This allows an operator to reduce the recurring operating costs charged by BT by reducing the proportion of traffic that must travel directly over BT’s network. LLU deployment requires a substantial capital investment to implement and requires a large customer base to deliver a return on investment. In addition to the competition and pricing pressure in the broadband market arising from LLU, competition from mobile broadband developments, such as LTE mobile services and WiFi services, is increasing. For example, EE has announced that its LTE coverage will reach 98% of the U.K. population by the end of 2015.

To compete effectively, Virgin Media is expanding its ultra high-speed services and increasing its download speeds to up to 152 Mbps throughout it’s footprint. Virgin Media offers its internet service on a standalone basis or through bundled offerings that include video, fixed-line telephony and mobile voice and data services at attractive price points. Promotional discounts are available for new customers. In addition, Virgin Media plans to undertake a network extension program in the U.K. from 2015 through 2020. See Item 7, *Management’s Discussion and Analysis of Financial Condition and Results of Operations — Overview*.

Mobile providers have gained market share throughout Europe. In Ireland, mobile telephony providers Telefónica O2 Ireland Limited, Ireland 3 (a Hutchison Wampoa Ltd company) and Vodafone Ireland offer a range of mobile internet products at competitive prices. Outside of mobile internet, UPC Ireland’s most significant competitor is the fixed-line incumbent, Eircom Limited, with 41% of the broadband internet market in Ireland. In 2014, Eircom Limited increased its download speeds to up to 100 Mbps through its expanded VDSL network, which passes approximately 1.0 million homes at December 31, 2014. Eircom Limited announced plans to increase its available download speeds to up to 1 Gbps, which expansion is underway. UPC Ireland’s share of total broadband internet subscribers in Ireland is 32%. To compete effectively, UPC Ireland realigned its bundles, including increasing the download speed of its internet services to up to 200 Mbps. In 2015, it increased the download speeds of its internet services to up to 240 Mbps and it plans to introduce mobile products.

<u>Germany.</u> In Germany, the competition for broadband internet services is particularly intense. For broadband internet access, DSL is the dominate technology and Deutsche Telekom is the primary provider. Other major competitors to our services are resellers of Deutsche Telekom’s DSL services, including United Internet AG and alternative network providers, such as Vodafone Germany and Telefónica Germany Holding AG (Telefónica Germany). Deutsche Telekom provides services to 43% of the broadband internet subscribers in Germany through its network. United Internet AG and Vodafone Germany provide services to 13% and 10%, respectively, of the broadband internet subscribers in Germany. We also face increased competition from mobile broadband operators, including Deutsche Telekom, Vodafone Germany and Telefónica Germany, each of which offer mobile services through LTE wireless systems. Both Deutsche Telekom and Vodafone Germany have announced plans to upgrade their mobile systems and increase their coverage areas. Deutsche Telekom, alone and in partnership with others, including Vodafone Germany, has also announced plans to use its VDSL network with vectoring technology, increasing its speeds to up to 100 Mbps. With its VDSL expansion plan, competition from Deutsche Telekom will increase. Unitymedia KabelBW serves 10% of the total broadband internet market in Germany. To compete effectively, Unitymedia KabelBW is expanding its ultra high-speed internet services and increased its download speeds to up to 200 Mbps, which cannot be matched by DSL operators. Unitymedia KabelBW

offers its internet service on a standalone basis or together with fixed-line telephony at attractive rates and through bundled offerings that include digital video and fixed-line telephony. Unitymedia KabelBW also offers mobile voice and data services.

The Netherlands. In the Netherlands, we face competition from KPN, one of the largest broadband internet provider, and to a lesser extent, the telecommunications company, Tele2 Netherlands Holding N.V., as well as operators using LLU. KPN offers ultra high-speed internet services with download speeds of up to 500 Mbps on its FTTx network and up to 80 Mbps over its DSL network. KPN is the leading mobile broadband provider with its competitively priced mobile internet products and LTE services. KPN serves 42% and the Ziggo Group serves 44%, respectively, of the total broadband internet market in the Netherlands. To remain competitive, the Ziggo Group seeks to increase the maximum speed of its connections, offers varying tiers of service, prices and bundled product offerings, and a range of value added services. It is also expanding its mobile data services, including access to its Community Wifi. The bundle strategies include offering ultra high-speed internet with speeds of up to 180 Mbps in the Ziggo footprint and up to 200 Mbps in the UPC Nederland footprint, in each case, to compete with KPN’s VDSL and FTTx initiatives.

Belgium. In Belgium, internet access penetration is higher than in most European markets causing intense competition between the two primary broadband internet technologies, cable and DSL. Telenet’s primary competitor is the DSL service provider Belgacom. Belgacom is an aggressive competitor targeting Telenet customers with low cost offers. Approximately 45% of Belgium’s broadband internet subscribers use Belgacom’s DSL service with download speeds up to 50 Mbps. Also, mobile internet use is increasing. To compete, Telenet promotes its high-speed internet with attractively priced multiple-play bundles, offering download speeds from 30 Mbps to 160 Mbps. Customers also have access to Telenet’s extensive Community WiFi. Telenet provides broadband internet service to 40% of the broadband internet market in Belgium.

Switzerland and Austria. In Switzerland, Swisscom is the largest provider of broadband internet services, with an estimated market share of 54% of all broadband internet customers, and is our primary competitor. Swisscom internet customers have access to its video content free of charge through its internet portal. It is also expanding its FTTx network, through which it can offer download speeds of up to 300 Mbps and recently launched its 1 Gbps offer to customers on its new FTTx network. Swisscom FTTx network reaches over 1.0 million homes and it plans to reach over 2.3 million homes by the end of 2015. The next significant competitor is Sunrise Communications AG with 9% of broadband internet customers. Sunrise Communications AG offers download speeds of up to 100 Mbps. UPC Cablecom serves 21% of broadband internet subscribers in Switzerland. UPC Cablecom increased its download speeds to 250 Mbps in early 2014 and seeks to distinguish itself through competitively priced bundled offerings, including digital video, fixed-line telephony services and its ultra high-speed internet services. It is also expanding its Community WiFi network and offers ultra high-speed internet with download speeds of up to 500 Mbps in select markets.

UPC Austria’s largest competitor with respect to broadband internet services is the incumbent telecommunications company, Telekom Austria, with approximately 60% of the broadband internet subscribers in Austria. In addition, Telekom Austria is expanding its DSL network and planning to use VDSL technology with vectoring to increase its download speeds to up to 70 Mbps. Currently, it offers download speeds of up to 30 Mbps and up to 100 Mbps in select areas. UPC Austria’s share of such market is 19%. The mobile broadband services of Telekom Austria are also a competitive factor. Telekom Austria is the largest mobile broadband provider serving 42% of the mobile broadband subscribers that use LTE services. In addition, UPC Austria faces competition from LLU and other mobile broadband operators. As a result, the competition in the broadband internet market is intense. Competitors in the Austrian broadband internet market are focusing on speed and pricing to attract customers. UPC Austria uses its ultra high-speed internet services with access to Community WiFi and competitively priced bundles to encourage customers from other providers to switch to UPC Austria’s services. It also offers promotional discounts for its mid-tier service.

Central and Eastern Europe. In Central and Eastern Europe, our principal competitors are DSL operators and cable companies that are overbuilding our cable network. In Poland, our principal competitors are Orange Poland and Vectra SA, both of which offer download speeds of up to 300 Mbps in parts of UPC Poland’s footprint. In Hungary, the primary competitors are the incumbent telecommunications company, Magyar Telekom and Digi TV. In addition, in all of our Central and Eastern European operations we face increased competition from mobile broadband operators. Download speeds are also a competitive factor, with competitors enhancing their networks to increase their available download speeds. In all of our Central and Eastern European markets, we are using our ultra high-speed internet service to attract and retain customers. In addition, promotional discounts are a big part of our internet service offerings, as well as with our competitors.

Latin America

In Chile, VTR faces competition primarily from non-cable-based internet service providers such as Movistar and Claro. VTR is experiencing increased pricing and download speed pressure from Movistar and Claro and more effective competition from these companies with the bundle of their internet service with other services. Mobile broadband competition is significant as well. Both Movistar and Claro have launched an LTE network for high-speed mobile data. In response to the availability of mobile data in Chile, VTR has more than doubled its internet speeds with a high-speed internet offering of up to 120 Mbps. VTR’s share of the broadband internet market in Chile is 38%, compared to 41% for Movistar. To compete effectively, VTR is expanding its two-way coverage and offering attractive bundling with fixed-line telephony and digital video service.

Fixed-Line Telephony and Mobile Services

The market for fixed-line telephony services is mature. Changes in market share are driven by the combination of price and quality of services provided and the inclusion of telephony services in bundled offerings. With respect to fixed-line telephony services, our businesses compete against the incumbent telecommunications operator in each country. These operators have substantially more experience in providing fixed-line telephony and mobile services, greater resources to devote to the provision of fixed-line telephony services and long-standing customer relationships. In addition, we compete with other VoIP operators offering service across broadband lines and with mobile telephony providers. Over-the-top telephony is also becoming a competitive factor. In many countries, our businesses also face competition from other cable telephony providers, FTTx-based providers or other indirect access providers.

Competition in both the residential and business fixed-line telephony markets is increasing due to market trends, the offering of carrier pre-select services, number portability, the replacement of fixed-line with mobile telephony, and the growth of VoIP services, as well as continued deregulation of telephony markets and other regulatory action, such as general price competition. Carrier pre-select allows the end user to choose the voice services of operators other than the incumbent while using the incumbent's network. We seek to compete on pricing as well as product innovation, such as telephone apps that allow customers to make and receive calls from their fixed-line call packages on smartphones. We also offer varying plans to meet customer needs and various bundle options with our digital video and internet services. In addition, we offer mobile voice and data services in the U.K., Germany, the Netherlands, Belgium, Switzerland, Austria, Chile and in select markets in Hungary. With consumers increasingly moving towards mobile services, we continue to explore opportunities to offer mobile services in our other operations and mobility applications to our other services.

Europe

Across Europe, our fixed-line and mobile telephony businesses are generally small compared to the existing business of the incumbent telephone company. The incumbent telephone companies remain our key competitors but mobile operators and other VoIP operators offering service across broadband lines are also significant competitors in these markets. Generally, we expect telephony markets to remain extremely competitive.

Our fixed-line telephony strategy in Europe is focused around value leadership, and we position our services as "anytime" or "any destination". Our portfolio of calling plans include a variety of options designed to meet the needs of our subscribers. Such options include unlimited network, national or international calling, unlimited off-peak calling and minute packages, including calls to fixed and mobile phones. We also use our bundled offerings to help promote our telephony services.

In the U.K., we compete primarily with BT in providing fixed-line telephony services to residential customers in the U.K. BT occupies an established market position as the former state provider. We also compete with other telecommunications companies that provide fixed-line telephony services directly, through LLU, or indirectly. These include TalkTalk Telecom Group plc and Sky, and mobile telephone operators such as EE and Vodafone who lease access to BT's network. In addition, we face competition from companies offering VoIP services using the customer's existing broadband, mobile data and WiFi connections. For our mobile service in the U.K., we also face competition from these mobile network operators as well as other MVNOs. EE became the first U.K. mobile network operator to launch LTE in October 2012, with Vodafone and others launching their LTE services in 2013. EE is the largest mobile service provider. Its LTE network reaches 80% of the U.K. population with further expansion expected in 2015. Virgin Media is responding to such competition through innovative calling plans and a WiFi application that allows customers to use their fixed-line call packages on smartphones. It offers flexible mobile service contracts that allow customers to change services monthly and has increased its WiFi access points. Virgin Media's share of the fixed-line telephony market in the U.K. is 15%.

Deutsche Telekom is the dominant fixed-line telephony provider in Germany; however, telephony services provided through alternative technologies and mobile telephony services have caused competition in the telephony market to be intense. As a result, the market for residential telephony service is price sensitive. In recent years, fixed-line phone calls have been transformed into a commodity and have become increasingly dependent on a quality broadband offering, as phone is increasingly bundled with broadband internet services. Fixed-line telephony has experienced significant price erosion over the last few years, with operators increasingly offering flat-rate products. We seek to compete based on the speed of our network connections, pricing and product innovation. We also offer varying plans to meet customer needs and various bundled service options with our digital video and broadband internet services. The market share of the fixed-line telephony market for Unitymedia KabelBW is 8%.

In the Netherlands, KPN is the dominant fixed-line telephony provider and expanded its mobile services with its LTE network, which is available throughout the Netherlands. All of the large multiple system operators, including the Ziggo Group, as well as ISPs, offer VoIP services. Also, Ziggo entered the mobile market as an MVNO in September 2013 and UPC Nederland began offering mobile in October 2014. To compete in this intense market, the Ziggo Group offers an app for Android and iOS users to make calls on their fixed rate plan via WiFi. The market share of the fixed-line telephony market for the Ziggo Group is 40% compared to 54% for KPN. In the mobile market, the Ziggo Group is small compared to the competition with less than 1% of the market.

In Belgium, Belgacom is the dominant fixed-line telephony provider with 64% of the fixed-line telephony market. It is also a significant competitor in the mobile telephony market, with its LTE services. To gain market share, we emphasize customer service and provide innovative plans to meet the needs of our customers, such as a flat fee plan offered in our bundle options (free off-peak calls to fixed-lines in Belgium, plus 2,000 minutes for calls to mobile in Belgium, fixed and mobile in Europe, the U.S. and Canada, and fixed in Morocco and Turkey). Subscribers to our fixed-line telephony service may also make free off-peak calls to mobile lines in Belgium, Europe, the U.S. and Canada. We also offer competitively priced mobile telephony that include a wealth of voice minutes, text messages and mobile data. We compete with other fixed-line operators and with mobile operators, including Belgacom, in the provision of telephony and mobile services in Belgium. Telenet’s share of the fixed-line telephony market in Belgium is 25%.

In Switzerland, we are the largest VoIP service provider, but Swisscom is the dominant fixed-line telephony service provider. Sunrise Communications AG, which offers carrier pre-select services, is also a strong competitor. Each of these competitors also operate their own mobile telephony service and include their mobile products in bundles with fixed-line services. In Austria, we serve our subscribers with VoIP over our cable network, circuit-switched telephony services and DSL technology service over LLU. To meet the competition for fixed-line services, UPC Cablecom enhanced its portfolio with attractive bundle options as well as standalone plans with free minutes either nationally or internationally and offers mobile services, including a phone app that allows smartphone users make calls on their fixed network plan. The market share of the fixed-line telephony market for UPC Cablecom is 13%.

In our other European markets, the incumbent telephone companies dominate the telephony market. Most of the fixed-line competition to the incumbent telephone operators in these countries is from entities that provide carrier pre-select or wholesale line rental services. We also compete with ISPs that offer VoIP services and mobile operators. Given the increased relevance of the mobile market, we have launched mobile services as an MVNO in Austria and plan to expand these services to our other markets. To gain market share, we promote our VoIP telephony service offerings in almost all of our European markets and in some markets we have enhanced our telephony services through unlimited calling options.

Latin America

In Chile, VTR faces competition from the incumbent telecommunications operator, Movistar, and other telecommunications operators. Movistar has substantial experience in providing telephony services, resources to devote to the provision of telephony services and long-standing customer relationships. Competition in both the residential and business telephony markets is increasing as a result of market trends and regulatory changes affecting general price competition, number portability and the growth of VoIP services. VTR offers circuit-switched and VoIP telephony services over its cable network. VTR’s share of the residential and commercial fixed-line telephony market in Chile is 21%.

In Chile, an increasing number of consumers have gravitated towards mobile service, prompting us in 2012 to add wireless plans to our services. Claro, Movistar and Entel PCS Telecommunications SA are the primary companies that offer mobile telephony in Chile. Competition in the Chilean mobile services market is increasing quickly, with new competitors providing services to customers using the MVNO model. There are five competitors that use the MVNO model: Móvil Falabella, Virgin Mobile Chile, GTD—Manquehue, Nextel and Netline. VTR offers its mobile telephony services on a standalone basis. The mobile services of VTR represent less than 1% of the mobile telephony market in Chile, of which approximately 82% comprise postpaid accounts. Of these customers 86% subscribe to at least one fixed-line VTR service.

Regulatory Matters

Overview

Video distribution, broadband internet, fixed-line telephony and mobile businesses are regulated in each of the countries in which we operate. The scope of regulation varies from country to country, although in some significant respects regulation in European markets is harmonized under the regulatory structure of the EU.

Adverse regulatory developments could subject our businesses to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our businesses to various penalties.

Europe

Austria, Belgium, Bulgaria, Croatia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the U.K. are the Member States of the EU. As such, these countries are required to harmonize certain of their laws with certain EU rules. In addition, other EU rules are directly enforceable in those countries without any implementation at the national level. Certain EU rules are also applicable across the European Economic Area, whose Member States are the EU Member States (excluding Croatia) as well as Iceland, Liechtenstein and Norway.

In the broadcasting and communications sectors, there has been extensive EU-level legislative action. As a result, most of the markets in Europe in which our businesses operate have been significantly affected by the regulatory framework that has been developed by the EU. Regulation in Switzerland, which is not a Member State of the EU and is not part of the European Economic Area, is discussed separately below, as well as regulation in certain Member States in which we face regulatory issues that may have a material impact on our business.

EU Communications Regulation

The body of EU law that deals with communications regulation consists of a variety of legal instruments and policies (collectively referred to as the Regulatory Framework). The key elements of the Regulatory Framework are various legal measures, which we refer to as the Directives, that require Member States to harmonize their laws, as well as certain regulations that have direct effect without any specific adoption at the national level.

The Regulatory Framework primarily seeks open communications services markets within Europe. It harmonizes the rules within the EU for the establishment and operation of electronic communications networks, including cable television and traditional telephony networks, and the offer of electronic communications services, such as telephony, internet and, to some degree, television services.

On December 18, 2009, the Official Journal of the EU published revisions to the Regulatory Framework. These revisions should have been transposed into the laws of the Member States before May 25, 2011, although in practice, this process is still ongoing in certain Member States. Despite their limited nature, certain changes to the Regulatory Framework will affect us. For example, some new powers have been given to national regulators, such as the right to mandate access to ducts without finding operators or service providers to have "Significant Market Power" (defined below). This power, in particular, could require us to open our ducts to competitors and not allow us to make use of all capacity in our ducts for our own needs, or could mean we get access to ducts of third parties instead of building our own ducts. Additionally, the revisions to the Regulatory Framework grant enhanced powers to Member States to impose transparency obligations and quality of service requirements on ISPs, which may restrict our flexibility in respect of our broadband services.

Certain key provisions included in the current Regulatory Framework are set forth below. This description is not intended to be a comprehensive description of all regulation in this area.

- *Licensing and Exclusivity.* The Regulatory Framework requires Member States to abolish exclusivities on communication networks and services in their territory and allow operators into their markets based on a simple registration. The Regulatory Framework sets forth an exhaustive list of conditions that may be imposed on communication networks and services. Possible obligations include, among other things, financial charges for universal service or for the costs of regulation, environmental requirements, data privacy and other consumer protection rules, "must carry" obligations, provision of customer information to law enforcement agencies and access obligations.

- *Significant Market Power*. Certain of the obligations allowed by the Regulatory Framework apply only to operators or service providers with "Significant Market Power" in a relevant market. For example, the provisions of the Access Directive allow EU Member States to mandate certain access obligations only for those operators and service providers that are deemed to have Significant Market Power. For purposes of the Regulatory Framework, an operator or service provider will be deemed to have Significant Market Power where, either individually or jointly with others, it enjoys a position of significant economic strength affording it the power to behave to an appreciable extent independently of competitors, customers and consumers.

As part of the implementation of certain provisions of the Regulatory Framework, each Member State's National Regulatory Authority (NRA) is required to analyze certain markets predefined by the EU Commission to determine if any operator or service provider has Significant Market Power. Until November 2007, there were 18 such markets but then the EU Commission adopted a new recommendation reducing the list of predefined markets to seven, subject to periodic review. This adjusted recommendation led to a reduction in regulation. Some NRAs, however, continue to maintain their analysis of some of the markets from the original list or perform analysis of markets not listed in the recommendation which requires the NRA to prove that additional requirements, the so called three-criteria test, are met. In October 2014, the EU adjusted the recommendation by removing the telephony markets and combining the wholesale broadband access markets.

NRAs might seek to define us as having Significant Market Power in any of these predefined markets or they may define and analyze additional markets. In the event that we are found to have Significant Market Power in any particular market, an NRA could impose certain conditions on us. Under the Regulatory Framework, the EU Commission has the power to veto a finding by an NRA of Significant Market Power (or the absence thereof), which power also applies with respect to market definition, in any market, regardless of whether it is a market predefined by the EU Commission or an additional market defined by an NRA. We have been found to have Significant Market Power in certain markets in which we operate and further findings of Significant Market Power are possible. In particular, we have been found to have Significant Market Power in the termination of calls on our network.

- *Video Services.* The regulation of distribution, but not the content, of television services to the public is harmonized by the Regulatory Framework. Member States are allowed to impose on certain operators under their jurisdiction reasonable must carry obligations for the transmission of specified radio and television broadcast channels. Such obligations are required to be based on clearly defined general interest objectives, be proportionate and transparent and be subject to periodic review. We are subject to must carry regulations in all European markets in which we operate. In some cases, these obligations go beyond what we believe is allowable under the Regulatory Framework. To date, however, the EU Commission has taken very limited steps to enforce EU law in this area, leaving intact must carry obligations in certain Member States that are in excess of what we believe to be allowed, and we do not expect the EU Commission or the Member States to curtail such obligations in the foreseeable future.

- *Net Neutrality/Traffic Management.* Other current regulatory debates at the EU and national level include net neutrality/traffic management, as well as responsibilities for ISPs on illegal content or activities on the internet. With respect to net neutrality/traffic management, the EU Commission confirmed in April 2011 that no additional EU regulation is needed to preserve net neutrality. The EU Commission made this decision after concluding that the existing provisions of the Regulatory Framework on consumer transparency and the ability of regulators to impose a minimum quality of service on an operator should be given time to be tested by Member States. In December 2011, the Body of European Regulators for Electronic Communications (BEREC), the joint body of European telecommunications regulators, published non-binding guidelines on net neutrality and transparency. BEREC believes that transparency and the ability for end-users to easily switch providers is vital and recommends that operators should provide clear end-user information about service limitations and actual speeds.

  While the EU has not imposed net neutrality regulation to date, it does require operators to provide clear and transparent information to customers on traffic management practices and service quality. In addition, new measures have been proposed as part of the EU's Telecoms Single Market proposal, which would prohibit blocking and throttling of internet traffic, with the exception of congestion management. The proposals also support development of specialized, managed services delivering enhanced Quality of Service levels by ISPs, in addition to the continued delivery of best-effort internet services for all. There is significant pressure, however, to restrict the use of specialized services, which could compromise our ability to manage the content streams on our network. Negotiations between Member States are in their infancy and we currently expect these negotiations to be completed in the first half of 2015. The final outcome of this debate and its impact on our businesses is difficult to predict.

On September 11, 2013, the EU Commission proposed a partial reform to the Regulatory Framework in its proposed regulation on the European single market for electronic communications. Under EU law, a regulation, unlike a Directive, is required to be implemented into national law without interpretation by the respective national government. This proposal is a substantial reform to the 2009 Regulatory Framework, notably in how regulatory powers for licensing, spectrum and consumer protection are divided between NRAs, BEREC and the EU Commission. The proposal does not, however, modify the Regulatory Framework for mandating access obligations on operators with Significant Market Power. With respect to broadband services, the proposal permits ISPs to charge content or application service providers for carriage in return for new prohibitions to the use of traffic management to block, slow down or degrade services or applications. There are also modifications to the rules on consumer protection that extend the circumstances under which subscribers can terminate their contracts without cost, which may restrict our flexibility in respect of our bundled service offerings. The proposed regulation is subject to approval by the European Parliament and by Member States in the European Council. While most of the proposals have not obtained the support of Member States in Council, as of January 2015, Member States have indicated they are willing to reach an agreement on reform of the roaming proposals and on a pan-European wide approach to net neutrality. A formal position among the 28 Member States may be reached by the end of February 2015, after which Member States in Council must negotiate their final position with the European Parliament before the measures can become EU law. Final adoption of these measures, if any, is not likely to occur before the second half of 2015.

EU Broadcasting Law

Although the distribution of video channels by a cable operator is within the scope of the Regulatory Framework, the activities of a broadcaster are harmonized by other elements of EU law, in particular the Audiovisual Media Services Directive (AVMS). Generally, broadcasts originating in and intended for reception within an EU Member State must respect the laws of that Member State. Pursuant to AVMS, however, EU Member States are required to allow broadcast signals of broadcasters established in another EU Member State to be freely transmitted within their territory so long as the broadcaster complies with the law of their home state. This is referred to as the country of origin principle. Under AVMS, the country of origin principle applies also to non-linear services, such as VoD. Accordingly, we should be able, if we so elect, to offer our own VoD services across the European Economic Area based on the regulation of the country of origin. As a result, we could structure our business to have a single regulatory regime for all of our VoD services offered in Europe. In addition, when we offer third party VoD services on our network, it should be the business of the third party, in its capacity as provider of the services, and not us as the local distributor, that is regulated in respect of these services.

Although Member States were obligated to transpose the requirements of AVMS into national law, and this has generally been completed, the practical effect is still not clear. Uncertainty still remains about the proper treatment of VoD from a practical perspective. Thus, there can be no assurance that the requirements on VoD will, in fact, operate in the manner described above in any individual Member State. As a result, we may face inconsistent and uncertain regulation of our VoD service in Europe.

AVMS also establishes quotas for the transmission of European-produced programming and programs made by European producers who are independent of broadcasters.

Other European Level Regulation

In addition to the industry-specific regimes discussed above, our European operating companies must comply with both specific and general legislation concerning, among other matters, data protection, data retention and electronic commerce. Many of these regimes are, or will be, reviewed at the EU level.

Our European operating companies are also subject to both national and European level regulations on competition and on consumer protection, which are broadly harmonized at the EU level. For example, while our operating companies may offer their services in bundled packages in European markets, they are sometimes not permitted to make a subscription to one service, such as cable television, conditional upon a subscription to another service, such as telephony. They may also face restrictions on the degree to which they may discount certain products included in the bundled packages.

The EU Commission is imposing more mandatory requirements and encouraging voluntary solutions regarding energy consumption of the telecommunications equipment we provide our customers. We have been participating in discussions and studies regarding energy consumption with the EU Commission and with experts working on their behalf. In addition, we are working with suppliers of our digital set-top boxes to lower power consumption, as well as looking at possibilities through software to lower the power consumption of the existing fleet of digital set-top boxes. We also worked with a large group of companies to create a voluntary agreement on set-top box power consumption as an alternative to regulation. The EU Commission formally recognized this voluntary agreement as a valid alternative to regulation on November 22, 2012. Nevertheless, legislation in this area may be adopted that could adversely affect the cost and/or the functionality of equipment we deploy in customer homes.

Pursuant to an EU regulation on standby power effective January 7, 2010 (the Standby Regulation), many devices are required to have either a low power standby mode or off mode unless it is inappropriate to have either such mode on the device. For this purpose, our set-top boxes and certain other equipment are equipped with an off switch. Beginning in January 2013, the Standby Regulation imposed further requirements on power management on certain devices we purchase and/or develop, which devices, namely the Horizon TV set-top box and any future set-top boxes, must comply with such requirements, unless it can be argued such further requirements are inappropriate. These additional requirements have necessitated additional software developments for our equipment and reduce the functionality of our equipment assuming the equipment’s default setting is maintained.

Furthermore in August 2013, the EU Commission issued an amendment to the Standby Regulation called Networked Standby (No 801/2013), which became effective as of January 1, 2015, with the aim of regulating, among others, the maximum power consumption of networked consumer equipment while in the so-called Networked Standby mode. As is the case with the Standby Regulation, these additional requirements may have an impact on our costs and the customer experience.

As part of the EU's Radio Spectrum Policy Program, spectrum made available through the switch off of analog television has been approved for mobile broadband use beginning January 1, 2013. This spectrum, known as the "digital dividend", is in the 700 - 862 MHz band. The terms under which this spectrum will become available will vary among the European countries in which we operate. Certain uses of this spectrum may interfere with services carried on our cable networks. If this occurs, we may need to: (1) avoid using certain frequencies on our cable networks for certain or all of our services, (2) make some changes to our networks, or (3) change the equipment which we deploy. In approving mobile broadband, however, the Radio Spectrum Policy Program states that the new mobile services must co-exist with existing services, such as cable and DTT, to avoid harmful interference. As a result, we are in on-going discussions with relevant Member States and the EU Commission to be included in LTE mobile trials in order to develop mitigation techniques and to engage NRAs to launch regulatory dialogs with equipment manufacturers and mobile operators to develop co-existing networks. We have also requested Member States and the EU Commission to prepare comprehensive national impact assessments when spectrum conditions are changed to ensure that the costs to prevent interference between the various services are balanced.

United Kingdom

In the U.K., the revised Regulatory Framework is implemented through (1) the Communications Act 2003, which regulates all forms of communications technology, whether used for telecommunications or broadcasting, and (2) the Wireless Telegraphy Act 2006, which regulates radio communications in the U.K. (including with respect to the spectrum, licensing arrangements, usage conditions and charges, license bidding and trading and enforcement and penalties). The Privacy and Electronic Communications Regulations 2003, as amended, implemented EU Directive 2002/58, which regulates the processing of personal data and the protection of privacy in the electronic communications sector.

Virgin Media is also subject to regulation under the U.K. Broadcasting Acts 1990 and 1996 and other U.K. statutes and subordinate legislation, including the Competition Act 1998 and the Enterprise Act 2002. On-demand programming is regulated by the Authority for Television On-Demand under a co-regulatory regime with the U.K. Office of Communications (Ofcom). The regulatory regime for on-demand programming is derived from the EU Audiovisual Media Services Directive.

Ofcom is the key regulatory authority for the communications sector in which Virgin Media operates. It is responsible for furthering the interests of consumers by promoting competition. The Competition and Markets Authority also has jurisdiction with respect to competition matters. (Pursuant to the Enterprise and Regulatory Reform Act 2013, effective April 1, 2014, the competition functions of the U.K. Office of Fair Trading, together with those of the U.K. Competition Commission, were transferred to a new U.K. competition authority, the Competition and Markets Authority.) The Competition and Markets Authority's primary duty is to promote competition, both within and outside the U.K., for the benefit of consumers.

<u>Broadband Expansion.</u> The U.K. government has attempted to drive the deployment of super-fast broadband and the provision of basic broadband to 95% of the population of the U.K. by 2017 using money from the publicly funded BBC Licence Fee, under-spend from the Analogue TV Switch-Off Project and other sources of public investment to stimulate private investment. Two key projects are under way: (1) the Broadband Delivery Programme, which is focused on delivering broadband to areas that the market will not serve of its own accord (mainly rural areas); and (2) the Urban Broadband Fund, which is aimed at establishing "super connected" cities with internet capabilities of between 80 Mbps to 100 Mbps and comprehensive mobile broadband coverage. In 2013, the U.K. government announced the Superfast Extension Programme, which is designed to support the roll-out of broadband with download speeds of 30 Mbps or higher to 99% of the population of the U.K. by 2018.

Virgin Media lodged a formal challenge against the EU Commission's decision to approve a project involving the deployment of a state-subsidized broadband network in the city of Birmingham in 2012. Based on assurances received from the U.K. government that no Urban Broadband Fund monies would be used to deploy telecommunications infrastructure in the U.K., such that Birmingham could not implement the network for which it had received EU Commission approval, Virgin Media requested and was granted a stay in proceedings until March 31, 2015. As an alternative, the U.K. government launched a retail connectivity voucher scheme, in which Virgin Media participates.

<u>Television and VoD Services.</u> Sky has market power in the wholesale supply of certain premium sports channels. As a result, Ofcom imposed a Wholesale Must Offer (WMO) regime for regulating the terms of the wholesale supply of Sky Sports 1 and 2 SD and HD. A number of parties, including Virgin Media, appealed this decision.

In August 2012, the Competition Appeal Tribunal (CAT) overturned Ofcom's decision, ruling that the competition concerns on which Ofcom based its decision were unfounded. BT appealed certain aspects of the CAT's judgment to the Court of Appeal.

In February 2014, the Court of Appeal upheld BT's appeal. The matter has been referred back to the CAT for further consideration, and the Supreme Court has denied Sky the opportunity to appeal. The WMO requirement continues in the meantime and BT has secured an extension to cover distribution over the YouView platform. On December 19, 2014, Ofcom launched a consultation to review the WMO remedy and consider whether it remains an appropriate remedy.

In November 2014, Ofcom opened an investigation into the arrangements by which the FA Premier League collectively sells the live U.K. audio-visual media rights to Premier League football (soccer) matches. Ofcom's investigation is on the basis that there are reasonable grounds to suspect that these arrangements appreciably restrict or distort competition in breach of the prohibition in Chapter I of the Act and/ or Article 101(1) of the Treaty on the Functioning of the European Union. This investigation is underway.

<u>Broadband Services.</u> Ofcom has recently finalized its triennial review of the Fixed Access markets (including Wholesale Local Access incorporating physical or passive network access via methods such as LLU and duct access) and Wholesale Broadband Access market (virtual or active network access via methods such as provision of wholesale managed service products). There has been no substantive change in its approach to regulation from the previous review period. Therefore, we do not anticipate significant consequences for Virgin Media's operations.

BT has again been found to have Significant Market Power in the Wholesale Local Access market and at least one sub-national area of the Wholesale Broadband Access market and is required to provide certain products and services on regulated terms, including providing access to its ducts and poles infrastructure. Ofcom is proposing to impose new guidance regulating BT's fiber margin. Current proposals indicate BT will not have to undertake a major repricing realignment in order to comply with this additional obligation.

<u>Mobile Service.</u> As an MVNO, Virgin Media is subject to EU regulations relating to retail prices for roaming services. These regulations set limits on certain wholesale and retail tariffs for international mobile voice roaming, SMS tariffs and data roaming within the EU, provides for greater levels of transparency of retail pricing information, imposes measures to guard against bill shock in respect of data roaming and sets maximum roaming rates within the EU. A new measure, effective July 1, 2014, allows consumers to select an alternative provider for their EU roaming services. The measure is intended to increase competition for the provision of roaming services.

Mobile termination charges applied by mobile network operators are regulated by Ofcom under a Significant Market Power charge control condition. Under Virgin Media's MVNO agreement, these changes in mobile termination charges are passed on to Virgin Media, which has experienced a reduction in revenue from such charges, although with some off-setting reductions in cost. Ofcom is in the process of reviewing mobile termination charges for the period of 2015-2018, and has proposed that rates be reduced to approximately half of their current levels by the end of this period.

Germany

Germany has incorporated the EU laws into national laws although under the German legal system competency is split between the Federal State (telecommunication law) and the German federal states (Bundesländer) (media law). The German Telecommunications Act broadly implemented the Regulatory Framework and covers the distribution of any signal by telecommunications networks encompassing television signals, internet data and telephony. The 2009 revisions to the Regulatory Framework by the EU were implemented by Germany in May 2012. The German Federal Network Agency (Bundesnetzagentur) is responsible *inter alia* for the regulation of the German telecommunications market. The Federal Cartel Office (FCO), the national competition authority (Bundeskartellamt), plays an important role with respect to infrastructure and media regulation. The FCO has powers to address competition issues in all markets, although in some cases, competition issues will be addressed by the German Federal Network Agency.

Regulation of the media falls within the authority of the German federal states (Bundesländer). The media laws of all 16 federal states have been partially harmonized by the State Broadcasting Treaty (Rundfunkstaatsvertrag). The State Broadcasting Treaty establishes the main framework of the German regulation of broadcast. Nearly every German state has established its own independent regulatory body, the state media authority (Landesmedienanstalt) for the regulation of the private broadcasting sector. The state media authorities are primarily responsible for licensing and supervision of commercial broadcasters and the allocation of transmission capacities for radio and television channels. They also have authority with respect to the regulation of carriage fees, conditional access systems, interfaces, the bundling of programs, and price regulation.

The allocation and use of analog cable transmission capacities for both radio and television channels in Germany is governed by the must carry rules of the respective German federal states. The allocation of digital transmission capacities for digital television and radio channels is primarily governed by the must carry rules of the State Broadcasting Treaty. The media law in the states of Baden-Württemberg, North Rhine-Westphalia and Hesse require Unitymedia KabelBW to carry at least 13, 24 and 28 analog channels, respectively, and also limits Unitymedia KabelBW's ability to convert these analog cable channels into digital channels.

The operation of conditional access systems for television services is governed by both the State Broadcasting Treaty and the German Telecommunications Act. Generally, operators must not unfairly obstruct or discriminate against broadcasters and other content providers through conditional access systems.

On December 15, 2011, the FCO approved our acquisition of the German cable network KBW (the KBW Acquisition), subject to our agreement with the following conditions:

- Unitymedia KabelBW committed to the distribution of basic digital television channels (as opposed to channels marketed in premium subscription packages) on its entire network in unencrypted form. This commitment, with which we have complied, generally covers free-to-air television channels in SD and HD and is consistent with the practice that had been adopted by KBW prior to the KBW Acquisition. If, however, FTA television broadcasters request their HD content to be distributed in an encrypted HD package, the encryption of FTA HD channels is still possible. In addition, we made a commitment that, through December 31, 2016, the annual carriage fees Unitymedia KabelBW receives for each such FTA television channel distributed in digital or simulcast in digital and analog would not exceed a specified annual amount, determined by applying the applicable rate card systems of Unitymedia KabelBW as of January 1, 2012.

- Effective January 1, 2012, Unitymedia KabelBW waived its exclusivity rights in access agreements with housing associations with respect to the usage of infrastructures other than its in-building distribution networks to provide television, broadband internet or telephony services within the building.

- Effective January 1, 2012, upon expiration of the minimum term of an access agreement with a housing association, Unitymedia KabelBW transferred the ownership rights to the in-building distribution network to the building owner or other party granting access. In addition, Unitymedia KabelBW waived its right to remove its in-building distribution networks.

- A special early termination right was granted with respect to certain of Unitymedia KabelBW's existing access agreements (the Remedy HA Agreements) with the largest housing associations that cover more than 800 dwelling units and which had a remaining term of more than three years as of December 15, 2011. The total number of dwelling units covered by the Remedy HA Agreements was approximately 340,000 as of December 15, 2011. The special termination right may be exercised on or before September 30 of each calendar year up to the expiration of the current contract term, with termination effective as of January 1 or July 1 of the following year. If the special termination right is exercised, compensation will be paid to partially reimburse Unitymedia KabelBW for its unamortized investments in modernizing the in-building network based on an agreed formula. To the extent Unitymedia KabelBW is successful in obtaining renewals of the Remedy HA Agreements, we expect that these renewed contracts will contain pricing and other provisions that are somewhat less favorable to Unitymedia KabelBW than those in previous agreements. At December 31, 2014, approximately 10% of the dwelling units covered by the Remedy HA Agreements remain subject to the special termination right.

In January 2012, two of our competitors (the Appellants), including the incumbent telecommunications operator, each filed an appeal (the FCO Appeals) against the FCO regarding its decision to approve the KBW Acquisition. On August 14, 2013, the Düsseldorf Court of Appeal issued a ruling that set aside the FCO's clearance decision. Although the Düsseldorf Court of Appeal did not grant the right to appeal against its ruling to the Federal Supreme Court, on September 16, 2013, we filed a formal request to appeal to the Federal Court of Justice seeking permission to appeal the Düsseldorf Court of Appeal's decision and our reasoned submission was filed on December 16, 2013. During the first quarter of 2014, interested third parties commented on our submission. The Düsseldorf Court of Appeal's ruling is not legally binding until all appeals have been rejected.

During the fourth quarter of 2014, we, together with our German subsidiaries, entered into agreements with the Appellants, pursuant to which the Appellants withdrew the FCO Appeals and, on January 21, 2015, the FCO consented to the withdrawal. If the Federal Court of Justice terminates the proceedings, which we expect to occur during the first quarter of 2015, the FCO's clearance decision with respect to our KBW Acquisition will become final (without any additional review or conditions). Upon termination of the proceedings, we have agreed to pay the Appellants an aggregate amount of €183.5 million ($222.0 million).

The Netherlands

The Netherlands' electronic communications law broadly implements the Regulatory Framework. According to this electronic communications law, Autoriteit Consument & Markt (ACM), the Netherlands NRA, was required to perform a market analysis to determine which, if any, operator or service provider has Significant Market Power. In December 2011, ACM completed a market assessment of the television market in the Netherlands, concluding that there were no grounds for regulation of that market. As a result, no new regulations relating to the television market may be proposed without a new analysis. In particular, ACM rejected previously filed requests from a number of providers to perform a new market analysis of the television market and this decision was upheld by the Dutch Supreme Administrative Court on November 5, 2012.

In May 2012, the Dutch Parliament adopted laws that provide, among other matters, the power to ACM to impose an obligation for the mandatory resale of television services and to the Commissariaat voor de Media to supervise such resale obligation. These laws became effective on January 1, 2013, notwithstanding the above-described November 5, 2012 decision of the Dutch Supreme Administrative Court. On January 29, 2014, a Dutch civil court, in a proceeding initiated by UPC Nederland, declared the resale obligation laws non-binding because they infringe EU law. The Dutch Government did not appeal the January 2014 decision, and the resale obligation laws were formally withdrawn on November 26, 2014. We cannot predict whether the Dutch government will seek to enact new resale obligation regulations, whether our operations may otherwise (on the basis of a market analysis by ACM) become subject to resale obligation regulation, or the effect on our results of operations, cash flows or financial position from any implementation of such a resale regime.

On August 5, 2013, ACM published its latest market analysis decision on call termination, which combines both the fixed termination market and the mobile termination market. The new tariffs became effective September 1, 2013, and apply for a three year period. The decision was appealed by various operators, including us, and on August 27, 2013, the Dutch Supreme Administrative Court decided in a preliminary decision that the decrease of cap charges should be less steep than ACM had initially determined. These revised tariffs apply until the Dutch Supreme Administrative Court arrives at a final decision in the appeal proceedings on the merits. This final decision is not expected before the end of 2015 because the Dutch Supreme Administrative Court ruled on October 15, 2014, that it wishes to pose prejudicial questions to the European Court of Justice.

On January 1, 2014, the revised must carry obligations became effective. The revised must carry obligations do not only apply to cable operators as was previously the case, but will apply to all providers of analog and digital program packages based on the principle of technology neutrality. Providers of digital program packages with 100,000 or more subscribers are subject to the obligation to provide at least 30 television channels, including as a must carry obligation six public television broadcasting channels, a limited amount of regional and local television broadcasting channels and a number of digital radio broadcasting channels. In addition, all providers of analog program packages with 100,000 or more subscribers must include at least 15 television channels, including as a must carry obligation five public broadcasting channels, a limited amount of regional and local television broadcasting channels and some analog radio broadcasting channels. The Dutch Media Authority can grant a (conditional) exemption from the obligation if the must carry obligations listed above give rise to disproportionate costs for the network operator, an impediment to innovation or other unreasonable outcomes.

There is no regulated financing mechanism in place between network operators and broadcasters. Commercial and public program providers must negotiate with network operators regarding transmission fees.

In connection with the Ziggo Acquisition, we obtained regulatory clearance from the EU Commission on October 10, 2014, which clearance was subject to the following commitments:

- our commitment to sell Film1 channel to a third party and to carry Film1 on our network in the Netherlands for a period of three years; and

- our commitment for a period of eight years with respect to our Ziggo Group network (1) not to enforce certain clauses currently contained in carriage agreements with broadcasters that restrict the ability of broadcasters to offer their channels and content via third party over-the-top services, (2) not to enter into carriage agreements containing such clauses and (3) to maintain adequate interconnection capacity through at least three uncongested routes into our network, at least one of which must be with a large transit provider.

Following the EU Commission’s clearance of the Ziggo Acquisition, on October 31, 2014, ACM published as part of the fourth round of market analysis a draft of market analysis decision on LLU. In this draft decision, ACM found that there is a risk of joint dominance of KPN and us in the related retail broadband market, which would be remedied on the wholesale market for LLU where ACM found a risk of single dominance of KPN. This draft decision was subject to national consultation until December 12, 2014, followed by notification to the EU Commission. The final decision is expected to be published by ACM in the Spring of 2015.

Belgium

Belgium has broadly transposed the Regulatory Framework into law. According to the electronic communications law of June 13, 2005, the Belgisch Instituut voor Post en Telecommunicate (the BIPT), the Belgian NRA, should perform the market analysis to determine which, if any, operator or service provider has Significant Market Power. In addition, the Federal Parliament prepared legislation to transpose the 2009 revisions to the Regulatory Framework, which became effective as of August 4, 2012.

Telenet has been declared an operator with Significant Market Power on the market for call termination on an individual fixed public telephone network. As of April 1, 2012, reciprocal termination rates have been imposed, which results in Telenet charging the interconnection rate of the incumbent telecommunications operator, Belgacom.

Although no determination has been made on whether Telenet has Significant Market Power on the market for call termination on individual mobile networks, its rates will be affected by rate limitations implemented by BIPT. In June 2010, BIPT imposed a steep rate reduction that resulted in (1) an initial 45% decline effective August 1, 2010, over the then average rate and (2) a further decline in January 2013 that was approximately 79% less than the average rate implemented on August 1, 2010. As of January 1, 2013, mobile termination rates have been set by BIPT at 1.08 euro cents per minute, and to date, 2015 rates have not been set.

In December 2010, the BIPT and the regional regulators for the media sectors (together, the Belgium Regulatory Authorities) published their respective draft decisions reflecting the results of their joint analysis of the broadcasting market in Belgium. After a public consultation, the draft decisions were submitted to the EU Commission. The EU Commission issued a notice on the draft decision that criticized the analysis of the broadcasting markets on several grounds, including the fact that the Belgium Regulatory Authorities failed to analyze upstream wholesale markets. It also expressed doubts as to the necessity and proportionality of the various remedies.

The Belgium Regulatory Authorities adopted a final decision on July 1, 2011 (the July 2011 Decision) with some minor revisions. The regulatory obligations imposed by the July 2011 Decision include (1) an obligation to make a resale offer at “retail minus’’ of the cable analog package available to third party operators (including Belgacom), (2) an obligation to grant third-party operators (except Belgacom) access to digital television platforms (including the basic digital video package) at “retail minus”, and (3) an obligation to make a resale offer at “retail minus’’ of broadband internet access available to beneficiaries of the digital television access obligation that wish to offer bundles of digital video and broadband internet services to their customers (except Belgacom).

Telenet submitted draft reference offers regarding the obligations described above in February 2012, in response to which the Belgium Regulatory Authorities subsequently made their observations, launched a national consultation process and consulted with the EU Commission. Although the EU Commission expressed doubts regarding the analog resale offers on August 8, 2013, the EU Commission did not object to the reference offers. The Belgium Regulatory Authorities published the final decision on September 9, 2013. The regulated wholesale services had to be available approximately six months after a third-party operator filed a letter of intent and paid an advance payment to Telenet. On December 27, 2013, wireless operator Mobistar SA (Mobistar) submitted a letter of intent and paid the advance payment on January 10, 2014. Telenet has implemented the access obligations as described in its reference offers and, as of June 23, 2014, access to the Telenet network had become operational and can be applied by Mobistar. In addition, as a result of the November 2014 decision by the Brussels Court of Appeal described below, on November 14, 2014, Belgacom submitted a request to Telenet to commence access negotiations.

On April 2, 2013, the Belgium Regulatory Authorities issued a draft decision regarding the “retail-minus” tariffs of minus 35% for basic television (basic analog and digital video package) and minus 30% for the bundle of basic television and broadband internet services. A “retail-minus” method of pricing involves a wholesale tariff calculated as the retail price for the offered service by Telenet, excluding value-added taxes and copyrights, and further deducting the retail costs avoided by offering the wholesale service (such as costs for billing, franchise, consumer service, marketing, and sales). On October 4, 2013, the Belgium Regulatory Authorities submitted a draft quantitative decision to the EU Commission in which they changed the “retail-minus” tariffs to minus 30% for basic television (basic analog and digital video package) and to minus 23% for the bundle of basic television and broadband internet services. Even though the EU Commission made a number of comments regarding the appropriateness of certain assumptions in the proposed costing methodology, the Belgium Regulatory Authorities adopted such retail-minus tariffs on December 11, 2013.

Telenet filed an appeal against the July 2011 Decision with the Brussels Court of Appeal. In November 2014, the Brussels Court of Appeal rejected Telenet’s appeal and accepted Belgacom’s claim that it should have access to Telenet’s digital television platform and resale of broadband internet access in a bundle with digital video. Telenet is currently considering the possibility of filing an appeal against this decision with the Belgian Supreme Court. Telenet also filed an appeal with the Brussels Court of Appeal against the decision regarding the qualitative and quantitative aspects of the reference offers. Wireless operator Mobistar also filed an appeal against the decision regarding the quantitative aspects of the reference offers. A decision with respect to these appeals is not expected before the end of 2015. There can be no certainty that Telenet's appeals will be successful.

The July 2011 Decision aims to, and in its application may, strengthen Telenet's competitors by granting them resale access to Telenet's network to offer competing products and services. In addition, any resale access granted to competitors could (1) limit the bandwidth available to Telenet to provide new or expanded products and services to the customers served by its network and (2) adversely impact Telenet's ability to maintain or increase its revenue and cash flows. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access ultimately afforded to Telenet's network and other competitive factors or market developments.

Switzerland

Switzerland has a regulatory system which partially reflects the principles of the EU, but otherwise is distinct from the European regulatory system of telecommunications. The Telecommunications Act (Fernmeldegesetz) regulates, in general, the transmission of information, including the transmission of radio and television signals. Most aspects of the distribution of radio and television, however, are regulated under the Radio and Television Act (Radio und Fernsehgesetz). In addition, the Competition Act and the Act on Price Surveillance are potentially relevant to our business. With respect to energy consumption of electronic home devices, the Energy Act and the revised Energy Ordinance have been applicable since January 2010 to television set-top boxes as described below.

Under the Telecommunications Act, any provider of telecommunications services needs to register with the Federal Office of Communications. Dominant providers have to grant access to third parties, including LLU access. But this access regulation is restricted to the copper wire network of the incumbent, Swisscom. Therefore, such unbundling obligations do not apply to UPC Cablecom and other cable operators. Also, any dominant provider has to grant access to its ducts, subject to sufficient capacity being available in the relevant duct. At this time, only Swisscom has been determined to be dominant in this regard. All operators are obliged to provide interconnection and have to ensure interoperability of services.

The Federal Council has suggested that the current Telecommunications Act be revised in two steps. First, the Federal Council plans to introduce measures to allow for easier access to the incumbent's network, better consumer protection and some measures to decrease roaming fees. Second, the Federal Council plans to introduce an efficient access regime to the Swisscom network by introducing ex officio rights for the Federal Communications Commission and an ex-ante regime, regulate the roaming prices and improve the consumer and youth protection rules. This second step is not expected to start before 2018. In addition, it is expected that the conditions for a national broadband rollout will be improved by introducing access obligations to the ducts of local utilities.

Under the Radio and Television Act and the corresponding ordinance, cable network operators are obliged to distribute certain programs that contribute in a particular manner to media diversity. The Federal Government and the Federal Office of Communications can select up to 25 programs that have to be distributed in analog without the cable operator being entitled to compensation. A new Radio and Television ordinance became effective August 1, 2012, which allows cable operators to decrease the number of obligatory channels to be broadcasted in analog. A departmental ordinance was published which eliminates this regime for all foreign broadcasters as of June 1, 2013, and all other such regulation as of January 1, 2015. Additionally, there is no legal obligation to broadcast digital and analog in parallel as long as the digital offer is comparable to analog and does not force customers to incur additional costs.

UPC Cablecom's retail customer prices are subject to review by the Swiss Price Regulator. In October 2012, UPC Cablecom announced an agreement with the Swiss Price Regulator pursuant to which UPC Cablecom will make certain changes to its service offerings in exchange for progressive increases in the price of its basic cable connection. In this regard, (1) effective November 1, 2012, UPC Cablecom began offering a basic tier of digital television channels on an unencrypted basis in its footprint and (2) effective January 3, 2013, for video subscribers who pay the required upfront activation fee, UPC Cablecom has made available, at no additional monthly charge, a 2 Mbps internet connection, which was an increase from the previously-offered 300 Kbps internet connection. In addition, the monthly price for a cable connection increased by CHF 0.90 ($0.91) effective January 1, 2013 and a further increase of CHF 0.60 ($0.60) took effect on January 1, 2014.

Effective October 1, 2014, the Federal Council proposed a new regulation imposing power thresholds for set-top boxes. There are some exemptions and transition periods which apply in the short term to the set-top boxes we import into Switzerland. The Swiss regulation may not be in line with EU regulation, and it may be reconsidered as Switzerland tries to align itself with EU norms. If, however, such regulation remains in force, it may have an adverse effect on the business of UPC Cablecom as UPC Cablecom may face restrictions regarding the import of set-top boxes.

Chile

VTR is subject to regulation and enforcement by various governmental entities in Chile including the Chilean Antitrust Authority, the Ministry of Transportation and Telecommunications (the Ministry) through the Chilean Undersecretary of Telecommunications (SubTel), the National Television Council (CNTV) and Chile's National Consumer Service (Sernac).

In addition to the specific regulations described below, VTR is subject to certain regulatory conditions which were imposed by the Chilean Antitrust Authority in connection with VTR's combination with Metrópolis Intercom SA in April 2005. These conditions are indefinite and include, among others, (1) prohibiting VTR and its control group from participating, directly or indirectly through a related person, in Chilean satellite or microwave television businesses, (2) prohibiting VTR from obtaining exclusive broadcast rights, except for specific events, and (3) requiring VTR to offer its broadband capacity for resale of internet services on a wholesale basis.

Video

The provision of pay television services requires a permit issued by the Ministry. Cable pay television permits are granted for an indefinite term and are non-exclusive, and, because such permits do not involve radioelectric spectrum, they are granted without ongoing duties or royalties. VTR has permits to provide cable pay television services in the major cities, including Santiago, and in most of the medium-sized markets in Chile.

Cable television service providers in Chile are free to define the channels and content included in their services and are not required to carry any specific programming, except as described below. However, CNTV may impose sanctions on providers who are found to have run programming containing excessive violence, pornography or other objectionable content. Pay television operators are directly responsible for violation of such prohibitions. Additionally, the Television Act requires pay television operators to offer a certain quota of cultural content and to distribute public interest campaigns.

The Television Act has been recently amended to establish a retransmission consent regime between broadcast television concessionaires and pay television operators. This regime provides that once a broadcast operator achieves digital coverage of 85% of the population within its concession areas, the broadcast operator may require that pay television operators enter into an agreement for the retransmission of its digital signal. In addition, the Television Act requires that the technical or commercial conditions imposed by broadcast operators not discriminate among pay television operators. Also, the Television Act establishes a must carry regime requiring pay television operators to distribute up to four local broadcast television channels in each operating area. The channels that must be carried by any particular pay television operator are to be selected by CNTV.

The Chilean Consumer's Rights Protection Law contains provisions that have been interpreted by Sernac to require that any increase in rates exceeding inflation must be previously accepted and agreed to by subscribers. Although VTR disagrees with this interpretation, in July 2012, VTR reached an agreement with Sernac, which permits VTR to make adjustments to its published rates twice per year to adjust for inflation. In addition, VTR may once a year propose to its existing subscribers additional changes to their rates. If a subscriber does not accept these proposed rate changes, the subscriber is permitted to terminate its subscription contract. In addition, the agreement with Sernac establishes the criteria upon which VTR may modify its channel line-up without the consent of subscribers.

Internet

In August 2010, a law on internet neutrality was passed, which prohibits "arbitrary blockings" of legal content, applications or services and the provision of differentiated service conditions according to the origin or ownership of the content or service provided through the internet. Additionally, the law authorizes ISPs to take measures to ensure the privacy of their users and provide virus protection and safety processes over their network, as long as these measures do not infringe antitrust laws. Additional measures were subsequently implemented, including obligations related to consumer information, traffic management policies applied by each ISP and internet quality of service requirements and notices required by law concerning the effective maximum and minimum traffic speeds offered under internet access plans.

In order to protect the constitutional rights of privacy and safety of communications, ISPs are prohibited from undertaking surveillance measures over data content on their networks. Also, special summary proceedings have been created in order to safeguard intellectual property rights against violations committed through networks or digital systems. These proceedings include measures designed to withdraw, disqualify or block infringing content in the ISP's network or systems. The law also provides for the right of intellectual property owners to judicially request from ISPs the delivery of necessary information to identify the provider of infringing content.

Fixed-Line and Mobile Telephony Services

The provision of fixed-line and mobile telephony services requires a public telecommunications service concession. With respect to mobile services, in 2009, SubTel awarded VTR a license for 30 MHz of spectrum in the 1700/2100 MHz frequency band for the provision of wireless telephony services. The license has a 30-year renewable term. In 2012, VTR transferred this license to its affiliate VTR Wireless SpA (VTR Wireless) which is now a subsidiary of VTR known as VTR Comunicaciones SpA. On January 15, 2014, VTR Wireless received a letter from SubTel in which SubTel asserted that VTR Wireless is not in compliance with the terms of such wireless license. SubTel alleged that the terms of the wireless license require VTR Wireless to comply with certain minimum network coverage and traffic levels. VTR disagrees with SubTel's assertions regarding the terms of the wireless license and has contested such assertions vigorously.

VTR has concessions to provide fixed-line telephony in most major and medium-sized markets in Chile. Telephony concessions are non-exclusive and have renewable 30-year terms. The original term of VTR's fixed-line telephony concessions expires in November 2025. Long distance telephony services are considered intermediate telecommunications services and, as such, are also regulated by the Ministry. VTR has concessions to provide this service, which is non-exclusive, for a 30-year renewable term expiring in September 2025. In Chile, fixed-line telephony communications between primary zones within the country were, until recently, domestic long distance calls. Then, on November 6, 2013, SubTel eliminated domestic long distance calls and in August 2014, it completed the process of unifying Chile into a single telephone service primary zone. We believe this new system may benefit VTR along with the Chilean fixed-line market as a whole in relation to VTR's mobile telephony competition. Fixed-line subscribers now have the ability to make phone calls throughout Chile without incurring long-distance charges, thereby making VTR's fixed-line telephony services more attractive.

There are no universal service obligations in Chile. However, local service concessionaires are obligated to provide telephony service to all customers that are within their service area or are willing to pay for an extension to receive service. All local service providers, including VTR, must give long distance telephony service providers equal access to their network connections at regulated prices and must interconnect with all other public services concessionaires whose systems are technically compatible.

As a general rule, fixed-line telephony service providers are free to establish the rates directly charged to their customers, unless the Chilean Antitrust Authority concludes that due to a lack of sufficient competition in the market, rates should be fixed by SubTel. However, SubTel sets the maximum rates that may be charged by each operator for interconnect charges, access charges between operators for calls originating on one network that are completed through connections with one or more networks of other providers, and charges for network unbundling services. Rate regulation on interconnection charges is applicable to all fixed-line and mobile telephony companies, including VTR. The determination of the maximum rates that may be charged by operators for their fixed-line or mobile services are made on a case-by-case basis by SubTel and are effective for five years. In September 2014, VTR received a tariff proposal from SubTel that would have retroactive effect to June 2012. The tariff proposal represents a significant reduction in the fixed-line interconnection rates currently charged by VTR. VTR is in the process of formulating its objections and comments to the tariff proposal and is currently unable to reasonably predict the outcome of the tariff-setting process. Final resolution of the tariff-setting process in Chile is expected to occur during the first half of 2015. If the September 2014 tariff proposal were ultimately to be upheld, including retroactive application to June 2012, VTR would be required to issue credit notes of approximately CLP 7.4 billion ($12.2 million) for revenue previously recognized through December 31, 2014.

Other Chilean Regulation

- *Bundling.* On December 18, 2012, the Chilean Antitrust Authority issued its regulation governing the on-net/off-net pricing practice in the mobile telephone industry and the offering of bundled telecommunication services. Pursuant to the terms of this regulation, as revised by the Chilean Supreme Court, mobile services may be sold jointly with fixed-line services. However, promotional discounts were not permitted for these double-play offers. As for traditional bundling over the same platform (*e.g.*, bundled fixed-line services such as our double- and triple-play packages, or bundled mobile services), this regulation provides that such services may be bundled, subject to certain price limitations. These limitations require that the total price for a bundle must be greater than the standalone price for the most expensive service included in the bundle. Also, when three or more services are bundled, the price for the bundle must be greater than the sum of the standalone prices for each service in the bundle, excluding the lowest priced service.

- *Telecommunication Services Proposal.* In February 2014, SubTel published a General Telecommunication Services Ruling that regulates the offer of telecommunication services, including voice, internet access, and pay television, either alone or in bundles, from a consumer protection point of view. The new regulation introduced service billing, significant changes in contracts with customers, new requirements regarding compensation in case of service failure, and new rules regarding treatment of customers' personal information.

- *Minimum Standards on Quality of Service and Operation*. From August 5 to September 4, 2013, SubTel submitted for public comment a draft of the Technical Fundamental Plan on Maintenance and Public Service Telecommunications Network Managing. This draft seeks to impose minimum standards on quality of service and operation of telecommunications networks, in general, and in some particular services: voice services; text and multimedia messages services; data transmission services; minimum coverage for mobile services; and digital terrestrial television minimum coverage. We are uncertain when SubTel will publish the final version of the plan.

Employees

As of December 31, 2014, we, including our consolidated subsidiaries, had an aggregate of approximately 38,000 full-time equivalent employees, certain of whom belong to organized unions and works councils. Certain of our subsidiaries also use contract and temporary employees, which are not included in this number, for various projects. We believe that our employee relations are good.

Financial Information About Geographic Areas

Financial information related to the geographic areas in which we do business appears in note 18 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K.

Available Information

All our filings with the SEC as well as amendments to such filings are available on our internet website free of charge generally within 24 hours after we file such material with the SEC. Our website address is *www.libertyglobal.com.* The information on our website is not part of this Annual Report on Form 10-K and is not incorporated by reference herein.

Item 1A. RISK FACTORS

In addition to the other information contained in this Annual Report on Form 10-K, you should consider the following risk factors in evaluating our results of operations, financial condition, business and operations or an investment in the shares of our company.

The risk factors described in this section have been separated into four groups:

- risks that relate to the competition we face and the technology used in our businesses;

- risks that relate to our operating in overseas markets and being subject to foreign regulation;

- risks that relate to certain financial matters; and

- other risks, including risks that, among other things, relate to our capitalization and the obstacles faced by anyone who may seek to acquire us.

Although we describe below and elsewhere in this Annual Report on Form 10-K the risks we consider to be the most material, there may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that also could have material adverse effects on our results of operations, financial condition, business or operations in the future. In addition, past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

If any of the events described below, individually or in combination, were to occur, our businesses, prospects, financial condition, results of operations and/or cash flows could be materially adversely affected.

Factors Relating to Competition and Technology

We operate in increasingly competitive markets, and there is a risk that we will not be able to effectively compete with other service providers. The markets for cable television, broadband internet, fixed-line telephony and mobile services in many of the regions in which we operate are highly competitive. In the provision of video services, we face competition from DTT broadcasters, video provided over satellite platforms, networks using DSL, or in some cases ADSL, technology, FTTx networks and, in some countries where parts of our systems are overbuilt, cable networks, among others. Our operating businesses are facing increasing competition from video services provided by, or over the networks of, incumbent telecommunications operators and other service providers. As the availability and speed of broadband internet increases, we also face competition from over-the-top video content providers utilizing our or our competitors' high-speed internet connections. In the provision of telephony and broadband internet services, we are experiencing increasing competition from the incumbent telecommunications operators and other service providers in each country in which we operate, as well as mobile providers of voice and data. The incumbent telecommunications operators typically dominate the market for these services and have the advantage of nationwide networks and greater resources than we have to devote to the provision of these services. Many of the incumbent operators are now offering double-play, triple-play and quadruple-play bundles of services. In many countries, we also compete with other operators using LLU to provide these services, other facilities-based operators and wireless providers. Developments in the DSL and other technology used by the incumbent telecommunications operators and alternative providers have improved the attractiveness of our competitors' products and services and strengthened their competitive position. Developments in wireless technology, such as LTE (the next generation of ultra high-speed mobile data), are creating additional competitive challenges.

In some of our markets, national and local government agencies may seek to become involved, either directly or indirectly, in the establishment of FTTx networks, DTT systems or other communications systems. We intend to pursue available options to restrict such involvement or to ensure that such involvement is on commercially reasonable terms. There can be no assurance, however, that we will be successful in these pursuits. As a result, we may face competition from entities not requiring a normal commercial return on their investments. In addition, we may face more vigorous competition than would have been the case if there were no government involvement.

We expect the level and intensity of competition to continue to increase from both existing competitors and new market entrants as a result of changes in the regulatory framework of the industries in which we operate, advances in technology, the influx of new market entrants and strategic alliances and cooperative relationships among industry participants. Increased competition could result in increased customer churn, reductions of customer acquisition rates for some products and services and significant price competition in most of our markets. In combination with difficult economic environments, these competitive pressures could adversely impact our ability to increase or, in certain cases, maintain the revenue, average monthly subscription revenue per average RGU (ARPU), RGUs, operating cash flows, operating cash flow margins and liquidity of our operating segments.

Changes in technology may limit the competitiveness of and demand for our services. Technology in the video, telecommunications and data services industries is changing rapidly, including advances in current technologies and the emergence of new technologies. New technologies, products and services may impact consumer behavior and therefore demand for our products and services. The ability to anticipate changes in technology and consumer tastes and to develop and introduce new and enhanced products and services on a timely basis will affect our ability to continue to grow, increase our revenue and number of subscribers and remain competitive. New products and services, once marketed, may not meet consumer expectations or demand, can be subject to delays in development and may fail to operate as intended. A lack of market acceptance of new products and services that we may offer, or the development of significant competitive products or services by others, could have a material adverse impact on our revenue and operating cash flow.

Our property and equipment additions may not generate a positive return. The video, broadband internet and telephony businesses in which we operate are capital intensive. Significant additions to our property and equipment are required to add customers to our networks and to upgrade or expand our broadband communications networks and upgrade customer premises equipment to enhance our service offerings and improve the customer experience. These additions require significant capital expenditures for equipment and associated labor costs. Significant competition, the introduction of new technologies, the expansion of existing technologies, such as FTTx and advanced DSL technologies, or adverse regulatory developments could cause us to decide to undertake previously unplanned upgrades of our networks and customer premises equipment in the impacted markets. In addition, no assurance can be given that any future upgrades or extensions of our network (including the planned U.K. network extension) will generate a positive return or that we will have adequate capital available to finance such future upgrades or extensions. If we are unable to, or elect not to, pay for costs associated with adding new customers, expanding, extending or upgrading our networks or making our other planned or unplanned additions to our property and equipment, our growth could be limited and our competitive position could be harmed.

We depend almost exclusively on our relationships with third-party programming providers and broadcasters for programming content, and a failure to acquire a wide selection of popular programming on acceptable terms could adversely affect our business. The success of our video subscription business depends, in large part, on our ability to provide a wide selection of popular programming to our subscribers. We generally do not produce our own content and we depend on our agreements, relationships and cooperation with public and private broadcasters and collective rights associations to obtain such content. If we fail to obtain a diverse array of popular programming for our pay television services, including a sufficient selection of HD channels as well as non-linear content (such as VoD and DVR capability), on satisfactory terms, we may not be able to offer a compelling video product to our customers at a price they are willing to pay. Additionally, we are frequently negotiating and renegotiating programming agreements and our annual costs for programming can vary. There can be no assurance that we will be able to renegotiate or renew the terms of our programming agreements on acceptable terms or at all. We expect that programming and copyright costs will continue to rise in future periods as a result of, among other factors, higher costs associated with the expansion of our digital video content, including rights associated with ancillary product offerings and rights that provide for the broadcast of live sporting events, and retransmission or copyright fees payable to public broadcasters.

If we are unable to obtain or retain attractively priced competitive content, demand for our existing and future television services could decrease, thereby limiting our ability to attract new customers, maintain existing customers and/or migrate customers from lower tier programming to higher tier programming, thereby inhibiting our ability to execute our business plans. Furthermore, we may be placed at a competitive disadvantage if certain of our competitors, for example BT and Sky in the U.K., obtain exclusive programming rights, particularly with respect to popular sports and movie programming. In addition, must carry requirements may consume channel capacity otherwise available for more attractive programming.

We depend on third-party suppliers and licensors to supply necessary equipment, software and certain services required for our businesses. We rely on third-party vendors for the equipment, software and services that we require in order to provide services to our customers. Our suppliers often conduct business worldwide and their ability to meet our needs is subject to various risks, including political and economic instability, natural calamities, interruptions in transportation systems, terrorism and labor issues. As a result, we may not be able to obtain the equipment, software and services required for our businesses on a timely basis or on satisfactory terms. Any shortfall in customer premises equipment could lead to delays in connecting customers to our services, and accordingly, could adversely impact our ability to maintain or increase our RGUs, revenue and cash flows. Also, if demand exceeds the suppliers’ and licensors’ capacity or if they experience financial difficulties, the ability of our businesses to provide some services may be materially adversely affected, which in turn could affect our businesses’ ability to attract and retain customers. Although we actively monitor the creditworthiness of our key third-party suppliers and licensors, the financial failure of a key third-party supplier or licensor could disrupt our operations and have an adverse impact on our revenue and cash flows. We rely upon intellectual property that is owned or licensed by us to use various technologies, conduct our operations and sell our products and services. Legal challenges could be made against our use of our or our licensed intellectual property rights (such as trademarks, patents and trade secrets) and we may be required to enter into licensing arrangements on unfavorable terms, incur monetary damages or be enjoined from use of the intellectual property rights in question.

Our businesses that offer mobile telephony and data services rely on the radio access networks of third-party wireless network providers to carry our mobile communications traffic. Our services to mobile customers rely on the use of MVNO arrangements in which we utilize the radio access networks of third-party wireless network providers to carry our mobile communications traffic. If any of our MVNO arrangements are terminated, or if the respective third-party wireless network provider fails to provide the services required under an MVNO arrangement, or if a third-party wireless network provider fails to deploy and maintain its network, and we are unable to find a replacement network operator on a timely and commercial basis or at all, we could be prevented from continuing the mobile services relying on such MVNO arrangement. Additionally, as our MVNO arrangements come to term, we may not be able to renegotiate renewal or replacement MVNO arrangements on the same or more favorable terms.

Failure in our technology or telecommunications systems or leakage of sensitive customer data could significantly disrupt our operations, which could reduce our customer base and result in lost revenue. Our success depends, in part, on the continued and uninterrupted performance of our information technology and network systems as well as our customer service centers. The hardware supporting a large number of critical systems for our cable network in a particular country or geographic region is housed in a relatively small number of locations. Our systems are vulnerable to damage from a variety of sources, including telecommunications failures, power loss, malicious human acts and natural disasters. Moreover, despite security measures, our servers and systems are potentially vulnerable to physical or electronic break-ins, computer viruses, worms, phishing attacks and similar disruptive actions. Furthermore, our operating activities could be subject to risks caused by misappropriation, misuse, leakage, falsification or accidental release or loss of information maintained in our information technology systems and networks and those of our third-party vendors, including customer, personnel and vendor data. As a result of the increasing awareness concerning the importance of safeguarding personal information, the potential misuse of such information and legislation that has been adopted or is being considered across all of our markets regarding the protection, privacy and security of personal information, information-related risks are increasing, particularly for businesses like ours that handle a large amount of personal customer data. Failure to comply with these data protection laws may result in, among other consequences, fines.

Despite the precautions we have taken, unanticipated problems affecting our systems could cause failures in our information technology systems or disruption in the transmission of signals over our networks or similar problems. Any disruptive situation that causes loss, misappropriation, misuse or leakage of data could damage our reputation and the credibility of our operations. Further, sustained or repeated system failures that interrupt our ability to provide service to our customers or otherwise meet our business obligations in a timely manner could adversely affect our reputation and result in a loss of customers and net revenue.

The "Virgin" brand is used by our subsidiary Virgin Media under licenses from Virgin Enterprises Limited and is not under the control of Virgin Media. The activities of the group of companies utilizing the "Virgin" brand and other licensees could have a material adverse effect on the goodwill of customers towards Virgin Media as a licensee and the licenses from Virgin Enterprises Limited can be terminated in certain circumstances. The "Virgin" brand is integral to Virgin Media's corporate identity. Virgin Media is reliant on the general goodwill of consumers towards the Virgin brand. Consequently, adverse publicity in relation to the group of companies utilizing the "Virgin" brand or its principals, particularly Sir Richard Branson, who is closely associated with the brand, or in relation to another licensee of the "Virgin" name and logo (particularly in the U.K., where Virgin Media does business) could have a material adverse effect on Virgin Media's reputation and on Virgin Media's and our business and results of operations. In addition, the licenses from Virgin Enterprises Limited can be terminated in certain circumstances. For example, Virgin Enterprises Limited can terminate the licenses, after providing Virgin Media with an opportunity to cure, (i) if Virgin Media or any of its affiliates commits persistent and material breaches or a flagrant and material breach of the licenses, (ii) if Virgin Enterprises Limited has reasonable grounds to believe that the use (or lack of use) of the licensed trademarks by Virgin Media has been or is likely to result in a long-term and material diminution in the value of the "Virgin" brand, or (iii) if a third party who is not (or one of whose directors is not) a "fit and proper person", such as a legally disqualified director or a bankrupt entity, acquires "control" of Liberty Global. Such a termination could have a material adverse effect on Virgin Media's and our business and results of operations.

Factors Relating to Overseas Operations and Foreign Regulation

Our businesses are conducted almost exclusively outside of the United States, which gives rise to numerous operational risks. Our businesses operate almost exclusively in countries outside the United States and are thereby subject to the following inherent risks:

- fluctuations in foreign currency exchange rates;
- difficulties in staffing and managing international operations;
- potentially adverse tax consequences;
- export and import restrictions, custom duties, tariffs and other trade barriers;
- increases in taxes and governmental fees;
- economic and political instability; and
- changes in foreign and domestic laws and policies that govern operations of foreign-based companies.

Operational risks that we may experience in certain countries include disruptions of services or loss of property or equipment that are critical to overseas businesses due to expropriation, nationalization, war, insurrection, terrorism or general social or political unrest.

We are exposed to various foreign currency exchange rate risks. We are exposed to foreign currency exchange rate risks with respect to our consolidated debt in situations where our debt is denominated in a currency other than the functional currency of the operations whose cash flows support our ability to repay or refinance such debt. Although we generally seek to match the denomination of our and our subsidiaries' borrowings with the functional currency of the operations that are supporting the respective borrowings, market conditions or other factors may cause us to enter into borrowing arrangements that are not denominated in the functional currency of the underlying operations (unmatched debt). In these cases, our policy is to provide for an economic hedge against foreign currency exchange rate movements by using derivative instruments to synthetically convert unmatched debt into the applicable underlying currency. At December 31, 2014, substantially all of our debt was either directly or synthetically matched to the applicable functional currencies of the underlying operations.

In addition to the exposure that results from the mismatch of our borrowings and underlying functional currencies, we are exposed to foreign currency risk to the extent that we enter into transactions denominated in currencies other than our or our subsidiaries' respective functional currencies (non-functional currency risk), such as equipment purchases, programming contracts, notes payable and notes receivable (including intercompany amounts). Changes in exchange rates with respect to amounts recorded in our consolidated balance sheets related to these items will result in unrealized (based upon period-end exchange rates) or realized foreign currency transaction gains and losses upon settlement of the transactions. Moreover, to the extent that our revenue, costs and expenses are denominated in currencies other than our respective functional currencies, we will experience fluctuations in our revenue, costs and expenses solely as a result of changes in foreign currency exchange rates. In this regard, we currently expect that during 2015, (1) less than 1% of our revenue, (2) approximately 2% to 4% of our aggregate operating and SG&A expenses (exclusive of share-based compensation expense) and (3) approximately 7% to 9% of our property and equipment additions will be denominated in non-functional currencies, including amounts denominated in (a) U.S. dollars in Chile and Europe and (b) euros in Poland, the Czech Republic, Romania, Switzerland and Hungary. Our expectations with respect to our non-functional currency transactions in 2015 may differ from actual results. Generally, we will consider hedging non-functional currency risks when the risks arise from agreements with third parties that involve the future payment or receipt of cash or other monetary items to the extent that we can reasonably predict the timing and amount of such payments or receipts and the payments or receipts are not otherwise hedged. In this regard, we have entered into foreign currency forward contracts to hedge certain of these risks. Certain non-functional currency risks related to our revenue, operating and SG&A expenses and property and equipment additions were not hedged as of December 31, 2014. For additional information concerning our foreign currency forward contracts, see note 7 to our consolidated financial statements included in Part II of this Annual Report on Form 10-K.

We also are exposed to unfavorable and potentially volatile fluctuations of the U.S. dollar (our reporting currency) against the currencies of our operating subsidiaries when their respective financial statements are translated into U.S. dollars for inclusion in our consolidated financial statements. Cumulative translation adjustments are recorded in accumulated other comprehensive earnings (loss) as a separate component of equity. Any increase (decrease) in the value of the U.S. dollar against any foreign currency that is the functional currency of one of our operating subsidiaries will cause us to experience unrealized foreign currency translation losses (gains) with respect to amounts already invested in such foreign currencies. Accordingly, we may experience a negative impact on our comprehensive earnings (loss) and equity with respect to our holdings solely as a result of foreign currency translation. Our primary exposure to foreign currency risk from a foreign currency translation perspective is to the euro and British pound sterling and, to a lesser extent, the Swiss franc, the Chilean peso and other local currencies in Europe. We generally do not hedge against the risk that we may incur non-cash losses upon the translation of the financial statements of our subsidiaries and affiliates into U.S. dollars.

Our businesses are subject to risks of adverse regulation. Our businesses are subject to the unique regulatory regimes of the countries in which they operate. Cable and telecommunications businesses are subject to licensing or registration eligibility rules and regulations, which vary by country. The provision of electronic communications networks and services requires our licensing from, or registration with, the appropriate regulatory authorities and, for telephony services, entrance into interconnection arrangements with other phone companies, including the incumbent phone company. It is possible that countries in which we operate may adopt laws and regulations regarding electronic commerce, which could dampen the growth of the internet services being offered and developed by these businesses. In a number of countries, our ability to increase the prices we charge for our cable television service or make changes to the programming packages we offer is limited by regulation or conditions imposed by competition authorities or is subject to review by regulatory authorities or is subject to termination rights of customers. In addition, regulatory authorities may grant new licenses to third parties and, in any event, in most of our markets new entry is possible without a license, although there may be registration eligibility rules and regulations, resulting in greater competition in territories where our businesses may already be active. More significantly, regulatory authorities may require us to grant third parties access to our bandwidth, frequency capacity, facilities or services to distribute their own services or resell our services to end customers. Consequently, our businesses must adapt their ownership and organizational structure as well as their pricing and service offerings to satisfy the rules and regulations to which they are subject. A failure to comply with applicable rules and regulations could result in penalties, restrictions on our business or loss of required licenses or other adverse conditions.

Adverse changes in rules and regulations could:

- impair our ability to use our bandwidth in ways that would generate maximum revenue and operating cash flow;
- create a shortage of capacity on our networks, which could limit the types and variety of services we seek to provide our customers;
- strengthen our competitors by granting them access and lowering their costs to enter into our markets; and
- have a significant adverse impact on our profitability.

Businesses, including ours, that offer multiple services, such as video distribution as well as internet and telephony, or that are vertically integrated and offer both video distribution and programming content, often face close regulatory scrutiny from competition authorities in several countries in which we operate. This is particularly the case with respect to any proposed business combinations, which will often require clearance from national competition authorities. The regulatory authorities in several countries in which we do business have considered from time to time what access rights, if any, should be afforded to third parties for use of existing cable television networks and have imposed access obligations in certain countries. This has resulted, for example, in obligations with respect to call termination for our telephony business in Europe, video must carry obligations in many markets in which we operate and video and broadband internet access obligations in Belgium.

When we acquire additional communications companies, these acquisitions may require the approval of governmental authorities (either at country or, in the case of the EU, European level), which can block, impose conditions on, or delay an acquisition, thus hampering our opportunities for growth. In the event conditions are imposed and we fail to meet them in a timely manner, the governmental authority may impose fines and, if in connection with a merger transaction, may require restorative measures, such as mandatory disposition of assets or divestiture of operations.

New legislation may significantly alter the regulatory regime applicable to us, which could adversely affect our competitive position and profitability, and we may become subject to more extensive regulation if we are deemed to possess significant market power in any of the markets in which we operate. Significant changes to the existing regulatory regime applicable to the provision of cable television, telephony and internet services have been and are still being introduced. For example, in the EU a large element of regulation affecting our business derives from a number of Directives that are the basis of the regulatory regime concerning many of the services we offer across the EU. The various Directives require Member States to harmonize their laws on communications and cover issues such as access, user rights, privacy and competition. These Directives are reviewed by the EU from time to time and any changes to them could lead to substantial changes in the way in which our businesses are regulated and to which we would have to adapt. In addition, we are subject to review by competition or national regulatory authorities in certain countries concerning whether we exhibit Significant Market Power. A finding of Significant Market Power can result in our company becoming subject to pricing, open access, unbundling and other requirements that could provide a more favorable operating environment for existing and potential competitors.

We cannot be certain that we will be successful in acquiring new businesses or integrating acquired businesses with our existing operations, or that we will achieve the expected returns on our acquisitions. Historically, our businesses have grown, in part, through selective acquisitions that enabled them to take advantage of existing networks, local service offerings and region-specific management expertise. We expect to seek to continue growing our businesses through acquisitions in selected markets, such as the Virgin Media Acquisition completed in June 2013 and the Ziggo Acquisition completed in November 2014. Our ability to acquire new businesses may be limited by many factors, including availability of financing, debt covenants, the prevalence of complex ownership structures among potential targets, government regulation and competition from other potential acquirers, including private equity funds. Even if we are successful in acquiring new businesses, the integration of these businesses, such as Virgin Media and Ziggo, may present significant costs and challenges associated with: realizing economies of scale in interconnection, programming and network operations; eliminating duplicative overheads; integrating personnel, networks, financial systems and operational systems; greater than anticipated expenditures required for compliance with regulatory standards or for investments to improve operating results, and failure to achieve the business plan with respect to any such acquisition. We cannot assure you that we will be successful in acquiring new businesses or realizing the anticipated benefits of any completed acquisition, including, for example, the Virgin Media Acquisition and the Ziggo Acquisition.

In addition, we anticipate that most, if not all, companies acquired by us will be located outside the United States. Foreign companies may not have disclosure controls and procedures or internal controls over financial reporting that are as thorough or effective as those required by U.S. securities laws. While we intend to conduct appropriate due diligence and to implement appropriate controls and procedures as we integrate acquired companies, we may not be able to certify as to the effectiveness of these companies' disclosure controls and procedures or internal controls over financial reporting until we have fully integrated them.

The expected benefits of the Virgin Media Acquisition may not be realized. There can be no assurance that the business objectives of our redomestication in the U.K. as a result of the Virgin Media Acquisition will be achieved, particularly as the achievement of the benefits are, in many important respects, subject to factors that we do not control. These factors include such things as the reactions of third parties with whom we enter into contracts and do business and the reactions of investors, analysts and U.K. and U.S. taxing authorities. Our ongoing expenses have increased as a result of the redomestication to the U.K., including those expenses related to complying with U.K. corporate and tax laws. These additional expenses could serve to reduce or offset the benefits realized from the redomestication.

In addition, while we believe that, under the current U.S. tax statute and regulations, the Virgin Media Acquisition would not cause Liberty Global to be treated as a U.S. domestic corporation for federal tax purposes, the IRS may interpret the current statute and regulations differently, or the U.S. Congress, the IRS, the U.K. Parliament or U.K. tax authorities may enact new statutory or regulatory provisions, which, in each case, could adversely affect our status as a non-U.S. corporation, or otherwise adversely affect our anticipated global tax position. Retroactive statutory or regulatory actions have occurred in the past, and there can be no assurance that any such provisions, if enacted or promulgated, would not have retroactive application to us, the Virgin Media Acquisition or any of our subsequent actions. Our net income and cash flow would be reduced if we were to be subject to U.S. corporate income tax as a domestic corporation.

We may have exposure to additional tax liabilities. We are subject to income taxes as well as non-income based taxes in the U.K., the U.S. and many other jurisdictions around the world. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. We are regularly under audit by tax authorities in many of the jurisdictions in which we operate. Although we believe that our tax estimates are reasonable, any material differences as a result of final determinations of tax audits or tax disputes could have an adverse effect on our financial position and results of operations in the period or periods for which determination is made.

Because the majority of our subsidiaries have some or all of their ownership through U.S. corporations, our worldwide effective tax rate is subject to provisions of U.S. tax law that defer the imposition of U.S. tax on certain foreign active income until that income is repatriated to the United States. Any repatriation, through our U.S. ownership structure, of assets currently held by subsidiaries in foreign jurisdictions or recognition of income that fails to meet the U.S. tax requirements related to deferral of U.S. income tax, may result in a higher effective tax rate for our company. While the company may mitigate this increase in its effective tax rate through claiming a foreign tax credit against its U.S. federal income taxes or potentially have foreign or U.S. taxes reduced under applicable income tax treaties, we are subject to various limitations.

We are subject to changing tax laws, treaties and regulations in and between countries in which we operate, including treaties between the U.K., the U.S. and the many other jurisdictions in which we have a presence. Also, various income tax proposals in the jurisdictions in which we operate could result in changes to the existing laws on which our deferred taxes are calculated. A change in these tax laws, treaties or regulations, or in the interpretation thereof, could result in a materially higher income or non-income tax expense. Any such material changes could cause a material change in our effective tax rate.

Further changes in the tax laws of the foreign jurisdictions in which we operate could arise as a result of the base erosion and profit shifting (BEPS) project being undertaken by the Organisation for Economic Co-operation and Development (OECD). The OECD, which represents a coalition of member countries that encompass most of the jurisdictions in which we operate, is undertaking studies and publishing action plans that include recommendations aimed at addressing what they believe are issues within tax systems that may lead to tax avoidance by companies. It is possible that jurisdictions in which we do business could react to the BEPS initiative or their own concerns by enacting tax legislation that could adversely affect us or our shareholders through increasing our tax liabilities.

Factors Relating to Certain Financial Matters

Our substantial leverage could limit our ability to obtain additional financing and have other adverse effects. We seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk. In this regard, we generally seek to cause our operating subsidiaries to maintain their debt at levels that result in a consolidated debt balance that is between four and five times our consolidated operating cash flow (as defined in note 18 to our consolidated financial statements included in Part II of this Annual Report). As a result, we are highly leveraged. At December 31, 2014, our outstanding consolidated debt and capital lease obligations aggregated $46.2 billion, including $1,550.9 million that is classified as current in our consolidated balance sheet and $42.1 billion that is not due until 2020 or thereafter. We believe that we have sufficient resources to repay or refinance the current portion of our debt and capital lease obligations and to fund our foreseeable liquidity requirements during the next 12 months. As our debt maturities grow in later years, however, we anticipate that we will seek to refinance or otherwise extend our debt maturities. In this regard, we completed refinancing transactions in 2013 and 2014 that, among other things, resulted in the extension of certain of our subsidiaries' debt maturities. No assurance can be given that we will be able to complete additional refinancing transactions or otherwise extend our debt maturities. In this regard, it is difficult to predict how political and economic conditions, sovereign debt concerns or any adverse regulatory developments will impact the credit and equity markets we access and our future financial position.

Our ability to service or refinance our debt and to maintain compliance with the leverage covenants in the credit agreements and indentures of certain of our subsidiaries is dependent primarily on our ability to maintain or increase the operating cash flow of our subsidiaries and to achieve adequate returns on our property and equipment additions and acquisitions. For example, if the operating cash flow of our subsidiary, UPC Broadband Holding, were to decline, we could be required to partially repay or limit our borrowings under the UPC Broadband Holding Bank Facility in order to maintain compliance with applicable covenants. Accordingly, if our cash provided by operations declines or we encounter other material liquidity requirements, we may be required to seek additional debt or equity financing in order to meet our debt obligations and other liquidity requirements as they come due. In addition, our current debt levels may limit our ability to incur additional debt financing to fund working capital needs, acquisitions, property and equipment additions, or other general corporate requirements. We can give no assurance that any additional debt or equity financing will be available on terms that are as favorable as the terms of our existing debt or at all. During 2014, we purchased $1,596.9 million (including direct acquisition costs) of Liberty Global Class A and Class C ordinary shares.

Any cash used by our company in connection with any future purchases of our ordinary shares would not be available for other purposes, including the repayment of debt.

Certain of our subsidiaries are subject to various debt instruments that contain restrictions on how we finance our operations and operate our businesses, which could impede our ability to engage in beneficial transactions. Certain of our subsidiaries are subject to significant financial and operating restrictions contained in outstanding credit agreements, indentures and similar instruments of indebtedness. These restrictions will affect, and in some cases significantly limit or prohibit, among other things, the ability of those subsidiaries to:

- incur or guarantee additional indebtedness;
- pay dividends or make other upstream distributions;
- make investments;
- transfer, sell or dispose of certain assets, including subsidiary stock;
- merge or consolidate with other entities;
- engage in transactions with us or other affiliates; or
- create liens on their assets.

As a result of restrictions contained in these credit facilities, the companies party thereto, and their subsidiaries, could be unable to obtain additional capital in the future to:

- fund property and equipment additions or acquisitions that could improve their value;
- meet their loan and capital commitments to their business affiliates;
- invest in companies in which they would otherwise invest;
- fund any operating losses or future development of their business affiliates;
- obtain lower borrowing costs that are available from secured lenders or engage in advantageous transactions that monetize their assets; or
- conduct other necessary or prudent corporate activities.

In addition, most of the credit agreements to which these subsidiaries are parties include financial covenants that require them to maintain certain financial ratios, including ratios of total debt to operating cash flow and operating cash flow to interest expense. Their ability to meet these financial covenants may be affected by adverse economic, competitive, or regulatory developments and other events beyond their control, and we cannot assure you that these financial covenants will be met. In the event of a default under such subsidiaries' credit agreements or indentures, the lenders may accelerate the maturity of the indebtedness under those agreements or indentures, which could result in a default under other outstanding credit facilities or indentures. We cannot assure you that any of these subsidiaries will have sufficient assets to pay indebtedness outstanding under their credit agreements and indentures. Any refinancing of this indebtedness is likely to contain similar restrictive covenants.

We are exposed to interest rate risks. Shifts in such rates may adversely affect the debt service obligation of our subsidiaries. We are exposed to the risk of fluctuations in interest rates, primarily through the credit facilities of certain of our subsidiaries, which are indexed to EURIBOR, LIBOR or other base rates. Although we enter into various derivative transactions to manage exposure to movements in interest rates, there can be no assurance that we will be able to continue to do so at a reasonable cost or at all. If we are unable to effectively manage our interest rate exposure through derivative transactions, any increase in market interest rates would increase our interest rate exposure and debt service obligations, which would exacerbate the risks associated with our leveraged capital structure.

We are subject to increasing operating costs and inflation risks, which may adversely affect our earnings. While our operations attempt to increase our subscription rates to offset increases in programming and operating costs, there is no assurance that they will be able to do so. In certain countries in which we operate, our ability to increase subscription rates is subject to regulatory controls. Also, our ability to increase subscription rates may be constrained by competitive pressures. Therefore, operating costs may rise faster than associated revenue, resulting in a material negative impact on our cash flow and net earnings (loss). We are also impacted by inflationary increases in salaries, wages, benefits and other administrative costs in certain of our markets.

Continuing uncertainties and challenging conditions in the global economy and in the countries in which we operate may adversely impact our business, financial condition and results of operations. The current macroeconomic environment is highly volatile, and continuing instability in global markets, including the ongoing struggles in Europe related to sovereign debt issues, the risk of deflation and the stability of the euro, has contributed to a challenging global economic environment. Future developments are dependent upon a number of political and economic factors, including the effectiveness of measures by the EU Commission to address debt burdens of certain countries in Europe and the overall stability of the eurozone. As a result, we cannot predict how long challenging conditions will exist or the extent to which the markets in which we operate may deteriorate. Additional risks arising from the ongoing economic challenges in Europe are described below under *We are exposed to sovereign debt and currency instability risks in Europe that could have an adverse impact on our liquidity, financial condition and cash flows.*

Unfavorable economic conditions may impact a significant number of our subscribers and/or the prices we are able to charge for our products and services, and, as a result, it may be (1) more difficult for us to attract new subscribers, (2) more likely that subscribers will downgrade or disconnect their services and (3) more difficult for us to maintain ARPUs at existing levels. Countries may also seek new or increased revenue sources due to fiscal deficits. Such actions may further adversely affect our company. Accordingly, our ability to increase, or, in certain cases, maintain, the revenue, ARPUs, RGUs, operating cash flow, operating cash flow margins and liquidity of our operating segments could be adversely affected if the macroeconomic environment remains uncertain or declines further. We are currently unable to predict the extent of any of these potential adverse effects.

We are exposed to sovereign debt and currency instability risks in Europe that could have an adverse impact on our liquidity, financial condition and cash flows. Our operations are subject to macroeconomic and political risks that are outside of our control. For example, high levels of sovereign debt in the U.S. and several European countries in which we operate, combined with weak growth and high unemployment, could lead to fiscal reforms (including austerity measures), tax increases, sovereign debt restructurings, currency instability, increased counterparty credit risk, high levels of volatility and, potentially, disruptions in the credit and equity markets, as well as other outcomes that might adversely impact our company. With regard to currency instability issues, concerns exist in the eurozone with respect to individual macro-fundamentals on a country-by-country basis, as well as with respect to the overall stability of the European monetary union and the suitability of a single currency to appropriately deal with specific fiscal management and sovereign debt issues in individual eurozone countries. The realization of these concerns could lead to the exit of one or more countries from the European monetary union and the re-introduction of individual currencies in these countries, or, in more extreme circumstances, the possible dissolution of the European monetary union entirely, which could result in the redenomination of a portion or, in the extreme case, all of our euro-denominated assets, liabilities and cash flows to the new currency of the country in which they originated. This could result in a mismatch in the currencies of our assets, liabilities and cash flows. Any such mismatch, together with the capital market disruption that would likely accompany any such redenomination event, could have a material adverse impact on our liquidity and financial condition. Furthermore, any redenomination event would likely be accompanied by significant economic dislocation, particularly within the eurozone countries, which in turn could have an adverse impact on demand for our products and services, and accordingly, on our revenue and cash flows. Moreover, any changes from euro to non-euro currencies within the countries in which we operate would require us to modify our billing and other financial systems. No assurance can be given that any required modifications could be made within a timeframe that would allow us to timely bill our customers or prepare and file required financial reports. In light of the significant exposure that we have to the euro through our euro-denominated borrowings, derivative instruments, cash balances and cash flows, a redenomination event could have a material adverse impact on our company.

We may not freely access the cash of our operating companies. Our operations are conducted through our subsidiaries. Our current sources of corporate liquidity include (1) our cash and cash equivalents and (2) interest and dividend income received on our cash and cash equivalents and investments. From time to time, we also receive (1) proceeds in the form of distributions or loan repayments from our subsidiaries or affiliates, (2) proceeds upon the disposition of investments and other assets and (3) proceeds in connection with the incurrence of debt or the issuance of equity securities. The ability of our operating subsidiaries to pay dividends or to make other payments or advances to us depends on their individual operating results and any statutory, regulatory or contractual restrictions to which they may be or may become subject and in some cases our receipt of such payments or advances may be limited due to tax considerations or the presence of noncontrolling interests. Most of our operating subsidiaries are subject to credit agreements or indentures that restrict sales of assets and prohibit or limit the payment of dividends or the making of distributions, loans or advances to shareholders and partners, including us. In addition, because these subsidiaries are separate and distinct legal entities they have no obligation to provide us funds for payment obligations, whether by dividends, distributions, loans or other payments.

We are exposed to the risk of default by the counterparties to our derivative and other financial instruments, undrawn debt facilities and cash investments. Although we seek to manage the credit risks associated with our derivative and other financial instruments, cash investments and undrawn debt facilities, we are exposed to the risk that our counterparties could default on their obligations to us. Also, even though we regularly review our credit exposures, defaults may arise from events or circumstances that are difficult to detect or foresee. At December 31, 2014, our exposure to counterparty credit risk included (1) derivative assets with an aggregate fair value of $1,040.9 million, (2) cash and cash equivalent and restricted cash balances of $1,236.5 million and (3) aggregate undrawn debt facilities of $3,974.1 million. While we currently have no specific concerns about the creditworthiness of any counterparty for which we have material credit risk exposures, the current economic conditions and uncertainties in global financial markets have increased the credit risk of our counterparties and we cannot rule out the possibility that one or more of our counterparties could fail or otherwise be unable to meet its obligations to us. Any such instance could have an adverse effect on our cash flows, results of operations and financial condition. In this regard, (1) the financial failure of any of our counterparties could reduce amounts available under committed credit facilities and adversely impact our ability to access cash deposited with any failed financial institution, thereby causing a default under one or more derivative contracts, and (2) tightening of the credit markets could adversely impact our ability to access debt financing on favorable terms, or at all.

Under our derivative contracts, it is generally only the non-defaulting party that has a contractual option to exercise early termination rights upon the default of the other counterparty and to set off other liabilities against sums due upon such termination. In an insolvency of a derivative counterparty under the laws of certain jurisdictions, however, the defaulting counterparty or its insolvency representatives may be able to compel the termination of one or more derivative contracts and trigger early termination payment liabilities payable by us, reflecting any mark-to-market value of the contracts for the counterparty. Alternatively, or in addition, the insolvency laws of certain jurisdictions may require the mandatory set off of amounts due under such derivative contracts against present and future liabilities owed to us under other contracts between us and the relevant counterparty. Accordingly, it is possible that we may be subject to obligations to make payments, or may have present or future liabilities owed to us partially or fully discharged by set off as a result of such obligations, in the event of the insolvency of a derivative counterparty, even though it is the counterparty that is in default and not us. To the extent that we are required to make such payments, our ability to do so will depend on our liquidity and capital resources at the time. In an insolvency of a defaulting counterparty, we will be an unsecured creditor in respect of any amount owed to us by the defaulting counterparty, except to the extent of the value of any collateral we have obtained from that counterparty.

The risks we would face in the event of a default by a counterparty to one of our derivative instruments might be eliminated or substantially mitigated if we were able to novate the relevant derivative contracts to a new counterparty following the default of our counterparty. While we anticipate that, in the event of the insolvency of one of our derivative counterparties, we would seek to effect such novations, no assurance can be given that we would obtain the necessary consents to do so or that we would be able to do so on terms or pricing that would be acceptable to us or that any such novation would not result in substantial costs to us. Furthermore, the underlying risks that are the subject of the relevant derivative contracts would no longer be effectively hedged due to the insolvency of our counterparty, unless and until we novate or replace the derivative contract.

We may not report net earnings. We reported losses from continuing operations of $980.9 million, $882.0 million and $583.9 million during 2014, 2013 and 2012, respectively. In light of our historical financial performance, we cannot assure you that we will report net earnings in the near future or ever.

Other Factors

The loss of certain key personnel could harm our business. We have experienced employees at both the corporate and operational levels who possess substantial knowledge of our business and operations. We cannot assure you that we will be successful in retaining their services or that we would be successful in hiring and training suitable replacements without undue costs or delays. As a result, the loss of any of these key employees could cause significant disruptions in our business operations, which could materially adversely affect our results of operations.

John C. Malone has significant voting power with respect to corporate matters considered by our shareholders. John C. Malone beneficially owns outstanding ordinary shares of Liberty Global representing 25.2% of our aggregate voting power as of February 6, 2015. By virtue of Mr. Malone's voting power in our company, as well as his position as Chairman of our board of directors, Mr. Malone may have significant influence over the outcome of any corporate transaction or other matters submitted to our shareholders for approval. For example, under English law and our articles of association, certain matters (including amendments to the articles of association) require the approval of 75% of the shareholders who vote (in person or by proxy) on the relevant resolution, and other certain corporate transactions or matters may require the approval of at least 75% of the outstanding shares of each class of our ordinary shares. Because Mr. Malone beneficially owns more than 25% of our aggregate voting power and more than 75% of the outstanding Class B ordinary shares, he has the ability to prevent the requisite approval threshold from being met even though the other shareholders may determine that such action or transaction is beneficial for the Company.

Mr. Malone's rights to vote or dispose of his equity interests in our company are not subject to any restrictions in favor of us other than as may be required by applicable law and except for customary transfer restrictions pursuant to equity award agreements.

It may be difficult for a third-party to acquire us, even if doing so may be beneficial to our shareholders. Certain provisions of our articles of association and of English law may discourage, delay, or prevent a change in control of our company that a shareholder may consider favorable. These provisions include the following:

- authorizing a capital structure with multiple classes of ordinary shares: a Class B that entitles the holders to 10 votes per share; a Class A that entitles the holders to one vote per share; and a Class C that, except as otherwise required by applicable law, entitles the holder to no voting rights;

- authorizing the issuance of "blank check" shares (both ordinary and preferred), which could be issued by our board of directors to increase the number of outstanding shares and thwart a takeover attempt;

- classifying our board of directors with staggered three-year terms, which may lengthen the time required to gain control of our board of directors, although under English law, shareholders of our company can remove a director without cause by ordinary resolution;

- prohibiting shareholder action by written resolution, thereby requiring all shareholder actions to be taken at a meeting of the shareholders;

- requiring the approval of 75% in value of the shareholders (or class of shareholders) and/or English court approval for certain statutory mergers or schemes of arrangements; and

- establishing advance notice requirements for nominations of candidates for election to our board of directors or for proposing matters that can be acted upon by shareholders at shareholder meetings.

Change in control provisions in our incentive plan and related award agreements may also discourage, delay, or prevent a change in control of our company, even if such change of control would be in the best interests of our shareholders.

The enforcement of civil liabilities against us may be more difficult. Because we are a public limited company incorporated under the laws of England and Wales, investors could experience more difficulty enforcing judgments obtained against us in U.S. courts than would currently be the case for U.S. judgments obtained against a U.S. company. It may also be more difficult (or impossible) to bring some types of claims against us in courts sitting in England than it would be to bring similar claims against a U.S. company in a U.S. court. In particular, English law significantly limits the circumstances under which shareholders of English companies may bring derivative actions. Under English law generally, only the Company can be the proper plaintiff in proceedings in respect of wrongful acts committed against us. Our articles of association provide for the exclusive jurisdiction of the English courts for shareholder lawsuits against us or our directors.

Item 1B. UNRESOLVED STAFF COMMENTS

None.

Item 2. PROPERTIES

During 2014, we leased our corporate offices in London, U.K., in Englewood, Colorado and in Amsterdam, the Netherlands. All of our other real or personal property is owned or leased by our subsidiaries and affiliates.

Our subsidiaries and affiliates own or lease the fixed assets necessary for the operation of their respective businesses, including office space, transponder space, headend facilities, rights of way, cable television and telecommunications distribution equipment, telecommunications switches and customer premises equipment and other property necessary for their operations. The physical components of their broadband networks require maintenance and periodic upgrades to support the new services and products they introduce. Subject to these maintenance and upgrade activities, our management believes that our current facilities are suitable and adequate for our business operations for the foreseeable future.

Item 3. LEGAL PROCEEDINGS

From time to time, our subsidiaries and affiliates have become involved in litigation relating to claims arising out of their operations in the normal course of business. For additional information, see note 17 to our consolidated financial statements in Part II of this Annual Report on Form 10-K.

Item 4. MINE SAFTEY DISCLOSURES

Not applicable.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

General

The capitalized terms used in Part II of this Annual Report on Form 10-K are defined in the notes to our consolidated financial statements. In the following text, the terms "we," "our," "our company" and "us" may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries. All Liberty Global share and per share amounts presented herein have been retroactively adjusted to give effect to the 2014 Share Dividend.

Market Information

We have three classes of ordinary shares, Liberty Global Class A, Class B and Class C, that trade on the NASDAQ Global Select Market under the symbols "LBTYA," "LBTYB" and "LBTYK," respectively. The following table sets forth the range of high and low sales prices of Liberty Global Class A, Class B and Class C ordinary shares for the periods indicated. For periods prior to the June 7, 2013 completion of the Virgin Media Acquisition, amounts represent market prices for shares of LGI Series A, Series B and Series C common stock.

	Class/Series A		Class/Series B		Class/Series C	
	High	Low	High	Low	High	Low
Year ended December 31, 2014						
First quarter	$ 46.78	$ 40.36	$ 46.74	$ 41.08	$ 44.26	$ 39.52
Second quarter	$ 45.61	$ 38.49	$ 46.07	$ 39.48	$ 43.59	$ 37.38
Third quarter	$ 44.93	$ 41.38	$ 46.91	$ 42.66	$ 43.35	$ 39.71
Fourth quarter	$ 51.99	$ 41.29	$ 53.00	$ 40.13	$ 49.92	$ 40.35
Year ended December 31, 2013						
First quarter	$ 38.15	$ 32.96	$ 37.12	$ 33.00	$ 34.95	$ 29.67
Second quarter	$ 41.10	$ 35.89	$ 40.03	$ 36.89	$ 37.57	$ 32.88
Third quarter	$ 42.33	$ 38.69	$ 42.46	$ 38.81	$ 39.29	$ 35.55
Fourth quarter	$ 46.27	$ 38.94	$ 46.08	$ 40.15	$ 42.94	$ 36.51

Holders

As of February 6, 2015, there were 360, 44 and 432 record holders of Liberty Global Class A, Class B and Class C ordinary shares, respectively (which amounts do not include the number of shareholders whose shares are nominally held by banks, brokerage houses or other institutions, but include each such institution as one record holder).

Dividends

We have not paid any cash dividends on Liberty Global Class A, Class B and Class C ordinary shares, and we have no present intention of doing so. Payment of cash dividends, if any, in the future will be determined by our board of directors in light of our earnings, financial condition and other relevant considerations including applicable laws in England and Wales. Except as noted below, there are currently no contractual restrictions on our ability to pay dividends in cash or shares. The credit facilities to which certain of our subsidiaries are parties restrict our ability to access their cash for, among other things, our payment of cash dividends.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

None.

Issuer Purchase of Equity Securities

The following table sets forth information concerning our company's purchase of its own equity securities during the three months ended December 31, 2014:

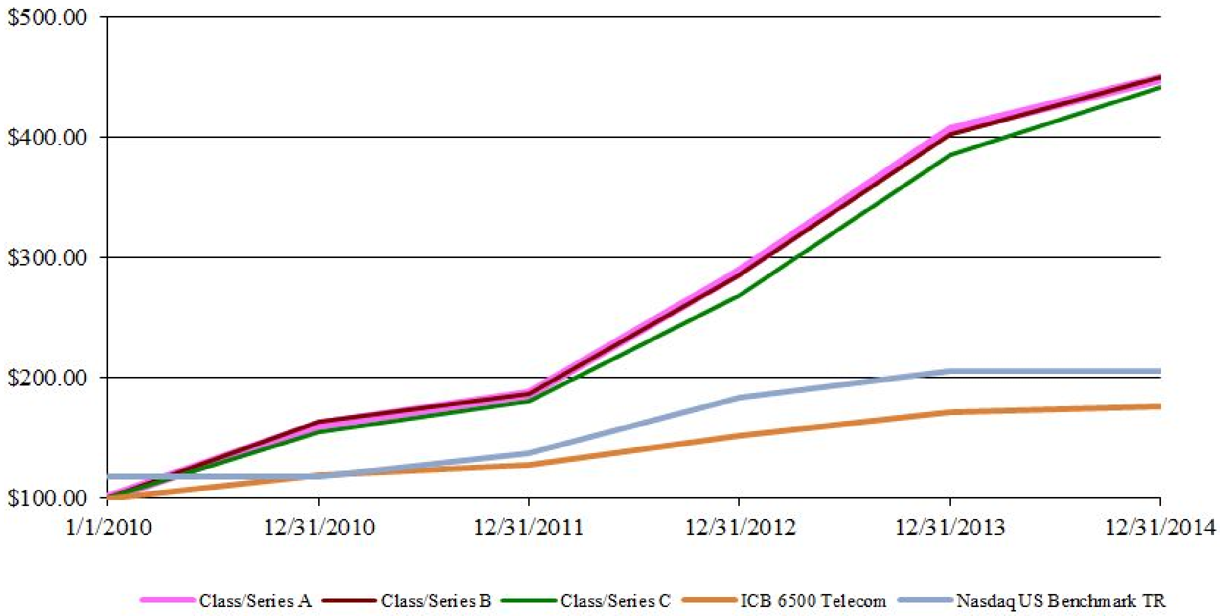
Period	Total number of shares purchased		Average price paid per share (a)		Total number of shares purchased as part of publicly announced plans or programs		Approximate dollar value of shares that may yet be purchased under the plans or programs
October 1, 2014 through October 31, 2014	Class A:	—	Class A:	$ —	Class A:	—	(b)
	Class C:	—	Class C:	$ —	Class C:	—	(b)
November 1, 2014 through November 30, 2014	Class A:	—	Class A:	$ —	Class A:	—	(b)
	Class C:	8,869,500	Class C:	$ 45.89	Class C:	8,869,500	(b)
December 1, 2014 through December 31, 2014	Class A:	—	Class A:	$ —	Class A:	—	(b)
	Class C:	4,950,500	Class C:	$ 48.47	Class C:	4,950,500	(b)
Total — October 1, 2014 through December 31, 2014	Class A:	—	Class A:	$ —	Class A:	—	(b)
	Class C:	13,820,000	Class C:	$ 46.82	Class C:	13,820,000	(b)

(a) Average price paid per share includes direct acquisition costs and the effects of derivative instruments, where applicable.

(b) As of December 31, 2014, the remaining amount authorized for share repurchases was $1,933.7 million. Subsequent to December 31, 2014, our board of directors authorized an additional $2.0 billion of availability for share repurchases. For additional information, see note 12 to our consolidated financial statements.

Stock Performance Graph

The following graph compares the change from January 1, 2010 to December 31, 2014 in the cumulative total shareholder return on our Class/Series A shares, our Class/Series B shares, our Class/Series C shares, the ICB 6500 Telecommunications and the Nasdaq US Benchmark TR Index (assuming reinvestment of dividends, as applicable). The graph assumes that $100 was invested on January 1, 2010.



	As of December 31,				
	2010	2011	2012	2013	2014
Liberty Global Class A (a)	$ 161.57	$ 187.40	$ 287.49	$ 406.43	$ 448.70
Liberty Global Class B (a)	$ 163.09	$ 187.22	$ 286.07	$ 402.04	$ 450.13
Liberty Global Class C (a)	$ 154.99	$ 180.79	$ 268.80	$ 385.73	$ 441.99
ICB 6500 Telecommunications	$ 119.27	$ 127.28	$ 151.85	$ 172.19	$ 176.88
Nasdaq US Benchmark TR Index	$ 117.55	$ 117.91	$ 137.29	$ 183.26	$ 206.09

(a) Prior to the June 7, 2013 completion of the Virgin Media Acquisition, amounts represent market prices for LGI Series A, Series B, and Series C common stock.

Item 6. SELECTED FINANCIAL DATA

The following tables present selected historical financial information of Liberty Global and its consolidated subsidiaries. The following selected financial data was derived from our consolidated financial statements as of and for the years ended December 31, 2014, 2013, 2012, 2011 and 2010. This information is only a summary and should be read together with our *Management's Discussion and Analysis of Financial Condition and Results of Operations* and consolidated financial statements included elsewhere herein.

	December 31,				
	2014	**2013**	**2012**	**2011**	**2010**
	in millions				
Summary Balance Sheet Data (a):					
Property and equipment, net	$ 23,840.6	$ 23,974.9	$ 13,437.6	$ 12,868.4	$ 11,112.3
Goodwill	$ 29,001.6	$ 23,748.8	$ 13,877.6	$ 13,289.3	$ 11,734.7
Total assets	$ 72,841.9	$ 67,714.3	$ 38,307.7	$ 36,409.2	$ 33,328.8
Debt and capital lease obligations, including current portion	$ 46,159.0	$ 44,704.3	$ 27,524.5	$ 24,757.9	$ 22,462.6
Total equity	$ 14,116.0	$ 11,541.5	$ 2,085.1	$ 2,931.4	$ 3,457.7

	Year ended December 31,				
	2014	**2013**	**2012**	**2011**	**2010**
	in millions, except per share amounts				
Summary Statement of Operations Data (a):					
Revenue	$ 18,248.3	$ 14,474.2	$ 9,930.8	$ 9,930.8	$ 7,995.2
Operating income	$ 2,228.2	$ 2,012.1	$ 1,983.1	$ 1,983.1	$ 1,443.9
Loss from continuing operations (b)	$ (980.9)	$ (882.0)	$ (583.9)	$ (801.5)	$ (977.3)
Loss from continuing operations attributable to Liberty Global shareholders	$ (1,028.5)	$ (937.6)	$ (623.7)	$ (841.0)	$ (889.8)
Basic and diluted loss from continuing operations attributable to Liberty Global shareholders per share — Class A, Class B and Class C ordinary shares	$ (1.29)	$ (1.39)	$ (1.17)	$ (1.59)	$ (1.93)

(a) We acquired Ziggo on November 11, 2014, Virgin Media on June 7, 2013, OneLink on November 8, 2012, KBW on December 15, 2011, Aster on September 16, 2011 and Unitymedia KabelBW on January 28, 2010. We also completed a number of less significant acquisitions during the years presented. We sold the Chellomedia Disposal Group on January 31, 2014, Austar on May 23, 2012 and the J:COM Disposal Group on February 18, 2010. Accordingly, our summary statement of operations data presents the Chellomedia Disposal Group, Austar and the J:COM Disposal Group as discontinued operations during the applicable periods. For information regarding our acquisitions and dispositions during the past three years, see notes 4 and 5 to our consolidated financial statements.

(b) Includes earnings from continuing operations attributable to noncontrolling interests of $47.6 million, $55.6 million, $39.8 million, $39.5 million and $87.5 million, respectively.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is intended to assist in providing an understanding of our financial condition, changes in financial condition and results of operations and should be read in conjunction with our consolidated financial statements. This discussion is organized as follows:

- *Overview.* This section provides a general description of our business and recent events.
- *Results of Operations.* This section provides an analysis of our results of operations for the years ended December 31, 2014, 2013 and 2012.
- *Liquidity and Capital Resources.* This section provides an analysis of our corporate and subsidiary liquidity, consolidated statements of cash flows and contractual commitments.
- *Critical Accounting Policies, Judgments and Estimates.* This section discusses those material accounting policies that contain uncertainties and require significant judgment in their application.
- *Quantitative and Qualitative Disclosures about Market Risk.* This section provides discussion and analysis of the foreign currency, interest rate and other market risk that our company faces.

Unless otherwise indicated, convenience translations into U.S. dollars are calculated, and operational data (including subscriber statistics) are presented, as of December 31, 2014.

Overview

We are an international provider of video, broadband internet, fixed-line telephony and mobile services, with consolidated operations at December 31, 2014 in 14 countries. Through Virgin Media, Unitymedia KabelBW and Telenet, we provide video, broadband internet, fixed-line telephony and mobile services in the U.K., Germany and Belgium, respectively, and through Ziggo and UPC Nederland, we provide video, broadband internet, fixed-line telephony and mobile services in the Netherlands. We also provide (i) video, broadband internet and fixed-line telephony services in eight other European countries and (ii) mobile services in four other European countries. The operations of Virgin Media, Unitymedia KabelBW, Telenet, Ziggo, UPC Nederland and our other operations in Europe are collectively referred to herein as the "European Operations Division." In Chile, we provide video, broadband internet, fixed-line telephony and mobile services through VTR. Our consolidated operations also include the broadband communications operations of Liberty Puerto Rico.

Our analog cable service offerings include basic programming and, in some markets, expanded basic programming. We tailor both our basic channel line-up and our additional channel offerings to each system according to culture, demographics, programming preferences and local regulation. Our digital cable service offerings include basic and premium programming and incremental product and service offerings such as enhanced pay-per-view programming (including video-on-demand), digital video recorders and high definition programming.

We have launched "Horizon TV" in the Netherlands, Switzerland, Ireland and Germany and cloud-based Horizon TV in Poland. Horizon TV is a family of media products that allows customers to view and share content across the television, computer, tablet and smartphone. Horizon TV is powered by a user interface that provides customers a seamless intuitive way to access linear, time-shifted, on-demand and web-based content on the television. It also features an advanced set-top box that delivers not only video, but also internet and voice connections along with a wireless network for the home. For our Horizon TV customers, we also offer applications for various services. We are expanding the Horizon TV experience through cloud TV, including cloud DVR, VoD navigation and advanced applications. In November 2014, we launched this cloud-based Horizon TV platform in select areas in Poland, followed by a full commercial launch in January 2015. In addition, we have launched our subscriber-video-on-demand or "SVOD" offering, which we refer to as "MyPrime". MyPrime is a subscription-based on-demand video library that allows customers to choose from several thousand classic films, children's programs, series and documentaries. We have launched MyPrime in the Netherlands, Switzerland, Poland and Hungary. We intend to (i) expand the availability of Horizon TV and MyPrime to other markets within our footprint and (ii) continue to improve the Horizon TV user experience with new functionality and software updates. In the U.K., our digital video experiences are offered through a "TiVo" platform that provides converged television and broadband internet capabilities.

Although our digital television signals are encrypted in many of the countries in which we operate, our basic digital television channels in Germany, Switzerland, Austria, Romania, the Czech Republic, Poland and a portion of the Netherlands are unencrypted. Where our basic digital television channels are unencrypted, subscribers who have the necessary equipment and who pay the monthly subscription fee for our analog package are able to watch our basic digital television channels. Regardless of whether basic digital television channels are offered on an unencrypted basis, expanded channel packages and premium channels and services continue to be available for an incremental monthly fee in all of our markets. In markets where we introduce unencryption, we generally expect to experience a positive impact on our subscriber disconnect levels and a somewhat negative impact on demand for lower tiers of digital cable services.

We offer broadband internet services in all of our broadband communications markets. Our residential subscribers generally access the internet at various download speeds ranging up to 250 Mbps (500 Mbps in limited areas), depending on the market and the tier of service selected. We determine pricing for each tier of broadband internet service through analysis of speed, market conditions and other factors.

We offer fixed-line telephony services in all of our broadband communications markets, primarily using voice-over-internet-protocol or “VoIP” technology. In addition, we offer mobile services using third-party networks in the U.K., Belgium, Germany, Chile and, to a lesser extent, Poland, Hungary, the Netherlands, Switzerland and Austria.

We have completed a number of transactions that impact the comparability of our 2014, 2013 and 2012 results of operations, including the Ziggo Acquisition on November 11, 2014, the Virgin Media Acquisition on June 7, 2013, the Puerto Rico Transaction on November 8, 2012 and a number of less significant acquisitions during 2014, 2013 and 2012.

On January 31, 2014, we completed the Chellomedia Transaction and, in May 2012, we completed the sale of Austar. We have accounted for the Chellomedia Disposal Group and Austar as discontinued operations in our consolidated financial statements. Accordingly, (i) the Chellomedia Disposal Group is presented as a discontinued operation in our consolidated balance sheet as of December 31, 2013 and (ii) our consolidated statements of operations and cash flows have been reclassified to present the Chellomedia Disposal Group and Austar as discontinued operations for all applicable periods presented. In the following discussion and analysis, the operating statistics, results of operations, cash flows and financial condition that we present and discuss are those of our continuing operations unless otherwise indicated.

For further information regarding our completed acquisitions and dispositions, see notes 4 and 5 to our consolidated financial statements.

From a strategic perspective, we are seeking to build broadband communications and mobile businesses that have strong prospects for future growth in revenue, operating cash flow (as defined in note 18 to our consolidated financial statements) and free cash flow (as defined below under *Liquidity and Capital Resources — Free Cash Flow*). As discussed further under *Liquidity and Capital Resources — Capitalization* below, we also seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk.

We strive to achieve organic revenue and customer growth in our operations by developing and marketing bundled entertainment and information and communications services, and extending and upgrading the quality of our networks where appropriate. As we use the term, organic growth excludes foreign currency translation effects (FX) and the estimated impact of acquisitions. While we seek to obtain new customers, we also seek to maximize the average revenue we receive from each household by increasing the penetration of our digital cable, broadband internet, fixed-line telephony and mobile services with existing customers through product bundling and upselling.

Through our subsidiaries and affiliates, we are the largest international broadband communications operator in terms of customers. At December 31, 2014, we owned and operated networks that passed 51,946,200 homes and served 55,941,900 revenue generating units (RGUs), consisting of 24,335,700 video subscribers, 17,275,300 broadband internet subscribers and 14,330,900 fixed-line telephony subscribers. In addition, at December 31, 2014, we served 4,528,100 mobile subscribers.

Including the effects of acquisitions, we added a total of 7,627,700 RGUs during 2014. Excluding the effects of acquisitions (RGUs added on the acquisition date), but including post-acquisition date RGU additions, we added 1,278,900 RGUs on an organic basis during 2014, as compared to 1,294,300 RGUs added on an organic basis during 2013. The organic RGU growth during 2014 is attributable to the net effect of (i) an increase of 905,000 broadband internet RGUs, (ii) a decrease of 674,100 analog cable RGUs, (iii) an increase of 597,300 fixed-line telephony RGUs and (iv) an increase of 454,600 digital cable RGUs.

We are experiencing significant competition from incumbent telecommunications operators (particularly in the Netherlands and, to a lesser extent, Switzerland, where the incumbent telecommunications operators are overbuilding our networks with fiber-to-the-home, -cabinet, -building or -node (referred to herein as FTTx) and advanced digital subscriber line (DSL) technologies), DTH operators and/or other providers in all of our broadband communications markets. This significant competition, together with the maturation of certain of our markets, has contributed to organic declines in certain of our markets in revenue, RGUs and/or average monthly subscription revenue per average RGU (ARPU), the more notable of which include:

(i) an organic decline in overall revenue in the Netherlands during the fourth quarter of 2014, as compared to the fourth quarter of 2013;

(ii) organic declines during the fourth quarter of 2014 in (a) video RGUs in the majority of our markets, as net declines in our analog cable RGUs generally exceeded net additions to our digital cable RGUs (including migrations from analog cable) in these markets, (b) fixed-line telephony RGUs in Chile and the Netherlands and (c) total RGUs in the Netherlands, Switzerland and Chile; and

(iii) organic declines in overall cable ARPU in many of our markets during the fourth quarter of 2014, as compared to the fourth quarter of 2013.

In addition to competition, our operations are subject to macroeconomic and political risks that are outside of our control. For example, high levels of sovereign debt in the U.S. and several European countries in which we operate, combined with weak growth and high unemployment, could lead to fiscal reforms (including austerity measures), tax increases, sovereign debt restructurings, currency instability, increased counterparty credit risk, high levels of volatility and, potentially, disruptions in the credit and equity markets, as well as other outcomes that might adversely impact our company. Given our significant exposure to the euro, the occurrence of any of these events within the eurozone countries could have an adverse impact on, among other matters, our liquidity and cash flows.

The video, broadband internet and fixed-line telephony businesses in which we operate are capital intensive. Significant additions to our property and equipment are required to add customers to our networks and to upgrade our broadband communications networks and customer premises equipment to enhance our service offerings and improve the customer experience, including expenditures for equipment and labor costs. Significant competition, the introduction of new technologies, the expansion of existing technologies such as FTTx and advanced DSL technologies, or adverse regulatory developments could cause us to decide to undertake previously unplanned upgrades of our networks and customer premises equipment in impacted markets. In addition, no assurance can be given that any future upgrades will generate a positive return or that we will have adequate capital available to finance such future upgrades. If we are unable to, or elect not to, pay for costs associated with adding new customers, expanding or upgrading our networks, or making our other planned or unplanned additions to our property and equipment, our growth could be limited and our competitive position could be harmed.

In order to achieve what we believe will be attractive returns, we plan to undertake a network extension program in the U.K. pursuant to which we may connect up to an estimated four million additional homes and businesses to Virgin Media’s broadband communications network from 2015 through 2020 (the U.K. Network Extension). These additional premises were identified through a detailed review of our existing network in the U.K. that highlighted an opportunity to drive further scale by targeting accretive network extensions. The U.K. Network Extension will be completed in phases and will initially focus on the most accretive expansion opportunities. Depending on a variety of factors, including the financial and operational results of the earlier phases of the program, the U.K. Network Extension may be modified or cancelled at our discretion. Assuming the full completion of the U.K. Network Extension, we estimate that Virgin Media will incur total incremental property and equipment additions ranging from approximately £2.9 billion ($4.5 billion) to £3.1 billion ($4.8 billion) from 2015 through 2020, including expenditures related to (i) the build-out of Virgin Media’s network, which we estimate will account for approximately 80% of our total investment, and (ii) the purchase and installation of related customer premises equipment. We currently expect that these expenditures will be predominantly funded through debt financing and will (a) positively impact the organic growth in our consolidated revenue and operating cash flow, with meaningful benefits beginning in 2017, and (b) increase the percentage of revenue represented by our aggregate consolidated property and equipment additions over this time frame. Including the full estimated impact of the U.K. Network Extension and assuming no changes to our current long-range capital plan, we expect that our aggregate consolidated property and equipment additions as a percentage of our revenue will range from 21% to 23% during the period from 2015 through 2020. For additional information regarding our property and equipment additions, see *Liquidity and Capital Resources — Consolidated Statements of Cash Flows* below.

Including the impacts of the U.K. Network Extension, we expect that we will continue to generate organic growth in our consolidated revenue and operating cash flow over the next few years. We expect this growth to come primarily from (i) increases in overall ARPU, (ii) organic increases in our broadband internet, fixed-line telephony and digital cable RGUs, primarily driven by growth in our operations in Germany, the U.K. and other markets, as we expect that our analog cable RGUs will decline during this timeframe, (iii) growth in mobile services and (iv) growth in B2B services. Additionally, we plan to continue to improve our competitive position through (a) the development and launch of new technology initiatives, including further launches of our Horizon TV platform and the continued rollout of our SVOD offering, and (b) further extensions and upgrades of our networks in certain of our markets, including the U.K. Network Extension, as described above. During this timeframe, we also expect to achieve further cost efficiencies and synergies as we continue to leverage our scale. We also expect that continued customer bundling of our broadband communications and mobile services along with our Horizon TV, SVOD and other advanced technologies will positively impact our subscriber retention rates over this timeframe. For additional information regarding our property and equipment additions, including our 2015 expectations for the European Operations Division and Chile, see *Liquidity and Capital Resources — Consolidated Statements of Cash Flows* below.

Our expectations with respect to the items discussed in the preceding two paragraphs are subject to competitive, economic, technological, political and regulatory developments and other factors outside of our control. Accordingly, no assurance can be given that actual results in future periods will not differ materially from our expectations.

We rely on third-party vendors for the equipment, software and services that we require in order to provide services to our customers. Our suppliers often conduct business worldwide and their ability to meet our needs is subject to various risks, including political and economic instability, natural calamities, interruptions in transportation systems, terrorism and labor issues. As a result, we may not be able to obtain the equipment, software and services required for our businesses on a timely basis or on satisfactory terms. Any shortfall in customer premises equipment could lead to delays in connecting customers to our services and, accordingly, could adversely impact our ability to maintain or increase our RGUs, revenue and cash flows.

Results of Operations

As noted under *Overview* above, the comparability of our operating results during 2014, 2013 and 2012 is affected by acquisitions. In the following discussion, we quantify the estimated impact of acquisitions on our operating results. The acquisition impact represents our estimate of the difference between the operating results of the periods under comparison that is attributable to an acquisition. In general, we base our estimate of the acquisition impact on an acquired entity's operating results during the first three months following the acquisition date such that changes from those operating results in subsequent periods are considered
to be organic changes. Accordingly, in the following discussion, variances attributed to an acquired entity during the first twelve months following the acquisition date represent differences between the estimated acquisition impact and the actual results. Our organic growth percentages may be impacted by the fact that the numerator for the organic growth percentages includes the organic growth of the acquired entity, while the denominator may not include any amounts related to the acquired entity. Normally, any such impacts would not be significant, however, due to the size of the Virgin Media Acquisition, our consolidated organic growth rates for 2014, as compared to 2013, are significantly different from the growth rates we would have reported if we had excluded Virgin Media's organic growth from these organic growth rate calculations. Accordingly, to provide an additional perspective on (i) the growth of the components of our consolidated revenue and (ii) changes in our operating expenses, SG&A expenses and operating cash flow, we present (a) organic revenue growth rates that exclude Virgin Media's organic growth in a note to our consolidated product revenue table included under *Discussion and Analysis of our Consolidated Operating Results* and (b) the organic changes of our consolidated operating expenses, SG&A expenses and operating cash flow excluding the impact of Virgin Media in a note to the respective tables that are included in *Discussion and Analysis of our Reportable Segments*.

Changes in foreign currency exchange rates have a significant impact on our reported operating results as all of our operating segments, except for Puerto Rico, have functional currencies other than the U.S. dollar. Our primary exposure to FX risk during the three months ended December 31, 2014 was to the euro and British pound sterling as 43.8% and 36.7% of our U.S. dollar revenue during the period was derived from subsidiaries whose functional currencies are the euro and British pound sterling, respectively. In addition, our reported operating results are impacted by changes in the exchange rates for the Swiss franc and other local currencies in Europe, as well as the Chilean peso. The portions of the changes in the various components of our results of operations that are attributable to changes in FX are highlighted under *Discussion and Analysis of our Reportable Segments* and *Discussion and Analysis of our Consolidated Operating Results* below. For information concerning our foreign currency risks and the applicable foreign currency exchange rates in effect for the periods covered by this Annual Report on Form 10-K, see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below.

The amounts presented and discussed below represent 100% of each operating segment's revenue and operating cash flow. As we have the ability to control Telenet and Liberty Puerto Rico, we consolidate 100% of the revenue and expenses of these entities in our consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners' interests in the operating results of Telenet, Liberty Puerto Rico and other less significant majority-owned subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our consolidated statements of operations.

Discussion and Analysis of our Reportable Segments

General

All of the reportable segments set forth below derive their revenue primarily from broadband communications services, including video, broadband internet and fixed-line telephony services. Most of our reportable segments also provide B2B services, and certain of our reportable segments provide mobile services. For detailed information regarding the composition of our reportable segments, including information regarding certain changes to our reportable segments that we made during the fourth quarter of 2014, see note 18 to our consolidated financial statements.

The tables presented below in this section provide a separate analysis of each of the line items that comprise operating cash flow (revenue, operating expenses and SG&A expenses, excluding share-based compensation expense, as further discussed in note 18 to our consolidated financial statements), as well as an analysis of operating cash flow by reportable segment for (i) 2014, as compared to 2013, and (ii) 2013, as compared to 2012. These tables present (i) the amounts reported by each of our reportable segments for the comparative periods, (ii) the U.S. dollar change and percentage change from period to period and (iii) the organic percentage change from period to period (percentage change after removing FX and the estimated impacts of acquisitions). The comparisons that exclude FX assume that exchange rates remained constant at the prior year rate during the comparative periods that are included in each table. As discussed under *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below, we have significant exposure to movements in foreign currency exchange rates. We also provide a table showing the operating cash flow margins of our reportable segments for 2014, 2013 and 2012 at the end of this section.

The revenue of our reportable segments includes revenue earned from (i) subscribers to our broadband communications and mobile services and (ii) B2B services, interconnect fees, installation fees, channel carriage fees, late fees and advertising. Consistent with the presentation of our revenue categories in note 18 to our consolidated financial statements, we use the term "subscription revenue" in the following discussion to refer to amounts received from subscribers for ongoing services, excluding installation fees and late fees. In the following tables, mobile subscription revenue excludes the related interconnect revenue.

Most of our revenue is derived from jurisdictions that administer VAT or similar revenue-based taxes. Any increases in these taxes could have an adverse impact on our ability to maintain or increase our revenue to the extent that we are unable to pass such tax increases on to our customers. In the case of revenue-based taxes for which we are the ultimate taxpayer, we will also experience increases in our operating expenses and corresponding declines in our operating cash flow and operating cash flow margins to the extent of any such tax increases. In this regard, certain changes regarding VAT took effect on January 1, 2015, including (i) an increase in the VAT applicable to certain components of Virgin Media's operations and (ii) a change in how VAT is calculated with respect to the operations of UPC DTH in Hungary, the Czech Republic and Slovakia. As compared to 2014 levels, these changes are expected to result in increases in annual VAT payments during 2015 ranging from approximately £30 million ($47 million) to £35 million ($55 million) for Virgin Media and approximately €12 million ($15 million) to €14 million ($17 million) for UPC DTH.

We pay interconnection fees to other telephony providers when calls or text messages from our subscribers terminate on another network, and we receive similar fees from such providers when calls or text messages from their customers terminate on our networks or networks that we access through MVNO or other arrangements. The amounts we charge and incur with respect to fixed-line telephony and mobile interconnection fees are subject to regulatory oversight in many of our markets. To the extent that regulatory authorities introduce fixed-line or mobile termination rate changes, we would experience prospective changes and, in very limited cases, we could experience retroactive changes in our interconnect revenue and/or costs. The ultimate impact of any such changes in termination rates on our operating cash flow would be dependent on the call or text messaging patterns that are subject to the changed termination rates. For information regarding an ongoing tariff-setting process in Chile that may impact the revenue of VTR, see note 17 to our consolidated financial statements.

Revenue of our Reportable Segments

Revenue — 2014 compared to 2013

	Year ended December 31,		Increase (decrease)		Organic increase (decrease) (a)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (b)	$ 7,409.9	$ 4,117.4	$ 3,292.5	80.0	4.5
The Netherlands (c)	1,498.5	1,242.4	256.1	20.6	(1.3)
Germany	2,711.5	2,559.2	152.3	6.0	6.0
Belgium	2,279.4	2,185.9	93.5	4.3	4.3
Switzerland/Austria	1,846.1	1,767.1	79.0	4.5	3.1
Total Western Europe	15,745.4	11,872.0	3,873.4	32.6	4.0
Central and Eastern Europe	1,259.5	1,272.0	(12.5)	(1.0)	0.7
Central and other	(7.1)	(0.4)	(6.7)	N.M.	N.M.
Total European Operations Division	16,997.8	13,143.6	3,854.2	29.3	3.6
Chile	898.5	991.6	(93.1)	(9.4)	4.4
Corporate and other	376.9	374.3	2.6	0.7	0.3
Intersegment eliminations	(24.9)	(35.3)	10.4	N.M.	N.M.
Total	$ 18,248.3	$ 14,474.2	$ 3,774.1	26.1	3.6

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(a) As further described under *Results of Operations* above, our organic revenue growth rate during 2014 is impacted by the organic growth of Virgin Media. Excluding the impact of Virgin Media, the organic increase in (i) U.K./Ireland's revenue would have been 1.1% and (ii) our total revenue would have been 3.2%. For additional information, see *Discussion and Analysis of our Consolidated Results — Revenue*.

(b) The amount presented for 2013 includes the post-acquisition revenue of Virgin Media from June 8, 2013 through December 31, 2013.

(c) The amount presented for 2014 includes the post-acquisition revenue of Ziggo from November 12, 2014 through December 31, 2014.

N.M. — Not Meaningful.

General. While not specifically discussed in the below explanations of the changes in the revenue of our reportable segments, we are experiencing significant competition in all of our broadband communications markets. This competition has an adverse impact on our ability to increase or maintain our RGUs and/or ARPU. For a description of the more notable recent impacts of this competition on our broadband communications markets, see *Overview* above.

U.K./Ireland. The details of U.K./Ireland's revenue during 2014, as compared to 2013, are set forth below:

	Year ended December 31,		Increase		Organic increase
	2014	2013	$	%	%
	in millions				
U.K.	$ 6,941.1	$ 3,653.7	$ 3,287.4	90.0	4.9
Ireland	468.8	463.7	5.1	1.1	1.1
Total	$ 7,409.9	$ 4,117.4	$ 3,292.5	80.0	4.5

The increase in U.K./Ireland's revenue during 2014, as compared to 2013, is primarily due to the June 2013 Virgin Media Acquisition. The organic revenue growth rate of U.K./Ireland is impacted by the size and timing of the Virgin Media Acquisition. Accordingly, (i) we present a separate discussion and analysis for each of the U.K. and Ireland and (ii) the below discussion and analysis of the U.K.’s revenue is presented on a pro forma basis as if the results of Virgin Media were included for the full year 2013. We believe this pro forma analysis provides a more meaningful comparison of Virgin Media’s revenue.

U.K. During 2014, Virgin Media generated revenue of $6,941.1 million, representing a pro forma organic increase of $163.4 million or 2.5%, compared to the revenue reported by Virgin Media during 2013. This pro forma organic increase in Virgin Media’s revenue, which represents the increase that remains after eliminating the impacts of (i) a decrease of $21.4 million associated with the assumed alignment of Virgin Media’s policy to our policy for accounting for installation and certain nonrecurring fees received on B2B contracts, (ii) an acquisition and (iii) FX, is attributable to the net effect of (a) an increase in cable subscription revenue of $148.2 million or 3.3%, (b) a decrease in other non-subscription revenue of $90.1 million or 23.3%, (c) an increase in mobile subscription revenue of $61.9 million or 9.0% and (d) an increase in non-subscription B2B revenue of $43.4 million or 4.7%.

The pro forma organic increase during 2014 in Virgin Media’s cable subscription revenue is primarily due to an increase in ARPU and, to a lesser extent, the average number of RGUs, as an increase in the average number of broadband internet RGUs was only partially offset by declines in the average numbers of digital cable and fixed-line telephony RGUs. The increase in ARPU is primarily due to a net increase resulting from the following factors: (i) higher ARPU due to (a) February 2014 and February 2013 price increases for broadband internet, digital cable and fixed-line telephony services and (b) an October 2013 price increase for certain broadband internet services, (ii) lower ARPU due to the impact of higher discounts, (iii) lower ARPU due to lower fixed-line telephony call volumes, (iv) higher ARPU due to increased penetration of Virgin Media’s TiVo set-top boxes, (v) lower ARPU due to a change in legislation with respect to the charging of VAT, as discussed below, and (vi) higher ARPU due to the net effect of increases in the proportion of subscribers receiving (1) higher-priced tiers of broadband internet services in Virgin Media’s bundles and (2) lower-priced tiers of digital cable services in Virgin Media’s bundles.

The pro forma organic increase in Virgin Media’s mobile subscription revenue is primarily due to the net effect of (i) an increase in the number of customers taking postpaid mobile services, (ii) a decline in the number of prepaid mobile customers, (iii) July 2013 and July 2014 price increases, (iv) a decrease due to a higher proportion of Virgin Media’s postpaid customers taking lower-priced subscriber identification module or “SIM”-only contracts and (v) a reduction in chargeable usage, primarily attributable to the net effect of (a) a higher proportion of subscribers moving to higher-limit and unlimited usage bundles for voice and short message service (or SMS) and (b) an increase in the amount of chargeable data. In addition, the growth in mobile subscription revenue was partially offset by the impact of certain nonrecurring net adjustments of $6.0 million and $1.8 million during the first and second quarters of 2013, respectively, that positively impacted 2013.

The pro forma organic increase in Virgin Media’s non-subscription B2B revenue is primarily due to the net effect of (i) an increase in B2B data revenue primarily attributable to (a) increased volumes and (b) an increase of $17.8 million in the amortization of deferred upfront fees on B2B contracts and (ii) a decline in B2B voice revenue primarily attributable to (1) lower termination rates and (2) a decline in usage. In addition, the growth in B2B revenue also benefited from the impact of certain nonrecurring net adjustments of $4.8 million that negatively impacted the third quarter of 2013.

The pro forma organic decrease in Virgin Media’s other non-subscription revenue is primarily attributable to the net effect of (i) a decrease in interconnect revenue, primarily due to a reduction in (a) fixed-line termination rates in February 2014 and (b) mobile termination rates in April 2013, (ii) a decrease of $28.9 million related to a decline in Virgin Media’s non-cable subscriber base, (iii) a decrease in installation revenue and (iv) an increase in mobile handset sales primarily attributable to the net effect of (1) an $11.3 million increase related to the November 2014 introduction of a new mobile program whereby customers can elect to purchase a mobile handset pursuant to a contract that is independent of a mobile airtime services contract and (2) a decrease in sales to third-party retailers and prepaid handset sales. Under the new mobile program, Virgin Media generally recognizes the full sales price for the mobile handset upon delivery, regardless of whether the sales price is received upfront or in installments.

On March 19, 2014, the U.K. government announced a change in legislation with respect to the charging of VAT in connection with prompt payment discounts such as those that Virgin Media offers to its fixed-line telephony customers. The changes, which took effect on May 1, 2014, impacted Virgin Media and some of its competitors. As a result of this legislation, Virgin Media’s revenue was £28.9 million ($45.0 million) lower during 2014, as compared to 2013. For additional information regarding a potential challenge from the U.K. government regarding Virgin Media’s application of the prompt payment discount rules prior to the May 1, 2014 change in legislation, see note 17 to our consolidated financial statements.

Ireland. The increase in Ireland's revenue during 2014, as compared to 2013, includes (i) an organic increase of $5.0 million or 1.1%, and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 26.4	$ —	$ 26.4
ARPU (b)	(14.2)	—	(14.2)
Total increase in cable subscription revenue	12.2	—	12.2
Decrease in B2B revenue	—	(2.3)	(2.3)
Decrease in other non-subscription revenue (c)	—	(4.9)	(4.9)
Total organic increase (decrease)	12.2	(7.2)	5.0
Impact of FX	0.3	(0.2)	0.1
Total	$ 12.5	$ (7.4)	$ 5.1

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(a) The increase in Ireland's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of fixed-line telephony and broadband internet RGUs that were only partially offset by declines in the average numbers of analog cable RGUs, multi-channel multi-point (microwave) distribution system (MMDS) video RGUs and digital cable RGUs.

(b) The decrease in Ireland's cable subscription revenue related to a change in ARPU is primarily due to (i) an adverse change in RGU mix and (ii) a net decrease resulting from the following factors: (a) higher ARPU due to the inclusion of higher-priced tiers of broadband internet, video and fixed-line telephony services in Ireland's bundles, including the impact of a price increase in March 2014, (b) lower ARPU due to the impact of higher bundling discounts and (c) lower ARPU due to a decrease in fixed-line telephony call volumes.

(c) The decrease in Ireland's other non-subscription revenue is primarily due to a decrease in installation revenue.

The Netherlands. The increase in the Netherlands' revenue during 2014, as compared to 2013, includes (i) an organic decrease of $16.3 million or 1.3%, (ii) the impact of the Ziggo Acquisition and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 1.5	$ —	$ 1.5
ARPU (b)	(3.4)	—	(3.4)
Total decrease in cable subscription revenue	(1.9)	—	(1.9)
Decrease in mobile subscription revenue	(0.2)	—	(0.2)
Total decrease in subscription revenue	(2.1)	—	(2.1)
Decrease in B2B revenue	—	(2.8)	(2.8)
Decrease in other non-subscription revenue (c)	—	(11.4)	(11.4)
Total organic decrease	(2.1)	(14.2)	(16.3)
Impact of Ziggo Acquisition	262.2	30.0	292.2
Impact of FX	(21.0)	1.2	(19.8)
Total	$ 239.1	$ 17.0	$ 256.1

(a) The increase in the Netherlands' cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, fixed-line telephony and digital cable RGUs that were mostly offset by a decline in the average number of analog cable RGUs.

(b) The decrease in the Netherlands' cable subscription revenue related to a change in ARPU is due to the net effect of (i) a net decrease primarily resulting from the following factors: (a) lower ARPU due to the impact of increases in the proportions of subscribers receiving lower-priced tiers of broadband internet and fixed-line telephony services in the Netherlands' bundles, (b) higher ARPU due to the impact of lower bundling discounts, (c) higher ARPU from digital cable services and (d) lower ARPU due to a decrease in fixed-line telephony call volumes and (ii) an improvement in RGU mix.

(c) The decrease in the Netherlands' other non-subscription revenue is primarily due to lower installation revenue.

Germany. The increase in Germany's revenue during 2014, as compared to 2013, includes (i) an organic increase of $153.7 million or 6.0% and (ii) the impact of FX, as set forth below:

	Subscription revenue (a)	Non-subscription revenue (b)	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (c)	$ 105.7	$ —	$ 105.7
ARPU (d)	36.4	—	36.4
Total increase in cable subscription revenue	142.1	—	142.1
Increase in mobile subscription revenue (e)	5.3	—	5.3
Total increase in subscription revenue	147.4	—	147.4
Increase in B2B revenue	—	0.5	0.5
Increase in other non-subscription revenue (f)	—	5.8	5.8
Total organic increase	147.4	6.3	153.7
Impact of FX	(1.6)	0.2	(1.4)
Total	$ 145.8	$ 6.5	$ 152.3

(a) Germany's subscription revenue includes revenue from multi-year bulk agreements with landlords or housing associations or with third parties that operate and administer the in-building networks on behalf of housing associations. These bulk agreements, which generally allow for the procurement of the basic video signals at volume-based discounts, provide access to approximately two-thirds of Germany's video subscribers. Germany's bulk agreements are, to a significant extent, medium- and long-term contracts. As of December 31, 2014, bulk agreements covering approximately 39% of the video subscribers that Germany serves through these agreements expire by the end of 2015 or are terminable on 30-days notice. During the three months ended December 31, 2014, Germany's 20 largest bulk agreement accounts generated approximately 7% of its total revenue (including estimated amounts billed directly to the building occupants for premium cable, broadband internet and fixed-line telephony services). No assurance can be given that Germany's bulk agreements will be renewed or extended on financially equivalent terms or at all.

(b) Germany's other non-subscription revenue includes fees received for the carriage of certain channels included in Germany's analog and digital cable offerings. This carriage fee revenue is subject to contracts that expire or are otherwise terminable by either party on various dates ranging from 2015 through 2018. The aggregate amount of revenue related to these carriage contracts represented approximately 5% of Germany's total revenue during the three months ended December 31, 2014. No assurance can be given that these contracts will be renewed or extended on financially equivalent terms, or at all. In 2012, public broadcasters sent us notices purporting to terminate their carriage fee arrangements effective December 31, 2012. Although we have rejected these termination notices, beginning in 2013, we ceased recognizing revenue related to these carriage fee arrangements. Also, our ability to increase the aggregate carriage fees that Germany receives for each channel is limited through 2016 by certain commitments we made to regulators in connection with the acquisition of KBW.

(c) The increase in Germany's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, fixed-line telephony and digital cable RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(d) The increase in Germany's cable subscription revenue related to a change in ARPU is due to (i) a net increase primarily resulting from the following factors: (a) higher ARPU from broadband internet and digital cable services, (b) lower ARPU from fixed-line telephony services due to the net effect of (1) a decrease in ARPU associated with lower fixed-line telephony call volumes for customers on usage-based calling plans and (2) an increase in ARPU associated with the migration of customers to fixed-rate calling plans and related value-added services and (c) lower ARPU from analog cable services primarily due to a higher proportion of customers receiving discounted analog cable services through certain bulk agreements and lower negotiated rates through these agreements and (ii) an improvement in RGU mix.

(e) The increase in Germany's mobile subscription revenue is primarily due to the net effect of (i) an increase in the average number of mobile subscribers and (ii) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of mobile services.

(f) The increase in Germany's other non-subscription revenue is attributable to the net effect of (i) a decrease in interconnect revenue of $15.6 million, primarily attributable to lower fixed-line termination rates, (ii) an increase in carriage fee revenue of $7.0 million and (iii) a net increase from individually insignificant changes in other non-subscription revenue categories. The increase during 2014, as compared to 2013, also includes an $11.4 million increase in network usage revenue related to the first quarter 2014 settlement of prior year amounts.

Belgium. The increase in Belgium's revenue during 2014, as compared to 2013, includes (i) an organic increase of $94.5 million or 4.3% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 53.1	$ —	$ 53.1
ARPU (b)	16.4	—	16.4
Total increase in cable subscription revenue	69.5	—	69.5
Increase in mobile subscription revenue (c)	12.9	—	12.9
Total increase in subscription revenue	82.4	—	82.4
Increase in B2B revenue (d)	—	9.4	9.4
Increase in other non-subscription revenue (e)	—	2.7	2.7
Total organic increase	82.4	12.1	94.5
Impact of FX	(0.7)	(0.3)	(1.0)
Total	$ 81.7	$ 11.8	$ 93.5

(a) The increase in Belgium's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of fixed-line telephony, digital cable and broadband internet RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in Belgium's cable subscription revenue related to a change in ARPU is primarily due to an improvement in RGU mix. Excluding RGU mix, ARPU remained relatively constant primarily due to the net effect of the following factors: (i) higher ARPU due to (a) an increase in the proportion of subscribers receiving higher-priced tiers of services due to migrations to Belgium's current bundle offerings and (b) February 2014 price increases for certain existing analog and digital cable, broadband internet and fixed-line telephony services, (ii) lower ARPU due to the impact of higher bundling and promotional discounts, (iii) lower ARPU from fixed-line telephony services due to (1) lower fixed-line telephony call volumes for customers on usage-based plans and (2) a higher proportion of customers migrating to fixed-rate calling plans and (iv) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of broadband internet services in Belgium's bundles.

(c) The increase in Belgium's mobile subscription revenue is primarily due to the net effect of (i) an increase in the average number of mobile subscribers and (ii) lower ARPU primarily due to (a) the impact of an increase in the proportion of subscribers receiving lower-priced tiers of mobile services and (b) a reduction in billable usage.

(d) The increase in Belgium's B2B revenue is primarily due to (i) higher revenue from voice, video and data services and (ii) higher wholesale revenue from mobile services.

(e) The increase in Belgium's other non-subscription revenue is primarily due to the net effect of (i) an increase in interconnect revenue of $12.2 million, primarily due to the net effect of (a) growth in mobile customers and (b) lower SMS usage, (ii) a decrease in mobile handset sales of $11.7 million and (iii) an increase in set-top box sales of $6.8 million, primarily due to a digital cable migration completed during the third quarter of 2014. The decrease in Belgium's mobile handset sales, which typically generate relatively low margins, is primarily due to a decrease in sales to third-party retailers.

For information concerning certain regulatory developments that could have an adverse impact on our revenue in Belgium, see note 17 to our consolidated financial statements.

Switzerland/Austria. The increase in Switzerland/Austria's revenue during 2014, as compared to 2013, includes (i) an organic increase of $55.5 million or 3.1%, (ii) the impact of acquisitions and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 36.4	$ —	$ 36.4
ARPU (b)	19.1	—	19.1
Total increase in cable subscription revenue	55.5	—	55.5
Increase in B2B revenue (c)	—	6.7	6.7
Decrease in other non-subscription revenue (d)	—	(6.7)	(6.7)
Total organic increase	55.5	—	55.5
Impact of acquisitions	7.3	(1.7)	5.6
Impact of FX	16.8	1.1	17.9
Total	$ 79.6	$ (0.6)	$ 79.0

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(a) The increase in Switzerland/Austria's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, digital cable and fixed-line telephony RGUs in each of Switzerland and Austria that were largely offset by a decline in the average number of analog cable RGUs in each of Switzerland and Austria.

(b) The increase in Switzerland/Austria's cable subscription revenue related to a change in ARPU is due to an increase in Switzerland that was only partially offset by a decrease in Austria. The increase in Switzerland is primarily due to (i) an improvement in RGU mix and (ii) a net increase primarily resulting from the following factors: (a) higher ARPU due to the inclusion of higher-priced tiers of fixed-line telephony and broadband internet services in Switzerland's bundles, including the impact of price increases in April 2014 and January 2014, (b) lower ARPU due to a decrease in fixed-line telephony call volumes and (c) lower ARPU due to the impact of higher bundling discounts. The decrease in Austria is primarily due to (1) a net decrease resulting from the following factors: (A) higher ARPU due to a January 2014 price increase for video services, (B) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of digital cable and fixed-line telephony services in Austria's bundles, (C) lower ARPU due to the impact of higher bundling discounts and (D) lower ARPU due to a decrease in fixed-line telephony call volumes and (2) an adverse change in RGU mix.

(c) The increase in Switzerland/Austria's B2B revenue is primarily due to the net effect of (i) increased volumes in voice, data and broadband internet services in Switzerland and (ii) lower revenue from internet and voice services in Austria.

(d) The decrease in Switzerland/Austria's other non-subscription revenue is largely due to the net effect of (i) a decrease in installation revenue in each of Switzerland and Austria, (ii) a decrease in revenue from Austria's non-cable subscriber base and (iii) an increase in mobile handset sales in Switzerland.

Central and Eastern Europe. The decrease in Central and Eastern Europe's revenue during 2014, as compared to 2013, includes (i) an organic increase of $9.2 million or 0.7% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
	in millions		
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 30.8	$ —	$ 30.8
ARPU (b)	(16.9)	—	(16.9)
Total increase in cable subscription revenue	13.9	—	13.9
Increase in B2B revenue (c)	—	5.1	5.1
Decrease in other non-subscription revenue (d)	—	(9.8)	(9.8)
Total organic increase (decrease)	13.9	(4.7)	9.2
Impact of FX	(20.0)	(1.7)	(21.7)
Total	$ (6.1)	$ (6.4)	$ (12.5)

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(a) The increase in Central and Eastern Europe's cable subscription revenue related to a change in the average number of RGUs is primarily attributable to (i) increases in the average numbers of digital cable, broadband internet and fixed-line telephony RGUs in Poland, Romania, Hungary and Slovakia and (ii) an increase in the average number of RGUs at UPC DTH that were largely offset by (a) a decline in the average number of analog cable RGUs in Poland, Romania, Hungary and Slovakia and (b) declines in the average numbers of digital cable and fixed-line telephony RGUs in the Czech Republic.

(b) The decrease in Central and Eastern Europe's cable subscription revenue related to a change in ARPU is due to the net effect of (i) a decrease primarily resulting from the following factors: (a) lower ARPU from fixed-line telephony services, primarily due to (1) an increase in the proportion of subscribers receiving lower-priced calling plans and (2) a decrease in call volumes for customers on usage-based calling plans, (b) lower ARPU due to the impact of higher bundling discounts and (c) higher ARPU due to the inclusion of higher-priced tiers of broadband internet and digital cable services in Central and Eastern Europe's bundles and (ii) an improvement in RGU mix.

(c) The increase in Central and Eastern Europe's B2B revenue is largely due to higher revenue from voice services in Hungary and Poland.

(d) The decrease in Central and Eastern Europe's other non-subscription revenue is due to (i) a decrease in interconnect revenue, largely as a result of lower fixed-line telephony termination rates in Poland, and (ii) a net decrease resulting from individually insignificant changes in other non-subscription revenue categories.

Chile. The decrease in Chile's revenue during 2014, as compared to 2013, includes (i) an organic increase of $43.4 million or 4.4% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 36.9	$ —	$ 36.9
ARPU (b)	13.5	—	13.5
Total increase in cable subscription revenue	50.4	—	50.4
Increase in mobile subscription revenue (c)	7.7	—	7.7
Total increase in subscription revenue	58.1	—	58.1
Decrease in non-subscription revenue (d)	—	(14.7)	(14.7)
Total organic increase (decrease)	58.1	(14.7)	43.4
Impact of FX	(128.4)	(8.1)	(136.5)
Total	$ (70.3)	$ (22.8)	$ (93.1)

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(a) The increase in Chile's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of digital cable, broadband internet and fixed-line telephony RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in Chile's cable subscription revenue related to a change in ARPU is due to (i) a net increase resulting from the following factors: (a) lower ARPU due to the impact of higher bundling and promotional discounts, (b) higher ARPU due to semi-annual inflation and other price adjustments for video, broadband internet and fixed-line telephony services, (c) higher ARPU due to the inclusion of higher-priced tiers of broadband internet and fixed-line telephony services in Chile's bundles, (d) lower ARPU due to a decrease in fixed-line telephony call volumes for customers on usage-based plans and (e) higher ARPU from incremental digital cable services and (ii) an improvement in RGU mix.

(c) The increase in Chile's mobile subscription revenue is attributable to an increase in (i) the average number of postpaid subscribers, which more than offset the decrease in the average number of prepaid subscribers, and (ii) mobile ARPU, primarily due to a higher proportion of mobile subscribers on postpaid plans, which generate higher ARPU than prepaid plans.

(d) The decrease in Chile's non-subscription revenue is primarily due to decreases in (i) interconnect revenue, primarily associated with a January 2014 decline in mobile terminations rates, and (ii) prepaid mobile handset sales. For information regarding an ongoing tariff-setting process in Chile that may impact the revenue of Chile, see note 17 to our consolidated financial statements.

Revenue — 2013 compared to 2012

	Year ended December 31,		Increase (decrease)		Organic increase (decrease)
	2013	2012	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (a)	$ 4,117.4	$ 426.4	$ 3,691.0	N.M.	N.M.
The Netherlands	1,242.4	1,229.1	13.3	1.1	(2.2)
Germany	2,559.2	2,311.0	248.2	10.7	7.2
Belgium	2,185.9	1,918.0	267.9	14.0	10.3
Switzerland/Austria	1,767.1	1,681.8	85.3	5.1	3.3
Total Western Europe	11,872.0	7,566.3	4,305.7	56.9	5.6
Central and Eastern Europe	1,272.0	1,231.2	40.8	3.3	0.9
Central and other	(0.4)	1.5	(1.9)	N.M.	N.M.
Total European Operations Division	13,143.6	8,799.0	4,344.6	49.4	4.9
Chile	991.6	940.6	51.0	5.4	7.4
Corporate and other	374.3	224.1	150.2	67.0	0.6
Intersegment eliminations	(35.3)	(32.9)	(2.4)	N.M.	N.M.
Total	$ 14,474.2	$ 9,930.8	$ 4,543.4	45.8	5.1

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(a) The amount presented for 2013 includes the post-acquisition revenue of Virgin Media from June 8, 2013 through December 31, 2013.

N.M. — Not Meaningful.

U.K./Ireland. The details of U.K./Ireland's revenue during 2013, as compared to 2012, are set forth below:

	Year ended December 31,		Increase		Organic increase
	2013	2012	$	%	%
	in millions				
U.K.	$ 3,653.7	$ —	$ 3,653.7	N.M.	N.M.
Ireland	463.7	426.4	37.3	8.7	5.3
Total	$ 4,117.4	$ 426.4	$ 3,691.0	865.6	7.2

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N.M. — Not Meaningful.

The increase in U.K./Ireland's revenue during 2013, as compared to 2012, is primarily due to the June 2013 Virgin Media Acquisition. The organic revenue growth rate of U.K./Ireland is impacted by the size and timing of the Virgin Media Acquisition. Accordingly, (i) we present a separate discussion and analysis for each of the U.K. and Ireland and (ii) the below discussion and analysis of the U.K.'s revenue is presented on a pro forma basis as if the results of Virgin Media were included for the six months ended December 31, 2013. We believe this pro forma analysis provides a more meaningful comparison of Virgin Media's revenue.

U.K. During the six months ended December 31, 2013, Virgin Media generated revenue of $3,267.9 million, representing a 1.2% organic increase over the revenue reported by Virgin Media during the corresponding 2012 period, as adjusted to reflect a pro forma $64.6 million decrease in revenue associated with the assumed alignment of Virgin Media's policy to our policy for accounting for installation and certain nonrecurring fees received on B2B contracts effective June 7, 2012. For information regarding our accounting policy for these fees, see note 3 to our consolidated financial statements. The pro forma increase in Virgin Media's revenue during this period is primarily attributable to growth in the subscription revenue from Virgin Media's residential broadband communications operations, primarily due to the net effect of (i) an increase in subscription revenue from video services of $55.0 million or 7.6%, as the impact of higher ARPU from video services was only partially offset by a decline in the average number of RGUs, (ii) an increase in subscription revenue from broadband internet services of $48.2 million or 7.4%, attributable to higher ARPU from broadband internet services and the impact of an increase in the average number of broadband internet RGUs and (iii) a decrease in subscription revenue from fixed-line telephony services of $23.1 million or 2.9%, primarily attributable to lower ARPU from fixed-line telephony services. In addition, the decrease in subscription revenue from fixed-line telephony services includes an increase of approximately $11.3 million attributable to a reduction in VAT in connection with prompt payment discounts, which were offered by Virgin Media to customers beginning in August 2012. Virgin Media's revenue from mobile services increased slightly during the six months ended December 31, 2013, as compared to the revenue reported by Virgin Media during the corresponding 2012 period, primarily due to the positive impacts of (a) an increase in the number of customers taking postpaid mobile services and (b) a July 2013 price increase that was only partially offset by the adverse impacts of (1) a decline in the revenue from prepaid mobile customers, (2) a reduction in out-of-bundle usage and (3) a higher proportion of customers on lower-priced subscriber identification module or "SIM" card only calling plans. In addition, the increase in mobile subscription revenue was negatively impacted by a favorable nonrecurring adjustment of $4.5 million that was recorded during the fourth quarter of 2012. Virgin Media's B2B revenue increased slightly during the six months ended December 31, 2013, primarily due to the net effect of (A) higher recurring contractual revenue from B2B customers and (B) the $11.1 million negative impact of nonrecurring items, consisting of (I) a $6.2 million net favorable impact during the third and fourth quarters of 2012 and (II) a $4.9 million unfavorable impact during the third quarter of 2013.

Ireland. The increase in Ireland's revenue during 2013, as compared to 2012, includes (i) an organic increase of $22.5 million or 5.3%, and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 32.7	$ —	$ 32.7
ARPU (b)	(11.0)	—	(11.0)
Total increase in cable subscription revenue	21.7	—	21.7
Increase in B2B revenue	—	0.6	0.6
Increase in other non-subscription revenue (c)	—	0.2	0.2
Total organic increase	21.7	0.8	22.5
Impact of FX	13.5	1.3	14.8
Total	$ 35.2	$ 2.1	$ 37.3

(a) The increase in Ireland's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of fixed-line telephony, broadband internet and digital cable RGUs that were only partially offset by a decline in the average number of analog cable RGUs and, to a lesser extent, MMDS video RGUs.

(b) The decrease in Ireland's cable subscription revenue related to a change in ARPU is attributable to (i) an adverse change in RGU mix and (ii) a net decrease resulting from the following factors: (a) lower ARPU due to the impact of bundling discounts and (b) higher ARPU due to the inclusion of higher-priced tiers of broadband internet and digital cable services in Ireland's promotional bundles.

(c) The increase in Ireland's non-subscription revenue is due to individually insignificant changes in various non-subscription revenue categories.

The Netherlands. The increase in the Netherlands' revenue during 2013, as compared to 2012, includes (i) an organic decrease of $26.7 million or 2.2%, (ii) the impact of an acquisition and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 2.9	$ —	$ 2.9
ARPU (b)	(26.6)	—	(26.6)
Total decrease in cable subscription revenue	(23.7)	—	(23.7)
Increase in mobile subscription revenue	0.1	—	0.1
Total decrease in subscription revenue	(23.6)	—	(23.6)
Decrease in B2B revenue (c)	—	(4.5)	(4.5)
Increase in other non-subscription revenue (d)	—	1.4	1.4
Total organic decrease	(23.6)	(3.1)	(26.7)
Impact of an acquisition	0.6	—	0.6
Impact of FX	36.0	3.4	39.4
Total	$ 13.0	$ 0.3	$ 13.3

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(a) The increase in the Netherlands' cable subscription revenue related to a change in the average number of RGUs is attributable to the net effect of (i) increases in the average numbers of fixed-line telephony, broadband internet and digital cable RGUs and (ii) a decline in the average number of analog cable RGUs.

(b) The decrease in the Netherlands' cable subscription revenue related to a change in ARPU is due to the net effect of (i) a decrease primarily resulting from the following factors: (a) lower ARPU due to a decrease in fixed-line telephony call volume and (b) lower ARPU due to the impact of higher bundling and promotional discounts that more than offset the positive impacts of (1) the inclusion of higher-priced tiers of digital cable, broadband internet and fixed-line telephony services in the Netherlands' promotional bundles and (2) July 2012 price increases for bundled services and a January 2013 price increase for certain analog cable services and (ii) an improvement in RGU mix.

(c) The decrease in the Netherlands' B2B revenue is primarily related to lower revenue from telephony and data services.

(d) The increase in the Netherlands' other non-subscription revenue is primarily attributable to the net effect of (i) an increase in installation revenue, (ii) a decrease in interconnect revenue, primarily due to the impact of reductions in fixed termination rates that became effective on August 1, 2012 and September 1, 2013, and (iii) a decrease in revenue from late fees.

Germany. The increase in Germany's revenue during 2013, as compared to 2012, includes (i) an organic increase of $166.0 million or 7.2% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 125.7	$ —	$ 125.7
ARPU (b)	64.8	—	64.8
Total increase in cable subscription revenue	190.5	—	190.5
Increase in mobile subscription revenue (c)	6.5	—	6.5
Total increase in subscription revenue	197.0	—	197.0
Increase in B2B revenue	—	2.9	2.9
Decrease in other non-subscription revenue (d)	—	(33.9)	(33.9)
Total organic increase (decrease)	197.0	(31.0)	166.0
Impact of FX	74.2	8.0	82.2
Total	$ 271.2	$ (23.0)	$ 248.2

(a) The increase in Germany's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, fixed-line telephony and digital cable RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in Germany's cable subscription revenue related to a change in ARPU is due to (i) a net increase primarily resulting from the following factors: (a) higher ARPU from broadband internet services and digital cable services, (b) lower ARPU from fixed-line telephony services due to the net impact of (1) a decrease in ARPU associated with lower fixed-line telephony call volumes for customers on usage-based calling plans and (2) an increase in ARPU associated with the migration of customers to fixed-rate plans and related value-added services, (c) higher ARPU due to lower negative impact from free bundled services provided to new subscribers during promotional periods and (d) higher ARPU from analog cable services, as price increases more than offset lower ARPU due to a higher proportion of subscribers receiving discounted analog cable services through bulk agreements and (ii) an improvement in RGU mix.

(c) The increase in Germany's mobile subscription revenue is primarily due to the net effect of (i) an increase in the average number of mobile subscribers, (ii) a reduction in billable usage and (iii) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of mobile services.

(d) The decrease in Germany's other non-subscription revenue is primarily attributable to the net effect of (i) a decrease in carriage fee revenue of $34.9 million, due primarily to the fact that we ceased recognizing revenue in 2013 with respect to carriage fee contracts that public broadcasters purportedly terminated effective December 31, 2012, (ii) an increase in installation revenue of $14.1 million, due to a higher number of installations and an increase in the average installation fee, and (iii) a decrease in interconnect revenue of $6.3 million.

Belgium. The increase in Belgium's revenue during 2013, as compared to 2012, includes (i) an organic increase of $198.4 million or 10.3% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 39.9	$ —	$ 39.9
ARPU (b)	(15.2)	—	(15.2)
Total increase in cable subscription revenue	24.7	—	24.7
Increase in mobile subscription revenue (c)	114.9	—	114.9
Total increase in subscription revenue	139.6	—	139.6
Decrease in B2B revenue (d)	—	(2.7)	(2.7)
Increase in other non-subscription revenue (e)	—	61.5	61.5
Total organic increase	139.6	58.8	198.4
Impact of FX	59.1	10.4	69.5
Total	$ 198.7	$ 69.2	$ 267.9

(a) The increase in Belgium's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of digital cable, fixed-line telephony and broadband internet RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The decrease in Belgium's cable subscription revenue related to a change in ARPU is due to the net effect of (i) a net decrease primarily resulting from following factors: (a) higher ARPU due to price increases associated with (1) higher-priced tiers of service in Belgium's bundles and (2) a February 2013 increase for certain existing broadband internet, fixed-line telephony and digital cable services, (b) lower ARPU due to the impact of higher bundling and promotional discounts, (c) lower ARPU due to the impact of an increase in the proportion of subscribers receiving lower-priced tiers of broadband internet services and (d) lower ARPU from fixed-line telephony services due to (I) lower fixed-line telephony call volume for customers on usage-based plans and (II) a higher proportion of customers migrating to fixed-rate calling plans and (ii) an improvement in RGU mix. In addition, the increase in Belgium's subscription revenue was offset by a nonrecurring adjustment recorded during the fourth quarter of 2012 to recognize $6.0 million of revenue following the implementation of billing system improvements. Most of this nonrecurring adjustment relates to revenue earned in years prior to 2012.

(c) The increase in Belgium's mobile subscription revenue is primarily due to an increase in the average number of mobile subscribers.

(d) The decrease in Belgium's B2B revenue is attributable to a net decrease associated with (i) a $7.7 million negative impact associated with changes in how Belgium recognizes certain up-front fees and (ii) increases in other elements of Belgium's B2B revenue.

(e) The increase in Belgium's other non-subscription revenue is primarily due to the net effect of (i) an increase in interconnect revenue of $59.1 million, primarily associated with growth in mobile services, (ii) an increase in mobile handset sales of $10.3 million and (iii) a decrease of $2.4 million associated with a change in how Belgium recognizes certain up-front fees. The increase in Belgium's mobile handset sales, which typically generate relatively low margins, is primarily due to (a) an increase in contract termination fees applicable to subsidized handsets and (b) an increase in sales to third-party retailers.

Switzerland/Austria. The increase in Switzerland/Austria's revenue during 2013, as compared to 2012, includes (i) an organic increase of $54.8 million or 3.3%, (ii) the impact of acquisitions and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 40.9	$ —	$ 40.9
ARPU (b)	12.6	—	12.6
Total increase in cable subscription revenue	53.5	—	53.5
Decrease in B2B revenue	—	(3.3)	(3.3)
Increase in other non-subscription revenue (c)	—	4.6	4.6
Total organic increase	53.5	1.3	54.8
Impact of acquisitions	2.3	(1.0)	1.3
Impact of FX	23.7	5.5	29.2
Total	$ 79.5	$ 5.8	$ 85.3

(a) The increase in Switzerland/Austria's cable subscription revenue related to a change in the average number of RGUs is attributable to increases in the average numbers of broadband internet, digital cable and fixed-line telephony RGUs in each of Switzerland and Austria that were only partially offset by a decline in the average number of analog cable RGUs in each of Switzerland and Austria.

(b) The increase in Switzerland/Austria's cable subscription revenue related to a change in ARPU is due to the net impact of an increase in Switzerland and a decrease in Austria. The increase in Switzerland is due to (i) an improvement in RGU mix and (ii) a net increase primarily resulting from the following factors: (a) higher ARPU due to the inclusion of higher-priced tiers of broadband internet services and, to a lesser extent, digital cable services in Switzerland's promotional bundles, (b) lower ARPU due to the impact of bundling discounts, (c) higher ARPU due to a January 2013 price increase for a basic cable connection, as discussed below, and, to a lesser extent, a June 2013 price increase for broadband internet services, and (d) lower ARPU due to a decrease in fixed-line telephony call volume for customers on usage-based calling plans. The decrease in Austria is due to (1) a net decrease resulting from the following factors: (A) lower ARPU due to the impact of bundling discounts, (B) higher ARPU due to January 2013 price increases for digital and analog cable and broadband internet services and (C) lower ARPU due to a higher proportion of subscribers receiving lower-priced tiers of broadband internet services in Austria's promotional bundles and (2) an adverse change in RGU mix.

(c) The increase in Switzerland/Austria's other non-subscription revenue is primarily attributable to the net effect in Switzerland of (i) an increase in installation revenue of $8.4 million, (ii) a decrease in sales of customer premises equipment, (iii) a decline in revenue from usage-based wholesale residential fixed-line telephony services and (iv) an increase in advertising revenue. The increase in installation revenue includes an increase of $7.1 million associated with a change in how we recognize installation revenue in Switzerland as a result of a change in how we market and deliver services upon the November 2012 unencryption of the basic tier of digital television channels.

Central and Eastern Europe. The increase in Central and Eastern Europe's revenue during 2013, as compared to 2012, includes (i) an organic increase of $11.2 million or 0.9%, (ii) the impact of an acquisition and (iii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
		in millions	
Increase (decrease) in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 38.0	$ —	$ 38.0
ARPU (b)	(30.4)	—	(30.4)
Total increase in cable subscription revenue	7.6	—	7.6
Decrease in mobile subscription revenue	(0.4)	—	(0.4)
Total increase in subscription revenue	7.2	—	7.2
Increase in non-subscription revenue (c)	—	4.0	4.0
Total organic increase	7.2	4.0	11.2
Impact of an acquisition	3.1	0.1	3.2
Impact of FX	24.2	2.2	26.4
Total	$ 34.5	$ 6.3	$ 40.8

(a) The increase in Central and Eastern Europe's cable subscription revenue related to a change in the average number of RGUs is primarily attributable to (i) increases in the average numbers of digital cable, fixed-line telephony and broadband internet RGUs in Poland, Romania, Hungary and Slovakia and (ii) an increase in the average number of RGUs at UPC DTH that were only partially offset by a decline in the average number of (a) analog cable RGUs in each country within our Central and Eastern Europe segment and (b) digital cable, fixed-line telephony and broadband internet RGUs in the Czech Republic.

(b) The decrease in Central and Eastern Europe's cable subscription revenue related to a change in ARPU is primarily due to the net effect of (i) lower ARPU due to the impact of higher bundling discounts, (ii) higher ARPU due to the inclusion of higher-priced tiers of digital cable and broadband internet services in Central and Eastern Europe's promotional bundles, (iii) lower ARPU from incremental digital cable services and (iv) lower ARPU due to a decrease in fixed-line telephony call volume for customers on usage-based calling plans. In addition, Central and Eastern Europe's overall ARPU was positively impacted by an improvement in RGU mix.

(c) The increase in Central and Eastern Europe's non-subscription revenue is due to individually insignificant changes in various non-subscription revenue categories.

Chile. The increase in Chile's revenue during 2013, as compared to 2012, includes (i) an organic increase of $69.7 million or 7.4% and (ii) the impact of FX, as set forth below:

	Subscription revenue	Non-subscription revenue	Total
	in millions		
Increase in cable subscription revenue due to change in:			
Average number of RGUs (a)	$ 45.4	$ —	$ 45.4
ARPU (b)	13.4	—	13.4
Total increase in cable subscription revenue	58.8	—	58.8
Increase in mobile subscription revenue (c)	10.2	—	10.2
Total increase in subscription revenue	69.0	—	69.0
Increase in non-subscription revenue (d)	—	0.7	0.7
Total organic increase	69.0	0.7	69.7
Impact of FX	(17.1)	(1.6)	(18.7)
Total	$ 51.9	$ (0.9)	$ 51.0

(a) The increase in Chile's cable subscription revenue related to a change in the average number of RGUs is due to increases in the average numbers of digital cable, broadband internet and fixed-line telephony RGUs that were only partially offset by a decline in the average number of analog cable RGUs.

(b) The increase in Chile's cable subscription revenue related to a change in ARPU is due to (i) a net increase resulting from the following factors: (a) higher ARPU due to the impact of lower bundling and promotional discounts, (b) higher ARPU due to semi-annual inflation and other price adjustments for video, broadband internet and fixed-line telephony services, (c) lower ARPU from analog and digital cable services, largely due to a higher proportion of subscribers receiving lower-priced tiers of services, (d) higher ARPU from broadband internet services and (e) lower ARPU due to a decrease in fixed-line telephony call volume for customers on usage-based plans and (ii) an improvement in RGU mix.

(c) The increase in Chile's mobile subscription revenue is primarily due to the May 2012 launch of mobile services at VTR's mobile operations.

(d) The increase in Chile's non-subscription revenue is attributable to the net effect of (i) an increase in mobile interconnect revenue primarily due to the May 2012 launch of mobile services at VTR's mobile operations, (ii) an increase in advertising revenue, (iii) a decrease in fixed-line telephony interconnect revenue, (iv) a decrease in installation revenue and (v) a net decrease resulting from individually insignificant changes in various other non-subscription revenue categories.

Operating Expenses of our Reportable Segments

Operating expenses — 2014 compared to 2013

	Year ended December 31,		Increase (decrease)		Organic increase (decrease) (a)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (b)	$ 3,189.3	$ 1,853.5	$ 1,335.8	72.1	(4.1)
The Netherlands (c)	444.9	376.2	68.7	18.3	(6.0)
Germany	623.8	631.5	(7.7)	(1.2)	(1.2)
Belgium	890.1	875.8	14.3	1.6	1.9
Switzerland/Austria	528.5	510.3	18.2	3.6	2.3
Total Western Europe	5,676.6	4,247.3	1,429.3	33.7	(1.8)
Central and Eastern Europe	500.0	513.5	(13.5)	(2.6)	(1.0)
Central and other	65.3	56.2	9.1	16.2	17.1
Total European Operations Division	6,241.9	4,817.0	1,424.9	29.6	(1.5)
Chile	392.6	467.2	(74.6)	(16.0)	(3.2)
Corporate and other	196.9	200.3	(3.4)	(1.7)	(2.2)
Intersegment eliminations	(28.6)	(78.9)	50.3	N.M.	N.M.
Total operating expenses excluding share-based compensation expense	6,802.8	5,405.6	1,397.2	25.8	(0.8)
Share-based compensation expense	7.6	12.1	(4.5)	(37.2)	
Total	$ 6,810.4	$ 5,417.7	$ 1,392.7	25.7	

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(a) As further described under *Results of Operations* above, the organic decrease in our operating expenses during 2014 is impacted by the organic decrease in Virgin Media's operating expenses. Excluding the impact of Virgin Media, the organic increase (decrease) in (i) U.K./Ireland's operating expenses would have been (3.4%) and (ii) our total operating expenses would have been 0.6%.

(b) The amount presented for 2013 includes the post-acquisition operating expenses of Virgin Media from June 8, 2013 through December 31, 2013.

(c) The amount presented for 2014 includes the post-acquisition operating expenses of Ziggo from November 12, 2014 through December 31, 2014.

N.M. — Not Meaningful.

General. Operating expenses include programming and copyright, network operations, interconnect, customer operations, customer care, share-based compensation and other costs related to our operations. We do not include share-based compensation in the following discussion and analysis of the operating expenses of our reportable segments as share-based compensation expense is not included in the performance measures of our reportable segments. Share-based compensation expense is discussed under *Discussion and Analysis of Our Consolidated Operating Results* below. Programming and copyright costs, which represent a significant portion of our operating costs, are expected to rise in future periods as a result of (i) growth in the number of our digital video subscribers, (ii) higher costs associated with the expansion of our digital video content, including rights associated with ancillary product offerings and rights that provide for the broadcast of live sporting events, and (iii) rate increases. In addition, we are subject to inflationary pressures with respect to our labor and other costs and foreign currency exchange risk with respect to costs and expenses that are denominated in currencies other than the respective functional currencies of our operating segments (non-functional currency expenses). Any cost increases that we are not able to pass on to our subscribers through rate increases would result in increased pressure on our operating margins. For additional information concerning our foreign currency exchange risks see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below.

European Operations Division. The European Operations Division's operating expenses (exclusive of share-based compensation expense) increased $1,424.9 million or 29.6% during 2014, as compared to 2013. This increase includes $1,376.4 million attributable to the impact of the Virgin Media Acquisition, the Ziggo Acquisition and other less significant acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division's operating expenses decreased $72.8 million or 1.5%. This decrease includes the following factors:

- A decrease in network-related expenses of $96.4 million or 13.2%, due in part to a retroactive reduction in U.K. local authority charges for network infrastructure following a review by the U.K. government that resulted in a benefit of $46.7 million during 2014. This benefit consists of (i) a $35.3 million nonrecurring benefit related to periods prior to the third quarter of 2014, of which $33.5 million was recorded during the third quarter of 2014, and (ii) benefits of $5.6 million and $5.8 million related to the third and fourth quarters of 2014, respectively. We expect a benefit similar to the fourth quarter amount to recur in future quarters. The decrease in network-related expenses also includes the net effect of (i) decreased network and customer premises equipment maintenance costs, predominantly in Switzerland, the U.K. and the Netherlands, (ii) lower outsourced labor costs associated with customer-facing activities, primarily in the Netherlands and the U.K., (iii) lower duct and pole rental costs, primarily in Belgium, and (iv) higher network and customer premises equipment maintenance costs, predominantly in the European Operations Division's central operations;

- An increase in programming and copyright costs of $58.3 million or 4.0%, resulting from an increase in programming costs associated with (i) growth in digital video services, predominantly in the U.K. and Belgium and, to a lessor extent, Switzerland and Germany and (ii) increased costs for sports rights, predominantly in the U.K. and, to a lesser extent, Romania. These increases were partially offset by the $44.7 million net impact of certain nonrecurring adjustments related to the settlement or reassessment of operational contingencies. The nonrecurring adjustments recorded during 2014 resulted in lower costs of (a) $16.9 million in Belgium and $7.0 million in Poland during the first quarter, (b) $10.6 million in the U.K. during the second quarter, (c) an aggregate of $7.3 million in Belgium, Switzerland, Austria and the Netherlands during the third quarter and (d) $2.3 million in the Netherlands during the fourth quarter. During 2013, the aggregate impact of similar reassessments and settlements, which included increases in Belgium and Poland that were largely offset by a decrease in the Netherlands, resulted in a net cost increase of $0.6 million;

- An increase in installation and other direct costs of $23.1 million associated with B2B services in the U.K.;

- A decrease in outsourced labor and professional fees of $17.6 million or 5.7%, primarily due to the net effect of (i) lower call center costs, predominantly in Belgium, the U.K., Switzerland and the Netherlands, (ii) lower consulting costs in Germany and Belgium and (iii) higher call center costs in Germany;

- A decrease in mobile access and interconnect costs of $17.0 million or 2.3%, primarily due to the net effect of (i) increased costs in the U.K. and Belgium attributable to mobile subscriber growth, (ii) decreased costs resulting from lower rates, primarily in the U.K., Germany, Belgium and the Netherlands, (iii) lower call volumes, predominantly in the U.K. and, to a lesser extent, Germany, the Netherlands and Ireland, (iv) decreased costs associated with the U.K.'s non-cable subscriber base and (v) a $2.6 million decrease in Belgium due to the impact of an accrual release in the first quarter of 2014 associated with the reassessment of an operational contingency;

- A decrease in mobile handset costs of $15.8 million, primarily due to the net effect of (i) a decrease in mobile handset costs as a result of continued growth of SIM-only contracts, predominantly in the U.K., (ii) an increase in costs associated with subscriber promotions involving free or heavily-discounted handsets in Belgium and (iii) a net increase in mobile handset sales to third-party retailers, as increases in Switzerland and the U.K. were only partially offset by a decrease in Belgium;

- A decrease in personnel costs of $15.4 million or 2.1%, primarily due to the net effect of (i) decreased staffing levels, primarily as a result of integration and reorganization activities in the U.K. following the Virgin Media Acquisition, (ii) annual wage increases, primarily in the U.K., Germany, the Netherlands and Belgium, and (iii) higher incentive compensation costs, primarily in the U.K. Additionally, changes in the proportion of capitalizable activities during 2014 resulted in a net decrease in personnel costs, primarily due to the net effect of (a) lower costs in Germany and (b) higher costs in the U.K.;

- A decrease in certain direct costs of $14.2 million associated with the U.K.'s non-cable subscriber base;

- A decrease in bad debt and collection expenses of $12.6 million or 9.8%, with most of the declines occurring in Germany, the Netherlands, the Czech Republic and Hungary; and

- A net increase resulting from individually insignificant changes in other operating expense categories.

Chile. Chile's operating expenses (exclusive of share-based compensation expense) decreased $74.6 million or 16.0% during 2014, as compared to 2013. Excluding the effects of FX, Chile's operating expenses decreased $15.1 million or 3.2%. This decrease includes the following factors:

- An increase in programming and copyright costs of $18.1 million or 11.6%, primarily associated with (i) growth in digital cable services and (ii) a $5.2 million increase arising from foreign currency exchange rate fluctuations with respect to Chile's U.S. dollar denominated programming contracts. A significant portion of Chile's programming costs are denominated in U.S. dollars;

- A decrease in facilities expenses $12.9 million or 81.7%, primarily due to lower tower and real estate rental costs, as the fair value of all remaining payments due under these leases was included in the restructuring charges recorded during the third and fourth quarters of 2013 in connection with certain strategic changes that were implemented with regard to Chile's mobile operations, as further described in note 9 to our consolidated financial statements;

- A decrease in outsourced labor and professional fees of $5.3 million or 13.3%, primarily attributable to the net effect of (i) lower costs associated with the network operating center related to Chile's mobile operations, (ii) higher call center costs and (iii) the favorable impact of a $3.1 million nonrecurring charge recorded during the second quarter of 2013 to provide for Chile's mandated share of severance and other labor-related obligations that were incurred by a VTR contractor in connection with such contractor's bankruptcy;

- A decrease in mobile handset costs of $5.1 million or 23.0%, primarily attributable to (i) a decrease of $4.2 million related to the impact of the liquidation or write-off of slow moving or obsolete mobile handsets and wireless network adaptors in 2013 and (ii) a decrease in mobile handset sales due to a reduced emphasis on prepaid plans;

- A decrease of $4.7 million due to the favorable impact of nonrecurring adjustments during the fourth quarter of 2014 related to the reassessment of certain accrued liabilities;

- An increase in personnel costs of $3.2 million or 5.8%, primarily due to the net effect of (i) higher incentive compensation costs and (ii) decreased staffing levels, primarily resulting from the strategic changes that were implemented with regard to Chile's mobile operations;

- A decrease in mobile access and interconnect costs of $2.4 million or 2.8%, primarily attributable to the net effect of (i) lower mobile access charges due to the impacts of lower contractual rates and (ii) an increase in interconnect costs resulting from the net effect of (a) higher call volumes and (b) lower rates; and

- A decrease in bad debt and collection expenses of $2.2 million or 5.4%, primarily due to more selective credit acceptance policies.

Operating expenses — 2013 compared to 2012

	Year ended December 31,		Increase (decrease)		Organic increase (decrease)
	2013	2012	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (a)	$ 1,853.5	$ 184.3	$ 1,669.2	N.M.	N.M.
The Netherlands	376.2	354.5	21.7	6.1	2.8
Germany	631.5	548.3	83.2	15.2	11.4
Belgium	875.8	734.5	141.3	19.2	15.4
Switzerland/Austria	510.3	499.1	11.2	2.2	0.4
Total Western Europe	4,247.3	2,320.7	1,926.6	83.0	8.6
Central and Eastern Europe	513.5	482.6	30.9	6.4	3.5
Central and other	56.2	40.1	16.1	40.1	36.1
Total European Operations Division	4,817.0	2,843.4	1,973.6	69.4	8.1
Chile	467.2	442.4	24.8	5.6	7.5
Corporate and other	200.3	123.2	77.1	62.6	(1.0)
Intersegment eliminations	(78.9)	(67.8)	(11.1)	N.M.	N.M.
Total operating expenses excluding share-based compensation expense	5,405.6	3,341.2	2,064.4	61.8	7.5
Share-based compensation expense	12.1	8.5	3.6	42.4	
Total	$ 5,417.7	$ 3,349.7	$ 2,068.0	61.7	

(a) The amount presented for 2013 includes the post-acquisition operating expenses of Virgin Media from June 8, 2013 through December 31, 2013.

N.M. — Not Meaningful.

European Operations Division. The European Operations Division's operating expenses (exclusive of share-based compensation expense) increased $1,973.6 million or 69.4% during 2013, as compared to 2012. This increase includes $1,657.4 million attributable to the impact of the Virgin Media Acquisition and other less significant acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division's operating expenses increased $230.6 million or 8.1%. This increase includes the following factors:

- An increase in programming and copyright costs of $80.7 million or 9.3%, primarily due to growth in digital video services in Germany, the Netherlands, Belgium, Ireland and the U.K. In the U.K. and, to a lesser extent, Belgium, increased costs for sports rights also contributed to the increase. In addition, accrual releases related to the settlement or reassessment of operational contingencies gave rise to an increase in programming and copyright costs of $10.5 million, as the impact of net accrual releases that reduced the 2012 costs in Germany, the Netherlands, Poland and Belgium more than offset the impact of net accrual releases that reduced the 2013 costs in the Netherlands;

- An increase in interconnect costs of $72.7 million or 23.1%, primarily due to the net effect of (i) increased costs in Belgium attributable to (a) mobile subscriber growth and (b) increased mobile voice and data volumes on a per subscriber basis and (ii) decreased costs due to lower rates in Germany and the Netherlands and lower call volumes in Switzerland;

- An increase in outsourced labor and professional fees of $19.5 million or 12.0%, primarily due to (i) higher call center costs in Germany, Switzerland and the Netherlands and (ii) higher consulting costs related to (a) the Horizon TV platform incurred in the European Operations Division's central operations and (b) a customer retention project in Germany. These increases were partially offset by lower call center costs in Belgium, Hungary and the U.K. primarily due to reduced proportions of calls handled by third parties;

- An increase in personnel costs of $14.3 million or 2.9%, primarily due to (i) annual wage increases, primarily in Germany, Belgium and the Netherlands, (ii) increased staffing levels, primarily in the European Operations Division’s central operations, the Netherlands and Belgium, (iii) higher costs of $3.8 million due to the impact of reimbursements received from the Belgian government during the third and fourth quarters of 2012 with respect to the employment of certain individuals with advanced degrees and (iv) higher costs of $3.1 million due to favorable reassessments of certain post-employment benefit obligations during the third and fourth quarters of 2012 in Belgium. These increases were partially offset by a decrease in personnel costs related to lower staffing levels in Germany and Ireland;

- An increase in network-related expenses of $12.8 million or 2.4%, primarily due to (i) increased network and customer premises equipment maintenance costs, primarily in the Netherlands and Germany, (ii) higher outsourced labor costs associated with customer-facing activities in Germany and (iii) an increase of $2.9 million due to the net impact of favorable settlements during 2013 and 2012 for claims of costs incurred in connection with faulty customer premises equipment, primarily in Switzerland and the Netherlands. These increases were partially offset by lower costs in Belgium associated with customer-facing activities;

- An increase in bad debt and collection expenses of $9.5 million or 11.0%, due to the net impact of (i) increased bad debt expenses in Germany, Belgium and Hungary, (ii) decreases in bad debt expenses in the Netherlands due to improved collection experience and (iii) an increase of $3.0 million due to the impact of a favorable nonrecurring adjustment recorded in the second quarter of 2012 related to the settlement of an operational contingency in Belgium; and

- Higher costs of $4.6 million associated with the impact of favorable nonrecurring adjustments recorded by our Belgium operations during the third and fourth quarters of 2012 resulting from the reassessment of a social tariff obligation.

Chile. Chile’s operating expenses (exclusive of share-based compensation expense) increased $24.8 million or 5.6% during 2013, as compared to 2012. Excluding the effects of FX, Chile’s operating expenses increased $33.1 million or 7.5%. This increase includes the following factors:

- An increase in programming and copyright costs of $13.3 million or 9.0%, primarily associated with growth in digital cable services;

- An increase in mobile access and interconnect costs of $9.1 million or 12.5%, primarily due to the impact of Chile’s mobile services, which launched in May 2012;

- An increase in personnel costs of $7.3 million or 14.8%, largely due to higher incentive compensation costs;

- A decrease in facilities expenses of $5.5 million or 25.3%, primarily due to lower tower and real estate rental costs, as the fair value of all remaining payments due under these leases was included in the restructuring charges recorded during the third and fourth quarters of 2013 in connection with certain strategic changes that were implemented with regard to Chile’s mobile operations, as further described in note 9 to our consolidated financial statements;

- An increase in bad debt and collection expenses of $3.7 million or 9.8%. This increase is largely a function of the May 2012 launch of mobile services in Chile;

- An increase in outsourced labor and professional fees of $3.3 million or 17.8%. This increase is primarily attributable to a $3.0 million non-recurring charge recorded during the second quarter of 2013 to provide for Chile’s mandated share of severance and other labor-related obligations that were incurred by a VTR contractor in connection with such contractor’s bankruptcy; and

- A decrease in Chile’s mobile handset costs of $0.7 million, primarily attributable to the net effect of (i) an aggregate increase of $4.4 million related to the liquidation or write-off of slow-moving or obsolete handsets and wireless network adaptors and (ii) a decrease of $5.4 million in mobile handset sales largely due to a reduced emphasis on prepaid mobile plans.

SG&A Expenses of our Reportable Segments

SG&A expenses — 2014 compared to 2013

	Year ended December 31,		Increase (decrease)		Organic increase (a)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (b)	$ 984.9	$ 521.1	$ 463.8	89.0	6.2
The Netherlands (c)	195.7	144.5	51.2	35.4	9.1
Germany	409.5	386.6	22.9	5.9	5.9
Belgium	264.3	260.7	3.6	1.4	1.8
Switzerland/Austria	261.2	251.1	10.1	4.0	3.0
Total Western Europe	2,115.6	1,564.0	551.6	35.3	5.1
Central and Eastern Europe	176.5	174.0	2.5	1.4	3.3
Central and other	210.3	182.5	27.8	15.2	18.8
Total European Operations Division	2,502.4	1,920.5	581.9	30.3	6.3
Chile	154.9	170.8	(15.9)	(9.3)	4.4
Corporate and other	266.2	237.8	28.4	11.9	10.0
Intersegment eliminations	(0.3)	(1.2)	0.9	N.M.	N.M.
Total SG&A expenses excluding share-based compensation expense	2,923.2	2,327.9	595.3	25.6	6.6
Share-based compensation expense	249.6	288.6	(39.0)	(13.5)	
Total	$ 3,172.8	$ 2,616.5	$ 556.3	21.3	

(a) As further described under *Results of Operations* above, the organic increase in our SG&A expenses during 2014 is impacted by the organic increase in Virgin Media's SG&A expenses. Excluding the impact of Virgin Media, the organic increase in (i) U.K./Ireland's SG&A expenses would have been 2.4% and (ii) our total SG&A expenses would have been 6.5%.

(b) The amount presented for 2013 includes the post-acquisition SG&A expenses of Virgin Media from June 8, 2013 through December 31, 2013.

(c) The amount presented for 2014 includes the post-acquisition SG&A expenses of Ziggo from November 12, 2014 through December 31, 2014.

N.M. — Not Meaningful.

General. SG&A expenses include human resources, information technology, general services, management, finance, legal and sales and marketing costs, share-based compensation and other general expenses. We do not include share-based compensation in the following discussion and analysis of the SG&A expenses of our reportable segments as share-based compensation expense is not included in the performance measures of our reportable segments. Share-based compensation expense is discussed under *Discussion and Analysis of Our Consolidated Operating Results* below. As noted under *Operating Expenses of our Reportable Segments* above, we are subject to inflationary pressures with respect to our labor and other costs and foreign currency exchange risk with respect to non-functional currency expenses. For additional information concerning our foreign currency exchange risks see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below.

European Operations Division. The European Operations Division's SG&A expenses (exclusive of share-based compensation expense) increased $581.9 million or 30.3% during 2014, as compared to 2013. This increase includes $429.5 million attributable to the impact of the Virgin Media Acquisition, the Ziggo Acquisition and other less significant acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division's SG&A expenses increased $120.1 million or 6.3%. This increase includes the following factors:

- An increase in information technology-related expenses of $41.4 million or 51.2%, largely due to higher software and other information technology-related maintenance costs, primarily in the U.K., the European Operations Division's central operations, Germany and Belgium;

- An increase in sales and marketing costs of $35.4 million or 5.3%, primarily due to the net effect of (i) higher costs associated with advertising campaigns, predominantly in the U.K., Germany, the Netherlands and Switzerland, and (ii) a decrease in third-party sales commissions, primarily attributable to the net impact of (a) decreases in the U.K. and Switzerland and (b) an increase in Germany;

- An increase in personnel costs of $32.3 million or 4.2%, due to the net effect of (i) higher incentive compensation costs predominantly in the U.K. and, to a lesser extent, the European Operations Division's central operations and the Netherlands, (ii) decreased staffing levels in the U.K. as a result of integration and reorganization activities following the Virgin Media Acquisition, (iii) increased staffing levels in the European Operations Division's central operations, Germany, the Netherlands and Switzerland, (iv) annual wage increases, mostly in the U.K., the Netherlands, Germany, the European Operations Division's central operations and Belgium, and (v) a $3.5 million decrease in the European Operations Division's central operations due to the impact of an accrual release in the fourth quarter of 2014 associated with the settlement of an operational contingency; and

- An increase in outsourced labor and professional fees of $22.0 million or 16.1%, primarily due to (i) increased consulting costs associated with scale initiatives in the areas of information technology and finance, primarily in the European Operations Division's central operations, Switzerland and Germany, and (ii) a $7.3 million increase associated with a nonrecurring consulting fee incurred during the third quarter of 2014 in connection with the retroactive reduction in U.K. local authority charges, as discussed under *Operating Expenses of our Reportable Segments* above.

Chile. Chile's SG&A expenses (exclusive of share-based compensation expense) decreased $15.9 million or 9.3%, during 2014, as compared to 2013. Excluding the effects of FX, Chile's SG&A expenses increased $7.5 million or 4.4%. This increase includes the following factors:

- An increase in sales and marketing costs of $12.8 million or 23.9%, primarily due to the net effect of (i) higher third-party sales commissions and advertising costs related to Chile's cable operations and (ii) lower third-party sales commissions related to Chile's mobile operations;

- A decrease in personnel costs of $2.5 million or 4.0%, primarily due to the net effect of (i) a decrease due to lower staffing levels, (ii) an increase due to higher incentive compensation costs and (iii) an increase due to higher severance costs; and

- A decrease of $1.9 million due to the favorable impact of nonrecurring adjustments during the fourth quarter of 2014 related to the reassessment of certain accrued liabilities.

SG&A expenses — 2013 compared to 2012

	Year ended December 31,		Increase (decrease)		Organic increase (decrease)
	2013	2012	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (a)	$ 521.1	$ 53.0	$ 468.1	N.M.	N.M.
The Netherlands	144.5	137.5	7.0	5.1	1.6
Germany	386.6	398.4	(11.8)	(3.0)	(5.9)
Belgium	260.7	242.8	17.9	7.4	4.0
Switzerland/Austria	251.1	246.2	4.9	2.0	0.4
Total Western Europe	1,564.0	1,077.9	486.1	45.1	(3.1)
Central and Eastern Europe	174.0	159.4	14.6	9.2	6.6
Central and other	182.5	157.2	25.3	16.1	11.9
Total European Operations Division	1,920.5	1,394.5	526.0	37.7	(0.3)
Chile	170.8	184.0	(13.2)	(7.2)	(5.7)
Corporate and other	237.8	183.9	53.9	29.3	14.4
Intersegment eliminations	(1.2)	(3.7)	2.5	N.M.	N.M.
Total SG&A expenses excluding share-based compensation expense	2,327.9	1,758.7	569.2	32.4	0.8
Share-based compensation expense	288.6	101.6	187.0	184.1	
Total	$ 2,616.5	$ 1,860.3	$ 756.2	40.6	

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(a) The amount presented for 2013 includes the post-acquisition SG&A expenses of Virgin Media from June 8, 2013 through December 31, 2013.

N.M. — Not Meaningful.

European Operations Division. The European Operations Division’s SG&A expenses (exclusive of share-based compensation expense) increased $526.0 million or 37.7% during 2013, as compared to 2012. This increase includes $491.4 million attributable to the impact of the Virgin Media Acquisition and other less significant acquisitions. Excluding the effects of acquisitions and FX, the European Operations Division’s SG&A expenses decreased $4.0 million or 0.3%. This decrease includes the following factors:

- A decrease in sales and marketing costs of $43.6 million or 8.6%, primarily due to (i) lower costs associated with advertising campaigns and rebranding, primarily in the U.K., Germany, and the European Operations Division’s central operations, and (ii) lower third-party sales commissions, primarily in the Netherlands, Switzerland, Hungary, Austria and the Czech Republic;

- An increase in personnel costs of $22.7 million or 4.3%, largely due to (i) increased staffing levels, primarily in Belgium, Switzerland, Germany, Hungary and the European Operations Division’s central operations, (ii) annual wage increases, primarily in the Netherlands, the European Operations Division’s central operations, Belgium, Germany and Switzerland, and (iii) higher costs of $1.4 million due to the favorable reassessment of certain post-employment benefit obligations during the third quarter of 2012 in Belgium;

- An increase in information technology-related expenses of $17.4 million or 26.8%, primarily due to (i) higher software and other information technology-related maintenance costs, primarily in the European Operations Division’s central operations, Hungary and Germany and (ii) higher costs incurred in connection with the migration of certain operating systems in Germany;

- An increase in facilities expenses of $8.4 million or 8.1%, largely due to higher rental expense in Germany and the European Operations Division’s central operations;

- An increase in outsourced labor and professional fees of $8.3 million or 8.5%, largely due to the net effect of (i) higher consulting costs associated with certain strategic initiatives in Belgium, the European Operations Division’s central operations and the Netherlands and (ii) a decrease in consulting costs in Germany, primarily associated with the impact of integration activities during 2012 related to the KBW Acquisition; and

- A net decrease resulting from individually insignificant changes in other SG&A expense categories.

Chile. Chile’s SG&A expenses (exclusive of share-based compensation expense) decreased $13.2 million or 7.2% during 2013, as compared to 2012. Excluding the effects of FX, Chile’s SG&A expenses decreased $10.4 million or 5.7%. This decrease includes the following factors:

- A decrease in sales and marketing costs of $8.8 million or 14.5%, primarily due to lower advertising costs;

- An increase in personnel costs of $2.9 million or 4.7%, primarily attributable to the net effect of (i) an increase related to Chile’s cable operations, primarily due to (a) higher incentive compensation costs, (b) a combination of increased staffing levels and higher salaries and (c) higher severance, and (ii) a decrease related to Chile’s mobile operations, primarily due to lower staffing levels and bonus accruals; and

- A decrease in facilities expenses of $2.3 million or 8.2%, primarily attributable to (i) a decrease related to Chile’s cable operations, primarily due to (a) lower rental costs and (b) lower insurance expenses and (ii) a decrease related to Chile’s mobile operations, as the fair value of all remaining payments due under certain facilities-related contracts were included in the restructuring charges recorded during the third and fourth quarters of 2013, as further described in note 9 to our consolidated financial statements.

Operating Cash Flow of our Reportable Segments

Operating cash flow is the primary measure used by our chief operating decision maker to evaluate segment operating performance. As we use the term, operating cash flow is defined as revenue less operating and SG&A expenses (excluding share-based compensation, depreciation and amortization, provisions and provision releases related to significant litigation, and impairment, restructuring and other operating items). For additional information concerning this performance measure and for a reconciliation of total segment operating cash flow to our loss from continuing operations before income taxes, see note 18 to our consolidated financial statements.

Operating Cash Flow — 2014 compared to 2013

	Year ended December 31,		Increase (decrease)		Organic increase (decrease) (a)
	2014	2013	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (b)	$ 3,235.7	$ 1,742.8	$ 1,492.9	85.7	13.0
The Netherlands (c)	857.9	721.7	136.2	18.9	(1.0)
Germany	1,678.2	1,541.1	137.1	8.9	9.0
Belgium	1,125.0	1,049.4	75.6	7.2	6.9
Switzerland/Austria	1,056.4	1,005.7	50.7	5.0	3.6
Total Western Europe	7,953.2	6,060.7	1,892.5	31.2	7.7
Central and Eastern Europe	583.0	584.5	(1.5)	(0.3)	1.5
Central and other	(282.7)	(239.1)	(43.6)	(18.2)	(18.6)
Total European Operations Division	8,253.5	6,406.1	1,847.4	28.8	6.7
Chile	351.0	353.6	(2.6)	(0.7)	14.3
Corporate and other	(86.2)	(63.8)	(22.4)	(35.1)	(33.1)
Intersegment eliminations	4.0	44.8	(40.8)	N.M.	N.M.
Total	$ 8,522.3	$ 6,740.7	$ 1,781.6	26.4	6.2

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(a) As further described under *Results of Operations* above, the organic increase in our operating cash flow during 2014 is impacted by the organic increase in Virgin Media's operating cash flow. Excluding the impact of Virgin Media, the organic increase in (i) U.K./Ireland's operating cash flow would have been 4.6% and (ii) our total operating cash flow would have been 3.8%

(b) The amount presented for 2013 includes the post-acquisition operating cash flow of Virgin Media from June 8, 2013 through December 31, 2013.

(c) The amount presented for 2014 includes the post-acquisition operating cash flow of Ziggo from November 12, 2014 through December 31, 2014.

N.M. — Not Meaningful.

Operating Cash Flow — 2013 compared to 2012

	Year ended December 31,		Increase (decrease)		Organic increase (decrease)
	2013	2012	$	%	%
	in millions				
European Operations Division:					
U.K./Ireland (a)	$ 1,742.8	$ 189.1	$ 1,553.7	N.M.	N.M.
The Netherlands	721.7	737.1	(15.4)	(2.1)	(5.3)
Germany	1,541.1	1,364.3	176.8	13.0	9.3
Belgium	1,049.4	940.7	108.7	11.6	8.0
Switzerland/Austria	1,005.7	936.5	69.2	7.4	5.5
Total Western Europe	6,060.7	4,167.7	1,893.0	45.4	6.2
Central and Eastern Europe	584.5	589.2	(4.7)	(0.8)	(2.7)
Central and other	(239.1)	(195.7)	(43.4)	(22.2)	(17.7)
Total European Operations Division	6,406.1	4,561.2	1,844.9	40.4	4.5
Chile	353.6	314.2	39.4	12.5	14.9
Corporate and other	(63.8)	(83.1)	19.3	23.2	(27.5)
Intersegment eliminations	44.8	38.6	6.2	N.M.	N.M.
Total	$ 6,740.7	$ 4,830.9	$ 1,909.8	39.5	4.9

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(a) The amount presented for 2013 includes the post-acquisition operating cash flow of Virgin Media from June 8, 2013 through December 31, 2013.

N.M. — Not Meaningful.

Operating Cash Flow Margin — 2014, 2013 and 2012

The following table sets forth the operating cash flow margins (operating cash flow divided by revenue) of each of our reportable segments:

	Year ended December 31,		
	2014	2013	2012
		%	
European Operations Division:			
U.K./Ireland	43.7	42.3	44.3
The Netherlands	57.3	58.1	60.0
Germany	61.9	60.2	59.0
Belgium	49.4	48.0	49.0
Switzerland/Austria	57.2	56.9	55.7
Total Western Europe	50.5	51.1	55.1
Central and Eastern Europe	46.3	46.0	47.9
Total European Operations Division	48.6	48.7	51.8
Chile	39.1	35.7	33.4

With the exception of the Netherlands, the operating cash flow margins of the European Operations Division's reportable segments improved or remained relatively unchanged during 2014, as compared to 2013. These results are primarily attributable to improved operational leverage, resulting from revenue growth that more than offset the accompanying net organic increase in operating and SG&A expenses. The decline in the operating cash flow margin of the Netherlands during 2014, as compared to 2013, was due to the inclusion of the relatively lower operating cash flow margin of Ziggo from November 12, 2014 through December 31, 2014. In addition, the overall operating cash flow margin of the European Operations Division during 2014 was negatively impacted by (i) the full-year inclusion of the relatively lower operating cash flow margin of Virgin Media and (ii) an increase in the operating cash flow deficit of the European Operations Division's central and other category, primarily attributable to scale initiatives in the areas of information technology and finance.

The increase in Chile's operating cash flow margin during 2014, as compared to 2013, is primarily attributable to improved operational leverage and the benefit of certain strategic changes that were implemented with regard to Chile's mobile operations. For additional information regarding the changes in Chile's mobile strategy, see note 9 to our consolidated financial statements.

During 2014, as compared to 2013, nonrecurring items favorably impacted the operating cash flow margins of the European Operations Division and Chile. For additional information, see the applicable discussion of revenue, operating expenses and SG&A expenses of our reportable segments above.

With the exception of Belgium, the Netherlands and Central and Eastern Europe, the operating cash flow margins of our reportable segments improved during 2013, as compared to 2012. The decline in Belgium's operating cash flow margin is primarily due to (i) increased interconnect and other costs associated with the expansion of Belgium's mobile business, (ii) the net negative impact of certain favorable nonrecurring items recorded in Belgium during 2012, as described under the Belgium (revenue) and European Operations Division (operating and SG&A expenses) sections of our *Discussion and Analysis of our Reportable Segments* above, and (iii) a decrease in revenue associated with changes in how Belgium recognizes certain up-front fees. As a result of significant competition, the Netherlands experienced a decline in revenue in 2013, which resulted in a lower operating cash flow margin during 2013, as compared to 2012. In Central and Eastern Europe, competitive, economic and other factors contributed to the decline in the operating cash flow margin. In addition, the operating cash flow margin of the European Operations Division during 2013 was negatively impacted by (a) the inclusion of the relatively lower operating cash flow margin of Virgin Media from June 8, 2013 through December 31, 2013 and (b) an increase in the operating cash flow deficit of the European Operations Division's central and other category, which is primarily attributable to higher personnel and consulting costs, due in part to increased levels of strategic initiatives.

The increase in Chile's operating cash flow margin during 2013, as compared to 2012, reflects lower advertising costs at Chile's cable operations and the improvement in the incremental operating cash flow deficit of Chile's mobile operations.

For additional discussion of the factors contributing to the changes in the operating cash flow margins of our reportable segments, see the above analyses of the revenue, operating expenses and SG&A expenses of our reportable segments.

We expect that the 2015 operating cash flow margins of the European Operations Division and Chile will increase slightly, each as compared to 2014. In the European Operations Division, we expect that slight improvements in the operating cash flow margins of U.K./Ireland and Switzerland/Austria will be partially offset by a decline in the operating cash flow margin of Central and Eastern Europe. In addition, we expect that the 2015 operating cash flow margin of the Netherlands will remain relatively unchanged, as compared to 2014, as improvements from synergies associated with the integration of Ziggo are expected to offset the negative impacts of (i) the inclusion of the relatively lower operating cash flow margin of Ziggo for all of 2015 and (ii) significant competition. As discussed above under *Overview*, the incumbent telecommunications operator is overbuilding our network in the Netherlands using FTTx and advanced DSL technologies resulting in significant competition in this market. For additional information regarding the competition facing our markets, see the discussion under *Overview* and *Discussion and Analysis of our Reportable Segments - General* above. Sustained or increased competition, particularly in combination with unfavorable regulatory, economic or political developments, could adversely impact the operating cash flow margins of our reportable segments.

Discussion and Analysis of our Consolidated Operating Results

General

For more detailed explanations of the changes in our revenue, operating expenses and SG&A expenses, including the impacts of nonrecurring items, see the *Discussion and Analysis of our Reportable Segments* above.

2014 compared to 2013

Revenue

Our revenue by major category is set forth below:

	Year ended December 31,		Increase		Organic increase (decrease) (e)
	2014	2013	$	%	%
	in millions				
Subscription revenue (a):					
Video	$ 6,544.0	$ 5,724.1	$ 819.9	14.3	0.6
Broadband internet	4,724.6	3,538.7	1,185.9	33.5	13.6
Fixed-line telephony	3,261.4	2,508.5	752.9	30.0	(0.4)
Cable subscription revenue	14,530.0	11,771.3	2,758.7	23.4	4.3
Mobile subscription revenue (b)	1,085.6	669.9	415.7	62.1	10.9
Total subscription revenue	15,615.6	12,441.2	3,174.4	25.5	4.6
B2B revenue (c)	1,517.9	986.9	531.0	53.8	7.0
Other revenue (b) (d)	1,114.8	1,046.1	68.7	6.6	(11.5)
Total revenue	$ 18,248.3	$ 14,474.2	$ 3,774.1	26.1	3.6

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(b) Mobile subscription revenue excludes mobile interconnect revenue of $245.0 million and $175.2 million during 2014 and 2013, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(c) B2B revenue includes revenue from business broadband internet, video, voice, wireless and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain SOHO subscribers. SOHO subscribers pay a premium price to receive enhanced service levels along with video, broadband internet, fixed-line telephony or mobile services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which aggregated $204.1 million and $152.5 million during 2014 and 2013, respectively, is included in cable subscription revenue.

(d) Other revenue includes, among other items, interconnect, installation and carriage fee revenue.

(e) As further described under *Results of Operations* above, our organic revenue growth rates for 2014, as compared to 2013, are impacted by the organic growth of Virgin Media. Excluding the impacts of the organic growth of Virgin Media, our organic growth rates (%) for such period would have been as follows:

Subscription revenue:	
Video	1.3
Broadband internet	9.0
Fixed-line telephony	1.9
Cable subscription revenue	3.7
Mobile	9.5
Total subscription revenue	3.9
B2B revenue	4.2
Other revenue	(5.2)
Total revenue	3.2

Total revenue. Our consolidated revenue increased $3,774.1 million during 2014, as compared to 2013. This increase includes $3,096.0 million attributable to the impact of acquisitions. Excluding the effects of acquisitions and FX, total consolidated revenue increased $523.9 million or 3.6%.

Subscription revenue. The details of the increase in our consolidated subscription revenue for 2014, as compared to 2013, is as follows (in millions):

Increase in cable subscription revenue due to change in:		
Average number of RGUs	$	347.9
ARPU		154.8
Total increase in cable subscription revenue		502.7
Increase in mobile revenue		73.0
Total increase in subscription revenue		575.7
Impact of acquisitions		2,468.9
Impact of FX		129.8
Total	$	3,174.4

Excluding the effects of acquisitions and FX, our consolidated cable subscription revenue increased $502.7 million or 4.3% during 2014, as compared to 2013. This increase in subscription revenue is attributable to the net effect of (i) an increase from broadband internet services of $479.7 million or 13.6%, primarily attributable to an increase in the average number of broadband internet RGUs and higher ARPU from broadband internet services, (ii) an increase from video services of $32.6 million or 0.6%, primarily attributable to the net effect of (a) higher ARPU from video services and (b) a decline in the average number of video RGUs, and (iii) a decrease from fixed-line telephony services of $9.6 million or 0.4%, primarily attributable to the net effect of (1) lower ARPU from fixed-line telephony services and (2) an increase in the average number of fixed-line telephony RGUs.

Excluding the effects of acquisitions and FX, our consolidated mobile subscription revenue increased $73.0 million or 10.9% during 2014, as compared to 2013. This increase is primarily due to increases in the U.K. and, to a lesser extent, Belgium, Chile and Germany.

B2B revenue. Excluding the effects of acquisitions and FX, our consolidated B2B revenue increased $68.7 million or 7.0% during 2014, as compared to 2013. This increase is primarily due to increases in the U.K. and, to a lesser extent, Switzerland and Belgium.

Other revenue. Excluding the effects of acquisitions and FX, our consolidated other revenue decreased $120.5 million or 11.5% during 2014, as compared to 2013. This decrease is primarily attributable to declines in (i) fixed-line interconnect revenue, (ii) Virgin Media's non-cable subscriber base and (iii) installation revenue.

For additional information concerning the changes in our subscription and other revenue, see *Discussion and Analysis of our Reportable Segments — Revenue — 2014 compared to 2013* above. For information regarding the competitive environment in certain of our markets, see *Overview* above.

Operating expenses

Our operating expenses increased $1,392.7 million during 2014, as compared to 2013. This increase includes $1,376.4 million attributable to the impact of acquisitions. Our operating expenses include share-based compensation expense, which decreased $4.5 million during 2014. For additional information, see the discussion under *Share-based compensation expense* below. Excluding the effects of acquisitions, FX and share-based compensation expense, our operating expenses decreased $45.5 million or 0.8% during 2014, as compared to 2013. This decrease is primarily attributable to the net effect of (i) a decrease in network-related expenses, (ii) an increase in programming and copyright costs, (iii) a decrease in outsourced labor and professional fees, (iv) an increase in installation and other direct costs associated with B2B services in the U.K., (v) a decrease in mobile handset costs, (vi) a decrease in mobile access and interconnect costs, (vii) a decrease in bad debt and collections expenses, (viii) a decrease in certain direct costs associated with the U.K.'s non-cable subscriber base and (ix) a decrease in personnel costs. For additional information regarding the changes in our operating expenses, see *Discussion and Analysis of our Reportable Segments — Operating Expenses of our Reportable Segments* above.

SG&A expenses

Our SG&A expenses increased $556.3 million during 2014, as compared to 2013. This increase includes $429.5 million attributable to the impact of acquisitions. Our SG&A expenses include share-based compensation expense, which decreased $39.0 million during 2014. For additional information, see the discussion under *Share-based compensation expense* below. Excluding the effects of acquisitions, FX and share-based compensation expense, our SG&A expenses increased $152.6 million or 6.6% during 2014, as compared to 2013. This increase is primarily due to increases in (i) personnel costs, (ii) sales and marketing costs, (iii) information technology-related expenses and (iv) outsourced labor and professional fees, as increases in consulting costs associated with scale initiatives in the areas of information technology and finance were only partially offset by a decrease in integration costs. For additional information regarding the changes in our SG&A expenses, see *Discussion and Analysis of our Reportable Segments — SG&A Expenses of our Reportable Segments* above.

Share-based compensation expense (included in operating and SG&A expenses)

We record share-based compensation that is associated with Liberty Global shares and the shares of certain of our subsidiaries. A summary of the aggregate share-based compensation expense that is included in our operating and SG&A expenses is set forth below:

	Year ended December 31,	
	2014	**2013**
	in millions	
Liberty Global shares:		
Performance-based incentive awards (a)	$ 129.9	$ 58.6
Other share-based incentive awards	99.7	182.9
Total Liberty Global shares (b)	229.6	241.5
Telenet share-based incentive awards (c)	14.6	56.5
Other	13.0	4.5
Total	$ 257.2	$ 302.5
Included in:		
Operating expense	$ 7.6	$ 12.1
SG&A expense	249.6	288.6
Total	$ 257.2	$ 300.7

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(a) Includes share-based compensation expense related to (i) Liberty Global PSUs, (ii) the Challenge Performance Awards, which were issued on June 24, 2013, and (iii) for 2014, the PGUs.

(b) In connection with the Virgin Media Acquisition, we issued Virgin Media Replacement Awards to employees and former directors of Virgin Media in exchange for corresponding Virgin Media awards. Virgin Media recorded share-based compensation expense of $55.8 million during 2014, including compensation expense related to the Virgin Media Replacement Awards and new awards that were granted after the Virgin Media Replacement Awards were issued. During 2013, Virgin Media recorded share-based compensation expense of $134.3 million, primarily related to the Virgin Media Replacement Awards, including $80.1 million that was charged to expense in recognition of the Virgin Media Replacement Awards that were fully vested on June 7, 2013 or for which vesting was accelerated pursuant to the terms of the Virgin Media Merger Agreement on or prior to December 31, 2013.

(c) During 2013, Telenet modified the terms of certain of its share-based incentive plans to provide for anti-dilution adjustments in connection with its shareholder returns. In connection with these anti-dilution adjustments, Telenet recognized share-based compensation expense of $32.7 million and continues to recognize additional share-based compensation expense as the underlying options vest. In addition, during 2013, Telenet recognized expense of $6.2 million related to the accelerated vesting of certain options.

For additional information concerning our share-based compensation, see note 13 to our consolidated financial statements.

Depreciation and amortization expense

Our depreciation and amortization expense increased $1,223.7 million during 2014, as compared to 2013. Excluding the effects of FX, depreciation and amortization expense increased $1,131.5 million or 26.5%. This increase is primarily due to the impact of the Virgin Media Acquisition and, to a lesser extent, the Ziggo Acquisition. In addition, a net increase resulted from the following factors: (i) an increase associated with property and equipment additions related to the installation of customer premises equipment, the expansion and upgrade of our networks and other capital initiatives, (ii) a decrease associated with certain assets becoming fully depreciated, primarily in the U.K., Belgium, Chile and Switzerland, and (iii) a decrease due to the impact of accelerated depreciation recorded during 2013, primarily in Chile where the acceleration was due to a change in our mobile strategy, as further discussed in note 9 to our consolidated financial statements.

Release of litigation provision

During 2007, we recorded a litigation provision of $146.0 million based on our assessment at the time of our loss exposure with respect to the 2002 Cignal Action and the 2006 Cignal Action. As further described in note 17 to our consolidated financial statements, on October 25, 2013, we received what we consider to be the final resolution of the 2006 Cignal Action and the effective resolution of the 2002 Cignal Action. Accordingly, we released the entire $146.0 million provision related to this matter during the third quarter of 2013.

Impairment, restructuring and other operating items, net

We recognized impairment, restructuring and other operating items, net, of $536.8 million during 2014, as compared to $297.5 million during 2013.

The 2014 amount includes (i) direct acquisition costs of $331.3 million, including (a) a $222.0 million settlement recorded during the fourth quarter in connection with the FCO Appeals, as further described in note 17 to our consolidated financial statements, and (b) $84.1 million associated with the Ziggo Acquisition, (ii) restructuring charges of $166.9 million, including (1) an $86.1 million charge recorded by Telenet during the first quarter of 2014 in connection with its DTT capacity contracts, as described below, and (2) $60.4 million of employee severance and termination costs related to certain reorganization activities, primarily in the U.K., the Netherlands, Germany, Chile and the European Operations Division’s central operations, and (iii) an impairment charge of $68.7 million that was recorded by Ziggo during the fourth quarter of 2014 to write-off certain internal-use software assets that will not be used by our combined operations in the Netherlands.

The 2013 amount includes (i) restructuring charges of $178.7 million, (ii) direct acquisition and disposition costs of $64.7 million, primarily related to the Virgin Media Acquisition, (iii) an impairment charge of $73.0 million to reduce the carrying amount of Telenet’s spectrum rights following Telenet’s determination that it would no longer be able to utilize its spectrum rights as a result of the conclusion of negotiations with network operators in Belgium and the absence of regulatory alternatives and (iv) a $20.0 million credit resulting from cash received from the OneLink Seller upon the settlement of certain claims related to the Puerto Rico Transaction, as further described in note 4 to our consolidated financial statements. The restructuring charges include (a) $84.9 million recorded by VTR’s mobile operations during the third and fourth quarters of 2013 as a result of the decision to cease commercial use of VTR’s mobile network, as further described in note 9 to our consolidated financial statements, and (b) $77.9 million of employee severance and termination costs related to certain reorganization and integration activities, primarily in the U.K., Germany and Chile. The restructuring charges recorded by VTR's mobile operations include the fair value of (1) the remaining payments due under certain tower and real estate operating leases of $71.5 million and (2) certain other required payments associated with VTR's mobile network.

Prior to March 31, 2014, Telenet operated a DTT business that served a limited number of subscribers. The DTT network was accessed by Telenet pursuant to third-party capacity contracts that were accounted for as operating agreements. On March 31, 2014, Telenet discontinued the provision of DTT services and, accordingly, recorded an $86.1 million restructuring charge during the three months ended March 31, 2014. This charge was equal to the then fair value of the remaining payments due under the DTT capacity contracts.

We expect to record further restructuring charges during 2015 in connection with the continued integration of Ziggo with UPC Nederland and the European Operations Division. For additional information regarding our restructuring charges, see note 14 to our consolidated financial statements.

If, among other factors, (i) our equity values were to decline significantly or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill, and to a lesser extent, other long-lived assets. Any such impairment charges could be significant. For additional information, see *Critical Accounting Policies, Judgments and Estimates — Impairment of Property and Equipment and Intangible Assets* below.

Interest expense

Our interest expense increased $257.8 million during 2014, as compared to 2013. Excluding the effects of FX, interest expense increased $538.2 million or 23.5%. This increase is primarily attributable to the net impact of (i) a higher average outstanding debt balance, largely due to (a) debt that was incurred in the first and second quarters of 2013 in connection with the Virgin Media Acquisition and (b) debt that was incurred in the fourth quarter of 2014 in connection with the Ziggo Acquisition, and (ii) a lower weighted average interest rate. The decrease in our weighted average interest rate is primarily related to (1) the completion of certain financing transactions that resulted in extended maturities and net decreases to certain of our interest rates and (2) decreases in certain of the base rates for our variable-rate indebtedness. For additional information regarding our outstanding indebtedness, see note 10 to our consolidated financial statements.

It is possible that (i) the interest rates on any new borrowings could be higher than the current interest rates on our existing indebtedness and (ii) the interest rates on our variable-rate indebtedness could increase in future periods. As further discussed in note 7 to our consolidated financial statements and under *Qualitative and Quantitative Disclosures about Market Risk* below, we use derivative instruments to manage our interest rate risks.

Interest and dividend income

Our interest and dividend income decreased $81.4 million during 2014, as compared to 2013. This decrease is primarily attributable to (i) a decrease in dividend income related to our investment in shares of Ziggo, as Ziggo did not declare any dividends following the January 2014 execution of the Ziggo Merger Agreement, and (ii) a slight decrease in interest income due to a lower average cash and cash equivalent and restricted cash balance.

Realized and unrealized gains (losses) on derivative instruments, net

Our realized and unrealized gains or losses on derivative instruments include (i) unrealized changes in the fair values of our derivative instruments that are non-cash in nature until such time as the derivative contracts are fully or partially settled and (ii) realized gains or losses upon the full or partial settlement of the derivative contracts. The details of our realized and unrealized gains (losses) on derivative instruments, net, are as follows:

	Year ended December 31,	
	2014	2013
	in millions	
Cross-currency and interest rate derivative contracts (a)	$ 293.6	$ (586.5)
Equity-related derivative instruments (b):		
Ziggo Collar	(113.3)	(152.5)
ITV Collar	(77.4)	—
Sumitomo Collar	(46.0)	(206.4)
Virgin Media Capped Calls	0.4	(3.4)
Total equity-related derivative instruments	(236.3)	(362.3)
Foreign currency forward contracts (c)	31.6	(72.9)
Other	(0.1)	1.3
Total	$ 88.8	$ (1,020.4)

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(a) The gain during 2014 is primarily attributable to the net effect of (i) gains associated with decreases in the values of the euro, British pound sterling, Chilean peso and Swiss franc relative to the U.S. dollar, (ii) losses associated with decreases in market interest rates in the euro, British pound sterling, Swiss franc and Chilean peso markets and (iii) gains associated with decreases in the values of the Hungarian forint and Polish zloty relative to the euro. In addition, the gain during 2014 includes a net loss of $120.9 million resulting from changes in our credit risk valuation adjustments. The loss during 2013 is primarily attributable to the net effect of (i) losses associated with increases in the values of the British pound sterling, euro and Swiss franc relative to the U.S. dollar, (ii) gains associated with increases in market interest rates in the British pound sterling, euro and Swiss franc markets, (iii) losses associated with increases in market interest rates in the U.S. dollar market, (iv) gains associated with decreases in the values of the Chilean peso, Czech koruna, Swiss franc, Polish zloty and Hungarian forint relative to the euro, and (v) gains associated with a decrease in the value of the Chilean peso relative to the U.S. dollar. In addition, the loss during 2013 includes a net gain of $15.3 million resulting from changes in our credit risk valuation adjustments.

(b) For information concerning the factors that impact the valuations of our equity-related derivative instruments, see note 8 to our consolidated financial statements.

(c) Primarily includes activity with respect to the foreign currency forward contracts of LGE Financing, which contracts were settled during the fourth quarter of 2014, and activity during the first half of 2013 related to deal contingent forward contracts that were settled in connection with the Virgin Media Acquisition.

For additional information concerning our derivative instruments, see notes 7 and 8 to our consolidated financial statements and *Quantitative and Qualitative Disclosures about Market Risk* below.

Foreign currency transaction gains (losses), net

Our foreign currency transaction gains or losses primarily result from the remeasurement of monetary assets and liabilities that are denominated in currencies other than the underlying functional currency of the applicable entity. Unrealized foreign currency transaction gains or losses are computed based on period-end exchange rates and are non-cash in nature until such time as the amounts are settled. The details of our foreign currency transaction gains (losses), net, are as follows:

	Year ended December 31,	
	2014	2013
	in millions	
U.S. dollar denominated debt issued by euro functional currency entities	$ (481.5)	$ 160.7
Intercompany payables and receivables denominated in a currency other than the entity's functional currency (a)	(251.8)	(280.0)
U.S. dollar denominated debt issued by a British pound sterling functional currency entity	(175.1)	249.3
U.S. dollar denominated debt issued by a Chilean peso functional currency entity	(137.1)	—
Euro denominated debt issued by a U.S. dollar functional currency entity	131.8	(34.6)
Yen denominated debt issued by a U.S. dollar functional currency entity	109.2	192.3
Cash and restricted cash denominated in a currency other than the entity's functional currency	(32.0)	94.6
British pound sterling denominated debt issued by a U.S. dollar functional currency entity	—	(37.3)
Other	—	4.3
Total	$ (836.5)	$ 349.3

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(a) Amounts primarily relate to (i) loans between certain of our non-operating and operating subsidiaries in Europe, which generally are denominated in the currency of the applicable operating subsidiary, and (ii) loans between certain of our non-operating subsidiaries in the U.S., Europe and Chile.

For information regarding how we manage our exposure to foreign currency risk, see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below.

Realized and unrealized gains (losses) due to changes in fair values of certain investments, net

Our realized and unrealized gains or losses due to changes in fair values of certain investments include unrealized gains or losses associated with changes in fair values that are non-cash in nature until such time as these gains or losses are realized through cash transactions. The details of our realized and unrealized gains (losses) due to changes in fair values of certain investments, net, are as follows:

	Year ended December 31,	
	2014	2013
	in millions	
Investments (a):		
Ziggo	$ 224.0	$ 582.9
Sumitomo	(99.8)	(6.8)
ITV	54.9	—
Other, net (b)	26.1	(52.0)
Total	$ 205.2	$ 524.1

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(a) For additional information regarding our investments and fair value measurements, see notes 6 and 8 to our consolidated financial statements.

(b) The 2014 amount primarily includes an increase in the fair value of our investment in ITI Neovision. The 2013 amount includes decreases in the fair values of our investments in ITI Neovision and O3B Networks Limited.

Losses on debt modification, extinguishment and conversion, net

We recognized a loss on debt modification, extinguishment and conversion, net, of $186.2 million during 2014. This loss includes the following:

- a $71.3 million loss during the fourth quarter related to the repayment of the 2009 UM Senior Notes, which includes (i) the payment of $45.0 million of redemption premium, (ii) the write-off of $14.0 million of deferred financing costs and (iii) the write-off of $12.3 million of unamortized discount;

- a $59.5 million loss during the fourth quarter related to the repayment of the UM Senior Secured Fixed-Rate Exchange Notes, which includes (i) the payment of $70.1 million of redemption premium and (ii) the write-off of $10.6 million of unamortized premium;

- a $41.5 million loss during the second quarter related to the repayment of the UPC Holding 9.875% Senior Notes, which includes (i) the payment of $19.7 million of redemption premium, (ii) the write-off of $17.4 million of unamortized discount and (iii) the write-off of $4.4 million of deferred financing costs;

- a $32.5 million gain during the fourth quarter related to the repayment of the 2019 VM Senior Notes, which includes (i) the write-off of $75.2 million of unamortized premium, (ii) the payment of $39.3 million of redemption premium and (iii) the write-off of $3.4 million of deferred financing costs;

- a $16.5 million loss during the first quarter related to the repayment of Facilities R, S, AE and AF under the UPC Broadband Holding Bank Facility, which includes (i) the write-off of $11.6 million of deferred financing costs and (ii) the write-off of $4.9 million of unamortized discount;

- an $11.9 million loss during the second quarter related to the completion of certain refinancing transactions with respect to the Telenet Credit Facility, which includes (i) the write-off of $7.1 million of deferred financing costs, (ii) the payment of $3.6 million of redemption premium and (iii) the write-off of $1.2 million of unamortized discount; and

- an aggregate net loss of $18.3 million related to the refinancing of (i) the Liberty Puerto Rico Bank Facility, (ii) the 2018 VM Dollar Senior Secured Notes, (iii) the 2018 VM Sterling Senior Secured Notes, (iv) the Ziggo Collar Loan, (v) the Ziggo Margin Loan and (vi) VTR's former term loan bank facility.

We recognized a loss on debt modification, extinguishment and conversion, net, of $212.2 million during 2013. This loss includes the following:

- aggregate losses of $112.5 million during the first and fourth quarters related to the redemption of all of Unitymedia KabelBW's 2009 UM Euro Senior Secured Notes, which includes (i) the payment of $75.0 million of redemption premium and (ii) the write-off of $37.5 million associated with deferred financing costs and unamortized discount;

- an $85.5 million loss during the first quarter, which includes (i) $35.6 million of aggregate redemption premiums related to the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes, (ii) the write-off of $24.5 million of unamortized discount related to the UPC Holding 9.75% Senior Notes, (iii) the write-off of $19.0 million of aggregate deferred financing costs associated with the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes and (iv) $6.4 million of aggregate interest incurred on the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes between the respective dates that we and the trustee were legally discharged; and

- an $11.9 million loss during the second quarter in connection with the prepayment of amounts outstanding under certain facilities of the UPC Broadband Holding Bank Facility, which includes (i) $7.7 million of third-party costs and (ii) the write-off of $4.2 million associated with deferred financing costs and unamortized discount.

For additional information concerning our losses on debt modification, extinguishment and conversion, net, see note 10 to our consolidated financial statements.

Income tax benefit (expense)

We recognized income tax benefit (expense) of $75.0 million and ($355.5 million) during 2014 and 2013, respectively.

The income tax benefit during 2014 differs from the expected income tax benefit of $221.7 million (based on the U.K. statutory income tax rate of 21.0%) primarily due to the net negative impact of (i) an increase in valuation allowances, (ii) certain permanent differences between the financial and tax accounting treatment of interest and other items and (iii) certain permanent differences between the financial and tax accounting treatment of items associated with investments in subsidiaries. The net negative impact of these items were partially offset by the net positive impact of (a) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate, (b) the tax effect of intercompany financing, (c) non-deductible or non-taxable foreign currency exchange results and (d) the recognition of previously unrecognized tax benefits.

The income tax expense during 2013 differs from the expected income tax benefit of $121.1 million (based on the U.K. statutory income tax rate of 23.0%) primarily due to the net negative impact of (i) a reduction in net deferred tax assets in the U.K. due to enacted changes in tax law, (ii) a loss of subsidiary tax attributes due to a deemed change in control related to the Virgin Media Acquisition, (iii) an increase in valuation allowances, (iv) non-deductible or non-taxable foreign currency exchange results and (v) certain permanent differences between the financial and tax accounting treatment of interest and other items, including $51.1 million related to the reversal of a litigation provision in the third quarter, as further described in note 17 to our consolidated financial statements. The net negative impact of these items were partially offset by the net positive impact of (a) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate and (b) the tax effect of intercompany financing.

For additional information concerning our income taxes, see note 11 to our consolidated financial statements.

Loss from continuing operations

During 2014 and 2013, we reported losses from continuing operations of $980.9 million and $882.0 million, respectively, including (i) operating income of $2,228.2 million and $2,012.1 million, respectively, (ii) net non-operating expenses of $3,284.1 million and $2,538.6 million, respectively, and (iii) income tax benefit (expense) of $75.0 million and ($355.5 million), respectively.

Gains or losses associated with (i) changes in the fair values of derivative instruments, (ii) movements in foreign currency exchange rates and (iii) the disposition of assets and changes in ownership are subject to a high degree of volatility and, as such, any gains from these sources do not represent a reliable source of income. In the absence of significant gains in the future from these sources or from other non-operating items, our ability to achieve earnings from continuing operations is largely dependent on our ability to increase our aggregate operating cash flow to a level that more than offsets the aggregate amount of our (a) share-based compensation expense, (b) depreciation and amortization, (c) impairment, restructuring and other operating items, net, (d) interest expense, (e) other net non-operating expenses and (f) income tax expenses.

Due largely to the fact that we seek to maintain our debt at levels that provide for attractive equity returns, as discussed under *Liquidity and Capital Resources — Capitalization* below, we expect that we will continue to report significant levels of interest expense for the foreseeable future. For information concerning our expectations with respect to trends that may affect certain aspects of our operating results in future periods, see the discussion under *Overview* above. For information concerning the reasons for changes in specific line items in our consolidated statements of operations, see the discussion under *Discussion and Analysis of our Reportable Segments* and *Discussion and Analysis of our Consolidated Operating Results* above.

Discontinued operations

Our earnings (loss) from discontinued operations, net of taxes, of $0.8 million and ($23.7 million) during 2014 and 2013, respectively, relates to the operations of the Chellomedia Disposal Group. In addition, we recognized an after-tax gain on the disposal of a discontinued operation of $332.7 million related to the January 31, 2014 completion of the Chellomedia Transaction. For additional information, see note 5 to our consolidated financial statements.

Net earnings attributable to noncontrolling interests

Net earnings or loss attributable to noncontrolling interests includes the noncontrolling interests' share of the results of our continuing and discontinued operations. Net earnings attributable to noncontrolling interests decreased $10.6 million during 2014, as compared to 2013, primarily due to the net effect of (i) a decline in the results of operations of Telenet and (ii) the impact of the VTR NCI Acquisition, which was completed during the first quarter of 2014.

2013 compared to 2012

Revenue

Our revenue by major category is set forth below:

	Year ended December 31,		Increase		Organic increase (decrease)
	2013	2012	$	%	%
	in millions				
Subscription revenue (a):					
Video	$ 5,724.1	$ 4,637.6	$ 1,086.5	23.4	0.6
Broadband internet	3,538.7	2,407.0	1,131.7	47.0	10.7
Fixed-line telephony	2,508.5	1,518.9	989.6	65.2	4.5
Cable subscription revenue	11,771.3	8,563.5	3,207.8	37.5	4.1
Mobile subscription revenue (b)	669.9	131.5	538.4	409.4	102.1
Total subscription revenue	12,441.2	8,695.0	3,746.2	43.1	5.6
B2B revenue (c)	986.9	467.9	519.0	110.9	(2.6)
Other revenue (b) (d)	1,046.1	767.9	278.2	36.2	3.9
Total	$ 14,474.2	$ 9,930.8	$ 4,543.4	45.8	5.1

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(b) Mobile subscription revenue excludes mobile interconnect revenue of $175.2 million and $35.1 million during 2013 and 2012, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(c) B2B revenue includes revenue from business broadband internet, video, voice, wireless and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain SOHO subscribers. SOHO subscribers pay a premium price to receive enhanced service levels along with video, broadband internet, fixed-line telephony or mobile services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which aggregated $152.5 million and $59.7 million during 2013 and 2012, respectively, is included in cable subscription revenue.

(d) Other revenue includes, among other items, interconnect, installation and carriage fee revenue.

Total revenue. Our consolidated revenue increased $4,543.4 million during 2013, as compared to 2012. This increase includes $3,804.7 million attributable to the impact of acquisitions. Excluding the effects of acquisitions and FX, total consolidated revenue increased $504.2 million or 5.1%.

Subscription revenue. The details of the increase in our consolidated subscription revenue for 2013, as compared to 2012, are as follows (in millions):

Increase in cable subscription revenue due to change in:	
Average number of RGUs	$ 355.6
ARPU	(3.8)
Total increase in cable subscription revenue	351.8
Increase in mobile revenue	134.3
Total increase in subscription revenue	486.1
Impact of acquisitions	3,053.5
Impact of FX	206.6
Total	$ 3,746.2

Excluding the effects of acquisitions and FX, our consolidated cable subscription revenue increased $351.8 million or 4.1% during 2013, as compared to 2012. This increase is attributable to (i) an increase in subscription revenue from broadband internet services of $257.0 million or 10.7%, as the impact of an increase in the average number of broadband internet RGUs was only partially offset by lower ARPU from broadband internet services, (ii) an increase in subscription revenue from fixed-line telephony services of $68.5 million or 4.5%, as the impact of an increase in the average number of fixed-line telephony RGUs was only partially offset by lower ARPU from fixed-line telephony services, and (iii) an increase in subscription revenue from video services of $26.3 million or 0.6%, as the impact of higher ARPU from video services was only partially offset by a decline in the average number of video RGUs.

Excluding the effects of acquisitions and FX, our consolidated mobile subscription revenue increased $134.3 million or 102.1% during 2013, as compared to 2012, primarily in Belgium and, to a lesser extent, Chile, Germany and the U.K.

B2B revenue. Excluding the effects of acquisitions and FX, our consolidated B2B revenue decreased $12.1 million or 2.6% during 2013, as compared to 2012. This decrease is primarily due to the net effect of (i) decreases in the Netherlands, Belgium, Switzerland and Austria and (ii) an increase in Germany.

Other revenue. Excluding the effects of acquisitions and FX, our consolidated other revenue increased $30.2 million or 3.9% during 2013, as compared to 2012. This increase is primarily attributable to the net effect of (i) higher interconnect and installation revenue in Belgium and (ii) a decrease in carriage fee revenue in Germany.

For additional information concerning the changes in our subscription and other revenue, see *Discussion and Analysis of our Reportable Segments — Revenue — 2013 compared to 2012* above.

Operating expenses

Our operating expenses increased $2,068.0 million during 2013, as compared to 2012. This increase includes $1,735.2 million attributable to the impact of acquisitions. Our operating expenses include share-based compensation expense, which increased $3.6 million during 2013. For additional information, see the discussion under *Share-based compensation expense* below. Excluding the effects of acquisitions, FX and share-based compensation expense, our operating expenses increased $250.1 million or 7.5% during 2013, as compared to 2012. This increase primarily is attributable to a net increase in (i) programming and copyright costs, (ii) interconnect costs, primarily in Belgium, (iii) outsourced labor and professional fees, (iv) personnel costs and (v) network-related expenses. For additional information regarding the changes in our operating expenses, see *Discussion and Analysis of our Reportable Segments — Operating Expenses of our Reportable Segments* above.

SG&A expenses

Our SG&A expenses increased $756.2 million during 2013, as compared to 2012. This increase includes $516.7 million attributable to the impact of acquisitions. Our SG&A expenses include share-based compensation expense, which increased $187.0 million during 2013. For additional information, see the discussion under *Share-based compensation expense* below. Excluding the effects of acquisitions, FX and share-based compensation expense, our SG&A expenses increased $13.5 million or 0.8% during 2013, as compared to 2012. This increase is primarily attributable to the net effect of (i) a decrease in sales and marketing costs, (ii) an increase in personnel costs, (iii) an increase in information technology-related expenses and (iv) an increase in integration costs, primarily due to costs incurred during 2013 by our corporate offices in connection with the integration of Virgin Media. For additional information regarding the changes in our SG&A expenses, see *Discussion and Analysis of our Reportable Segments — SG&A Expenses of our Reportable Segments* above.

Share-based compensation expense (included in operating and SG&A expenses)

A summary of the aggregate share-based compensation expense that is included in our operating and SG&A expenses is set forth below:

	Year ended December 31,	
	2013	**2012**
	in millions	
Liberty Global shares:		
Performance-based incentive awards (a)	$ 58.6	$ 33.0
Other share-based incentive awards	182.9	46.0
Total Liberty Global shares (b)	241.5	79.0
Telenet share-based incentive awards (c)	56.5	31.2
Other	4.5	2.2
Total	$ 302.5	$ 112.4
Included in:		
Operating expense	$ 12.1	$ 8.5
SG&A expense	288.6	101.6
Total	$ 300.7	$ 110.1

(a) Includes share-based compensation expense related to Liberty Global PSUs for both years presented and the Challenge Performance Awards for the applicable 2013 period.

(b) In connection with the Virgin Media Acquisition, we issued Virgin Media Replacement Awards to employees and former directors of Virgin Media in exchange for corresponding Virgin Media awards. During 2013, Virgin Media recorded share-based compensation expense of $134.3 million, primarily related to the Virgin Media Replacement Awards, including $80.1 million that was charged to expense in recognition of the Virgin Media Replacement Awards that were fully vested on June 7, 2013 or for which vesting was accelerated pursuant to the terms of the Virgin Media Merger Agreement on or prior to December 31, 2013.

(c) During 2013 and 2012, Telenet modified the terms of certain of its share-based incentive plans to provide for anti-dilution adjustments in connection with its shareholder returns. In connection with these anti-dilution adjustments, Telenet recognized share-based compensation expense of $32.7 million and $12.6 million, respectively, and continues to recognize additional share-based compensation expense as the underlying options vest. In addition, during 2013, Telenet recognized expense of $6.2 million related to the accelerated vesting of certain options.

For additional information concerning our share-based compensation, see note 13 to our consolidated financial statements.

Depreciation and amortization expense

Our depreciation and amortization expense increased $1,614.9 million during 2013 as compared to 2012. Excluding the effects of FX, depreciation and amortization expense increased $1,555.0 million or 58.4%. This increase is primarily due to the net effect of (i) an increase associated with the Virgin Media Acquisition, (ii) an increase associated with property and equipment additions related to the installation of customer premises equipment, the expansion and upgrade of our networks and other capital initiatives, (iii) a decrease associated with certain assets becoming fully depreciated, largely in Belgium, Chile and Switzerland and (iv) an increase due to accelerated depreciation, primarily in Chile where the acceleration is due to a change in our mobile strategy, as further discussed in note 9 to our consolidated financial statements.

Impairment, restructuring and other operating items, net

We recognized impairment, restructuring and other operating items, net, of $297.5 million during 2013, as compared to $76.2 million during 2012.

The 2013 amount includes (i) restructuring charges of $178.7 million, (ii) direct acquisition and disposition costs of $64.7 million, primarily related to the Virgin Media Acquisition, (iii) an impairment charge of $73.0 million to reduce the carrying amount of Telenet's spectrum rights following Telenet's determination that it would no longer be able to utilize its spectrum rights as a result of the conclusion of negotiations with network operators in Belgium and the absence of regulatory alternatives and (iv) a $20.0 million credit resulting from cash received from the OneLink Seller upon the settlement of certain claims related to the Puerto Rico Transaction, as further described in note 4 to our consolidated financial statements. The restructuring charges include (a) $84.9 million recorded by VTR's mobile operations during the third and fourth quarters of 2013 as a result of the decision to cease commercial use of VTR's mobile network, as further described in note 9 to our consolidated financial statements, and (b) $77.9 million of employee severance and termination costs related to certain reorganization and integration activities, primarily in the U.K., Germany and Chile. The restructuring charges recorded by VTR's mobile operations include the fair value of (1) the remaining payments due under certain tower and real estate operating leases of $71.5 million and (2) certain other required payments associated with VTR's mobile network.

The 2012 amount includes (i) aggregate restructuring charges of $53.0 million, primarily associated with employee severance and termination costs related to certain reorganization activities, mainly in Germany, and (ii) $20.4 million of direct acquisition costs, primarily related to the Puerto Rico Transaction.

For additional information regarding our restructuring charges, see note 14 to our consolidated financial statements.

Interest expense

Our interest expense increased $613.3 million during 2013, as compared to 2012. Excluding the effects of FX, interest expense increased $568.8 million or 34.0%. This increase is primarily attributable to the net impact of (i) a higher average outstanding debt balance, largely due to debt incurred in connection with the Virgin Media Acquisition, and (ii) a lower weighted average interest rate. The decrease in our weighted average interest rate is primarily related to (a) the completion of certain financing transactions (including the financing transactions related to the Virgin Media Acquisition) that resulted in extended maturities and net decreases to certain of our interest rates and (b) decreases in certain of the base rates for our variable-rate indebtedness. For additional information regarding our outstanding indebtedness, see note 10 to our consolidated financial statements.

Interest and dividend income

Our interest and dividend income increased $71.0 million during 2013, as compared to 2012. This increase is primarily attributable to (i) higher dividend income related to our investment in shares of Ziggo (after taking into account the impact of the Ziggo Collar) that was only partially offset by lower dividend income related to our investment in shares of Sumitomo (before taking into account the impact of the Sumitomo Collar) and (ii) higher interest income due to the net effect of (a) higher average cash and cash equivalent and restricted cash balances and (b) lower weighted average interest rates earned on our cash and cash equivalent and restricted cash balances. For information regarding the Ziggo Collar and the Sumitomo Collar, see note 7 to our consolidated financial statements.

Realized and unrealized losses on derivative instruments, net

The details of our realized and unrealized losses on derivative instruments, net, are as follows:

	Year ended December 31,	
	2013	**2012**
	in millions	
Cross-currency and interest rate derivative contracts (a)	$ (586.5)	$ (958.3)
Equity-related derivative instruments (b):		
Sumitomo Collar	(206.4)	(109.0)
Ziggo Collar	(152.5)	—
Virgin Media Capped Calls	(3.4)	—
Total equity-related derivative instruments	(362.3)	(109.0)
Foreign currency forward contracts (c)	(72.9)	(6.0)
Other	1.3	3.0
Total	$ (1,020.4)	$ (1,070.3)

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(a) The loss during 2013 is primarily attributable to the net effect of (i) losses associated with increases in the values of the British pound sterling, euro and Swiss franc relative to the U.S. dollar, (ii) gains associated with increases in market interest rates in the British pound sterling, euro and Swiss franc markets, (iii) losses associated with increases in market interest rates in the U.S. dollar market, (iv) gains associated with decreases in the values of the Chilean peso, Czech koruna, Swiss franc, Polish zloty and Hungarian forint relative to the euro, and (v) gains associated with a decrease in the value of the Chilean peso relative to the U.S. dollar. In addition, the loss during 2013 includes a net gain of $15.3 million resulting from changes in our credit risk valuation adjustments. The loss during 2012 is primarily attributable to the net effect of (a) losses associated with decreases in market interest rates in the euro, Hungarian forint, Polish zloty, Swiss franc, and Czech koruna markets, (b) losses associated with increases in the values of the Polish zloty, Hungarian forint, Chilean peso, Swiss franc, and Czech koruna relative to the euro, (c) losses associated with increases in the values of the Chilean peso, euro and Swiss franc relative to the U.S. dollar and (d) gains associated with decreases in market interest rates in the U.S. dollar market. In addition, the loss during 2012 includes a net loss of $57.3 million resulting from changes in our credit risk valuation adjustments.

(b) For information concerning the factors that impact the valuations of our equity-related derivative instruments, see note 8 to our consolidated financial statements.

(c) Primarily includes activity with respect to the foreign currency forward contracts of LGE Financing and activity during the first half of 2013 related to deal contingent forward contracts that were settled in connection with the Virgin Media Acquisition.

For additional information concerning our derivative instruments, see notes 7 and 8 to our consolidated financial statements and *Quantitative and Qualitative Disclosures about Market Risk* below.

Foreign currency transaction gains, net

The details of our foreign currency transaction gains, net, are as follows:

	Year ended December 31,	
	2013	2012
	in millions	
Intercompany payables and receivables denominated in a currency other than the entity's functional currency (a)	$ (280.0)	$ 229.3
U.S. dollar denominated debt issued by a British pound sterling functional currency entity	249.3	—
Yen denominated debt issued by a U.S. dollar functional currency entity	192.3	135.7
U.S. dollar denominated debt issued by euro functional currency entities	160.7	74.0
Cash and restricted cash denominated in a currency other than the entity's functional currency	94.6	0.5
British pound sterling denominated debt issued by a U.S. dollar functional currency entity	(37.3)	—
Euro denominated debt issued by a U.S. dollar functional currency entity	(34.6)	—
Other	4.3	(1.1)
Total	$ 349.3	$ 438.4

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(a) Amounts primarily relate to (i) loans between certain of our non-operating and operating subsidiaries in Europe, which generally are denominated in the currency of the applicable operating subsidiary, and (ii) loans between certain of our non-operating subsidiaries in the U.S., Europe and Chile.

For information regarding how we manage our exposure to foreign currency risk, see *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below.

Realized and unrealized gains (losses) due to changes in fair values of certain investments, net

The details of our realized and unrealized gains (losses) due to changes in fair values of certain investments, net, are as follows:

	Year ended December 31,	
	2013	2012
	in millions	
Investments (a):		
Ziggo	$ 582.9	$ —
Sumitomo	(6.8)	(38.2)
Other, net (b)	(52.0)	28.0
Total	$ 524.1	$ (10.2)

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(a) For additional information regarding our investments and fair value measurements, see notes 6 and 8 to our consolidated financial statements.

(b) The 2013 amount primarily includes an increase in the fair value of our investment in ITI Neovision and O3B Networks Limited. The 2012 amount primarily includes an increase in the fair value of our investment in ITI Neovision.

Losses on debt modification, extinguishment and conversion, net

We recognized a loss on debt modification, extinguishment and conversion, net, of $212.2 million during 2013. This loss includes the following:

- aggregate losses of $112.5 million during the first and fourth quarters related to the redemption of all of Unitymedia KabelBW's 2009 UM Euro Senior Secured Notes, which includes (i) the payment of $75.0 million of redemption premium and (ii) the write-off of $37.5 million associated with deferred financing costs and unamortized discount;

- an $85.5 million loss during the first quarter, which includes (i) $35.6 million of aggregate redemption premiums related to the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes, (ii) the write-off of $24.5 million of unamortized discount related to the UPC Holding 9.75% Senior Notes, (iii) the write-off of $19.0 million of aggregate deferred financing costs associated with the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes and (iv) $6.4 million of aggregate interest incurred on the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes between the respective dates that we and the trustee were legally discharged; and

- an $11.9 million loss during the second quarter in connection with the prepayment of amounts outstanding under certain facilities of the UPC Broadband Holding Bank Facility, which includes (i) $7.7 million of third-party costs and (ii) the write-off of $4.2 million associated with deferred financing costs and unamortized discount.

We recognized a loss on debt modification, extinguishment and conversion, net, of $213.8 million during 2012. This loss includes the following:

- a $175.8 million loss during the fourth quarter associated with the redemption and repurchase of all of the 2009 UM Dollar Senior Secured Notes and a portion of the 2009 UM Euro Senior Secured Notes, which includes (i) the payment of $125.9 million of redemption premium and (ii) the write-off of $49.4 million associated with deferred financing costs and unamortized discount;

- a $16.3 million loss during the fourth quarter associated with the repayment of borrowings under the UPC Broadband Holding Bank Facility, which includes the write-off of $12.4 million associated with deferred financing costs and unamortized discount in connection with the prepayment of Facility AB;

- a $10.2 million loss during the third quarter representing the payment of redemption premium related to the UM Senior Secured Floating-Rate Exchange Notes; and

- a $7.0 million loss incurred by Unitymedia KabelBW associated with the Unitymedia KabelBW Exchange and the Special Optional Redemptions, which includes (i) $5.6 million of third-party costs and (ii) the payment of $1.4 million of redemption premium pursuant to the Special Optional Redemptions.

For additional information concerning our losses on debt modification, extinguishment and conversion, net, see note 10 to our consolidated financial statements.

Income tax expense

We recognized income tax expense of $355.5 million and $75.0 million during 2013 and 2012, respectively.

The income tax expense during 2013 differs from the expected income tax benefit of $121.1 million (based on the U.K. statutory income tax rate of 23.0%) primarily due to the net negative impact of (i) a reduction in net deferred tax assets in the U.K. due to enacted changes in tax law, (ii) a loss of subsidiary tax attributes due to a deemed change in control related to the Virgin Media Acquisition, (iii) an increase in valuation allowances, (iv) non-deductible or non-taxable foreign currency exchange results and (v) certain permanent differences between the financial and tax accounting treatment of interest and other items, including $51.1 million related to the reversal of a litigation provision in the third quarter, as further described in note 17 to our consolidated financial statements. The net negative impact of these items were partially offset by the net positive impact of (a) statutory tax rates in certain jurisdictions in which we operate that are different than the U.K. statutory income tax rate and (b) the tax effect of intercompany financing.

The income tax expense during 2012 differs from the expected income tax benefit of $178.1 million (based on the U.S. federal 35.0% income tax rate) primarily due to the net negative impact of (i) an increase in valuation allowances and (ii) certain permanent differences between the financial and tax accounting treatment of interest and other items.

For additional information concerning our income taxes, see note 11 to our consolidated financial statements.

Loss from continuing operations

During 2013 and 2012, we reported losses from continuing operations of $882.0 million and $583.9 million, respectively, including (i) operating income of $2,012.1 million and $1,983.1 million, respectively, (ii) net non-operating expenses of $2,538.6 million and $2,492.0 million, respectively, and (iii) income tax expense of $355.5 million and $75.0 million, respectively.

Discontinued operations

Our loss from discontinued operations of $23.7 million during 2013 relates to the operations of the Chellomedia Disposal Group and our earnings from discontinued operations of $47.1 million during 2012 relates to the operations of Austar and the Chellomedia Disposal Group. In addition, we recognized an after-tax gain on the disposal of discontinued operations of $924.1 million during 2012 related to the May 23, 2012 completion of the Austar Transaction. For additional information, see note 5 to our consolidated financial statements.

Net earnings attributable to noncontrolling interests

Net earnings attributable to noncontrolling interests decreased $6.3 million during 2013, as compared to 2012, primarily due to the net impact of (i) an increase due to the net effect of (a) an improvement in the results of operations of Telenet and (b) the impact of a decrease in the noncontrolling interests' share of Telenet's results following the Telenet Tender, (ii) a decline in the results of VTR and (iii) a decrease associated with our May 2012 disposition of Austar.

Liquidity and Capital Resources

Sources and Uses of Cash

We are a holding company that is dependent on the capital resources of our subsidiaries to satisfy our liquidity requirements at the corporate level. Although our consolidated operating subsidiaries generate cash from operating activities, each of our significant operating subsidiaries is included within one of our seven subsidiary "borrowing groups," which borrowing groups comprise Virgin Media, UPC Holding, Unitymedia KabelBW, Ziggo, Telenet, VTR Finance and Liberty Puerto Rico, each together with their respective restricted subsidiaries. As set forth in the table below, our borrowing groups accounted for a significant portion of our consolidated cash and cash equivalents at December 31, 2014. The terms of the instruments governing the indebtedness of these borrowing groups restrict our ability to access the assets of these subsidiaries. In addition, our ability to access the liquidity of these and other subsidiaries may be limited by tax and legal considerations, the presence of noncontrolling interests and other factors. For information regarding certain financing transactions that were completed subsequent to December 31, 2014, see note 20 to our consolidated financial statements.

Cash and cash equivalents

The details of the U.S. dollar equivalent balances of our consolidated cash and cash equivalents at December 31, 2014 are set forth in the following table (in millions):

Cash and cash equivalents held by:	
Liberty Global and unrestricted subsidiaries:	
Liberty Global (a)	$ 41.9
Unrestricted subsidiaries (b) (c)	604.9
Total Liberty Global and unrestricted subsidiaries	646.8
Borrowing groups (d):	
Telenet	228.8
VTR Finance	85.2
UPC Holding	71.8
Virgin Media (c)	53.8
Ziggo	32.7
Liberty Puerto Rico	21.9
Unitymedia KabelBW	17.5
Total operating subsidiaries	511.7
Total cash and cash equivalents	$ 1,158.5

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(a) Represents the amount held by Liberty Global on a standalone basis.

(b) Represents the aggregate amount held by subsidiaries of Liberty Global that are outside of our borrowing groups.

(c) The Virgin Media borrowing group includes certain subsidiaries of Virgin Media, but excludes Virgin Media. The $0.8 million of cash and cash equivalents held by Virgin Media is included in the amount shown for Liberty Global's unrestricted subsidiaries.

(d) Except as otherwise noted, represents the aggregate amounts held by the parent entity and restricted subsidiaries of each of our borrowing groups.

Liquidity of Liberty Global and its unrestricted subsidiaries

The $41.9 million of cash and cash equivalents held by Liberty Global and, subject to certain tax and legal considerations, the $604.9 million of cash and cash equivalents held by Liberty Global's unrestricted subsidiaries, represented available liquidity at the corporate level at December 31, 2014. Our remaining cash and cash equivalents of $511.7 million at December 31, 2014 were held by our borrowing groups as set forth in the table above. As noted above, various factors may limit our ability to access the cash of our borrowing groups. For information regarding certain limitations imposed by our subsidiaries' debt instruments at December 31, 2014, see note 10 to our consolidated financial statements.

Our current sources of corporate liquidity include (i) cash and cash equivalents held by Liberty Global and, subject to certain tax and legal considerations, Liberty Global's unrestricted subsidiaries, (ii) interest received on a note receivable from a subsidiary (outstanding principal of $9.6 billion at December 31, 2014) and (iii) interest and dividend income received on our and, subject to certain tax and legal considerations, our unrestricted subsidiaries' cash and cash equivalents and investments.

From time to time, Liberty Global and its unrestricted subsidiaries may also receive (i) proceeds in the form of distributions or loan repayments from Liberty Global's borrowing groups or affiliates, including any principal payments received on the aforementioned note receivable from a subsidiary, upon (a) the completion of recapitalizations, refinancings, asset sales or similar transactions by these entities or (b) the accumulation of excess cash from operations or other means, (ii) proceeds upon the disposition of investments and other assets of Liberty Global and its unrestricted subsidiaries and (iii) proceeds in connection with the incurrence of debt by Liberty Global or its unrestricted subsidiaries or the issuance of equity securities by Liberty Global, including equity securities issued to satisfy subsidiary obligations. No assurance can be given that any external funding would be available to Liberty Global or its unrestricted subsidiaries on favorable terms, or at all. For information regarding the disposition of the Chellomedia Disposal Group, see note 5 to our consolidated financial statements.

At December 31, 2014, our consolidated cash and cash equivalents balance includes $1,062.6 million that is held by entities that are domiciled outside of the U.K. Based on our assessment of our ability to access the liquidity of our subsidiaries on a tax efficient basis and our expectations with respect to our corporate liquidity requirements, we do not anticipate that tax considerations will adversely impact our corporate liquidity over the next 12 months. Our ability to access the liquidity of our subsidiaries on a tax efficient basis is a consideration in assessing the extent of our share repurchase program.

The ongoing cash needs of Liberty Global and its unrestricted subsidiaries include (i) corporate general and administrative expenses and (ii) interest payments on the Sumitomo Collar Loan. In addition, Liberty Global and its unrestricted subsidiaries may require cash in connection with (a) the repayment of outstanding debt, (b) the satisfaction of contingent liabilities, (c) acquisitions, (d) the repurchase of equity and debt securities, (e) other investment opportunities or (f) income tax payments. For information concerning the cash requirements of the Statutory Squeeze-out with respect to our acquisition of Ziggo, see note 4 to our consolidated financial statements. For information concerning our contingencies, see note 17 to our consolidated financial statements.

As a U.K. incorporated company, we may only elect to repurchase shares or pay dividends to the extent of our "Distributable Reserves." Distributable Reserves, which are not linked to a GAAP reported amount, may be created through the earnings of the U.K. parent company and, amongst other methods, through a reduction in share premium approved by the English Companies Court. Based on the amounts set forth in our 2013 U.K. Companies Act Report that was filed with the U.K. Companies House on May, 7, 2014, our Distributable Reserves are $28.7 billion. This amount does not reflect earnings, share repurchases, dividends or other activity that occurred in 2014, each of which impacts the amount of our Distributable Reserves.

During 2014, we repurchased a total of 8,062,792 Liberty Global Class A ordinary shares at a weighted average price of $42.19 per share and 28,401,019 Liberty Global Class C ordinary shares at a weighted average price of $44.25 per share, for an aggregate purchase price of $1,596.9 million, including direct acquisition costs and the effects of derivative instruments. As of December 31, 2014, the remaining amount authorized for share repurchases was $1,933.7 million. Subsequent to December 31, 2014, our board of directors authorized an additional $2.0 billion of availability for share repurchases.

Liquidity of borrowing groups

The cash and cash equivalents of our borrowing groups are detailed in the table above. In addition to cash and cash equivalents, the primary sources of liquidity of our borrowing groups are cash provided by operations and borrowing availability under their respective debt instruments. For the details of the borrowing availability of such entities at December 31, 2014, see note 10 to our consolidated financial statements. The aforementioned sources of liquidity may be supplemented in certain cases by contributions and/or loans from Liberty Global and its unrestricted subsidiaries. The liquidity of our borrowing groups generally is used to fund property and equipment additions and debt service requirements. From time to time, our borrowing groups may also require funding in connection with (i) acquisitions and other investment opportunities, (ii) loans to Liberty Global, (iii) capital distributions to Liberty Global and other equity owners or (iv) the satisfaction of contingencies. No assurance can be given that any external funding would be available to our borrowing groups on favorable terms, or at all. For information regarding our acquisitions and contingencies, see notes 4 and 17 to our consolidated financial statements, respectively.

For additional information regarding our consolidated cash flows, see the discussion under *Consolidated Statements of Cash Flows* below.

Capitalization

We seek to maintain our debt at levels that provide for attractive equity returns without assuming undue risk. In this regard, we generally seek to cause our operating subsidiaries to maintain their debt at levels that result in a consolidated debt balance (excluding the Sumitomo Collar Loan and the ITV Collar Loan and measured using subsidiary debt figures at swapped foreign currency exchange rates, consistent with the covenant calculation requirements of our subsidiary debt agreements) that is between four and five times our consolidated operating cash flow, although it should be noted that the timing of our acquisitions and financing transactions (including those related to the Ziggo Acquisition) and the interplay of average and spot foreign currency rates may impact this ratio. The ratio of our December 31, 2014 consolidated debt to our annualized consolidated operating cash flow for the quarter ended December 31, 2014 was 5.1x. In addition, the ratio of our December 31, 2014 consolidated net debt (debt, as defined above, less cash and cash equivalents) to our annualized consolidated operating cash flow for the quarter ended December 31, 2014 was 5.0x.

When it is cost effective, we generally seek to match the denomination of the borrowings of our subsidiaries with the functional currency of the operations that are supporting the respective borrowings. As further discussed under *Quantitative and Qualitative Disclosures about Market Risk* below and in note 7 to our consolidated financial statements, we also use derivative instruments to mitigate foreign currency and interest rate risk associated with our debt instruments.

Our ability to service or refinance our debt and to maintain compliance with the leverage covenants in the credit agreements and indentures of our borrowing groups is dependent primarily on our ability to maintain or increase the operating cash flow of our operating subsidiaries and to achieve adequate returns on our property and equipment additions and acquisitions. In addition, our ability to obtain additional debt financing is limited by the leverage covenants contained in the various debt instruments of our borrowing groups. For example, if the operating cash flow of UPC Broadband Holding were to decline, we could be required to partially repay or limit our borrowings under the UPC Broadband Holding Bank Facility in order to maintain compliance with applicable covenants. No assurance can be given that we would have sufficient sources of liquidity, or that any external funding would be available on favorable terms, or at all, to fund any such required repayment. The ability to access available borrowings under the UPC Broadband Holding Bank Facility and/or UPC Holding's ability to complete additional financing transactions can also be impacted by the interplay of average and spot foreign currency rates with respect to leverage calculations under the indentures for UPC Holding's senior notes. At December 31, 2014, each of our borrowing groups was in compliance with its debt covenants. In addition, we do not anticipate any instances of non-compliance with respect to the debt covenants of our borrowing groups that would have a material adverse impact on our liquidity during the next 12 months.

At December 31, 2014, our outstanding consolidated debt and capital lease obligations aggregated $46.2 billion, including $1,550.9 million that is classified as current in our consolidated balance sheet and $42.1 billion that is not due until 2020 or thereafter. For additional information concerning our current debt maturities, see note 10 to our consolidated financial statements.

Notwithstanding our negative working capital position at December 31, 2014, we believe that we have sufficient resources to repay or refinance the current portion of our debt and capital lease obligations and to fund our foreseeable liquidity requirements during the next 12 months. However, as our maturing debt grows in later years, we anticipate that we will seek to refinance or otherwise extend our debt maturities. No assurance can be given that we will be able to complete these refinancing transactions or otherwise extend our debt maturities. In this regard, it is not possible to predict how political and economic conditions, sovereign debt concerns or any adverse regulatory developments could impact the credit and equity markets we access and, accordingly, our future liquidity and financial position. However, (i) the financial failure of any of our counterparties could (a) reduce amounts available under committed credit facilities and (b) adversely impact our ability to access cash deposited with any failed financial institution and (ii) tightening of the credit markets could adversely impact our ability to access debt financing on favorable terms, or at all. In addition, any weakness in the equity markets could make it less attractive to use our shares to satisfy contingent or other obligations, and sustained or increased competition, particularly in combination with adverse economic or regulatory developments, could have an unfavorable impact on our cash flows and liquidity.

All of our consolidated debt and capital lease obligations have been borrowed or incurred by our subsidiaries at December 31, 2014.

For additional information concerning our debt and capital lease obligations, see notes 10 and 20 to our consolidated financial statements.

Consolidated Statements of Cash Flows

General. Our cash flows are subject to significant variations due to FX. See related discussion under *Quantitative and Qualitative Disclosures about Market Risk — Foreign Currency Risk* below. All of the cash flows discussed below are those of our continuing operations.

Consolidated Statements of Cash Flows — 2014 compared to 2013

Summary. The 2014 and 2013 consolidated statements of cash flows of our continuing operations are summarized as follows:

	Year ended December 31,		
	2014	2013	Change
	in millions		
Net cash provided by operating activities	$ 5,612.8	$ 3,921.0	$ 1,691.8
Net cash used by investing activities	(2,799.6)	(7,950.1)	5,150.5
Net cash provided (used) by financing activities	(4,260.1)	4,623.3	(8,883.4)
Effect of exchange rate changes on cash	(81.9)	85.4	(167.3)
Net increase (decrease) in cash and cash equivalents	$ (1,528.8)	$ 679.6	$ (2,208.4)

Operating Activities. The increase in net cash provided by our operating activities is primarily attributable to the net effect of (i) an increase in the cash provided by our operating cash flow and related working capital items, largely due to the impact of the Virgin Media Acquisition and, to a lesser extent, the Ziggo Acquisition, (ii) a decrease in cash provided due to higher cash payments for interest, a significant portion of which is due to the impact of the Virgin Media Acquisition, (iii) an increase in the reported net cash provided by operating activities due to FX, (iv) a decrease in cash provided due to lower cash dividends received and (v) a decrease in cash provided due to higher cash payments related to derivative instruments.

Investing Activities. The decrease in net cash used by our investing activities is primarily attributable to the net effect of (i) a decrease in cash used of $4,000.1 million associated with lower cash paid in connection with acquisitions, (ii) a decrease in cash used of $988.5 million associated with cash proceeds received during 2014 in connection with the Chellomedia Transaction, (iii) a decrease in cash used of $333.7 million associated with lower cash paid in connection with investments in and loans to affiliates and others and (iv) an increase in cash used of $202.9 million due to higher capital expenditures. Capital expenditures increased from $2,481.5 million during 2013 to $2,684.4 million during 2014, primarily due to increases related to the Virgin Media Acquisition and, to a much lesser extent, the Ziggo Acquisition, that were only partially offset by a net decrease in the local currency capital expenditures of our other subsidiaries, due primarily to an increase in vendor financing during 2014 as compared to 2013.

The capital expenditures that we report in our consolidated statements of cash flows do not include amounts that are financed under capital-related vendor financing or capital lease arrangements. Instead, these amounts are reflected as non-cash additions to our property and equipment when the underlying assets are delivered, and as repayments of debt when the principal is repaid. In the following discussion, we refer to (i) our capital expenditures as reported in our consolidated statements of cash flows, which exclude amounts financed under capital-related vendor financing or capital lease arrangements, and (ii) our total property and equipment additions, which include our capital expenditures on an accrual basis and amounts financed under capital-related vendor financing or capital lease arrangements. A reconciliation of our consolidated property and equipment additions to our consolidated capital expenditures as reported in our consolidated statements of cash flows is set forth below:

	Year ended December 31,	
	2014	2013
	in millions	
Property and equipment additions	$ 3,909.2	$ 3,161.6
Assets acquired under capital-related vendor financing arrangements	(975.3)	(573.5)
Assets acquired under capital leases	(127.2)	(143.0)
Changes in current liabilities related to capital expenditures	(122.3)	36.4
Capital expenditures	$ 2,684.4	$ 2,481.5

The European Operations Division accounted for $3,648.0 million and $2,901.0 million of our consolidated property and equipment additions during 2014 and 2013, respectively. The increase in the European Operations Division's property and equipment additions is primarily due to the net effect of (i) an increase due to impact of the Virgin Media Acquisition and, to a lesser extent, the Ziggo Acquisition, (ii) a decrease in expenditures for the purchase and installation of customer premises equipment, (iii) an increase in expenditures for new build and upgrade projects to expand services and (iv) an increase in expenditures for support capital, such as information technology upgrades and general support systems. During 2014 and 2013, the European Operations Division property and equipment additions represented 21.5% and 22.1% of its revenue, respectively.

Chile accounted for $195.8 million and $188.5 million of our consolidated property and equipment additions during 2014 and 2013, respectively. The increase in Chile's property and equipment additions is primarily due to the net effect of (i) a decrease due to FX, (ii) an increase in expenditures for new build and upgrade projects, (iii) an increase in expenditures for support capital, such as information technology upgrades and general support systems, and (iv) an increase in expenditures for the purchase and installation of customer premises equipment. During 2014 and 2013, Chile's property and equipment additions represented 21.8% and 19.0% of its revenue, respectively.

For additional information regarding our property and equipment additions, see note 18 to our consolidated financial statements.

After giving effect to the U.K. Network Extension as discussed under *Overview*, we expect the percentage of revenue represented by our aggregate 2015 consolidated property and equipment additions to range from 21% to 23%, including (i) 21% to 23% for the European Operations Division (including 21% to 23% for U.K./Ireland, 19% to 21% for Germany, 19% to 21% for Belgium, 20% to 22% for the Netherlands, inclusive of Ziggo, and 16% to 18% for Switzerland/Austria) and (ii) 17% to 19% for Chile. The actual amount of our 2015 consolidated property and equipment additions and the 2015 property and equipment additions of the European Operations Division (including U.K./Ireland, Germany, Belgium, the Netherlands and Switzerland/Austria) and Chile may vary from expected amounts for a variety of reasons, including (a) changes in (1) the competitive or regulatory environment, (2) business plans or (3) our current or expected future operating results and (b) the availability of sufficient capital. Accordingly, no assurance can be given that our actual property and equipment additions will not vary materially from our expectations.

Financing Activities. The change in net cash provided (used) by our financing activities is primarily attributable to the net effect of (i) a decrease in cash of $3,652.5 million primarily due to the release of restricted cash in June 2013 in connection with the Virgin Media Acquisition, (ii) a decrease in cash of $3,095.4 million related to lower net borrowings of debt, (iii) a decrease in cash of $1,539.7 million due to the release of restricted cash during 2013 in connection with the Telenet Tender, (iv) a decrease in cash of $745.5 million due to higher cash paid related to derivative instruments, (v) an increase in cash of $526.4 million related to lower distributions by subsidiaries to noncontrolling interests, (vi) a decrease in cash of $427.7 million related to higher repurchases of our shares and (vii) an increase in cash of $200.6 million related to a decrease in purchases of additional shares of our subsidiaries.

Consolidated Statements of Cash Flows — 2013 compared to 2012

Summary. The 2013 and 2012 consolidated statements of cash flows of our continuing operations are summarized as follows:

	Year ended December 31,		
	2013	2012	Change
	in millions		
Net cash provided by operating activities	$ 3,921.0	$ 2,837.5	$ 1,083.5
Net cash used by investing activities	(7,950.1)	(957.7)	(6,992.4)
Net cash provided (used) by financing activities	4,623.3	(1,465.1)	6,088.4
Effect of exchange rate changes on cash	85.4	28.3	57.1
Net increase in cash and cash equivalents	$ 679.6	$ 443.0	$ 236.6

Operating Activities. The increase in net cash provided by our operating activities is primarily attributable to the net effect of (i) an increase in the cash provided by our operating cash flow and related working capital items, largely due to the impact of the Virgin Media Acquisition, (ii) a decrease in cash provided due to higher cash payments for interest, largely due to the impact of the Virgin Media Acquisition, (iii) an increase in the reported net cash provided by operating activities due to FX, (iv) a decrease in cash provided due to higher net cash payments for taxes and (v) an increase in cash provided due to lower cash payments related to derivative instruments.

Investing Activities. The increase in net cash used by our investing activities is primarily attributable to (i) an increase in cash used of $3,919.2 million associated with higher cash paid in connection with acquisitions, (ii) an increase in cash used of $1,317.9 million associated with higher cash paid in connection with investments in and loans to affiliates and others, primarily due to the cash we paid to acquire Ziggo shares during 2013, (iii) an increase in cash used of $1,055.4 million associated with cash proceeds received in connection with the Austar Transaction during 2012 and (iv) an increase in cash used of $613.2 million associated with higher capital expenditures. Capital expenditures increased from $1,868.3 million during 2012 to $2,481.5 million during 2013, primarily due to an increase related to the Virgin Media Acquisition and other less significant acquisitions that was only partially offset by a net decrease in the local currency capital expenditures of our subsidiaries.

A reconciliation of our consolidated property and equipment additions to our consolidated capital expenditures as reported in the consolidated statements of cash flows is set forth below:

	Year ended December 31,	
	2013	2012
	in millions	
Property and equipment additions	$ 3,161.6	$ 2,258.6
Assets acquired under capital-related vendor financing arrangements	(573.5)	(246.5)
Assets acquired under capital leases	(143.0)	(63.1)
Changes in current liabilities related to capital expenditures	36.4	(80.7)
Capital expenditures	$ 2,481.5	$ 1,868.3

The European Operations Division accounted for $2,901.0 million and $1,981.6 million of our consolidated property and equipment additions during 2013 and 2012, respectively. The increase in the European Operations Division's property and equipment additions is primarily due to the net effect of (i) an increase due to the Virgin Media Acquisition and other less significant acquisitions, (ii) an increase in expenditures for support capital, such as information technology upgrades and general support systems, (iii) an increase due to FX, (iv) a decrease in expenditures for the purchase and installation of customer premises equipment and (v) an increase in expenditures for new build and upgrade projects to expand services. During 2013 and 2012, the European Operations Division property and equipment additions represented 22.1% and 22.5% of its revenue, respectively.

Chile accounted for $188.5 million and $243.4 million of our consolidated property and equipment additions during 2013 and 2012, respectively. The decrease in Chile's property and equipment additions is primarily due to the net effect of (i) a decrease in expenditures related to the construction of VTR's mobile network, (ii) a decrease in expenditures for the purchase and installation of customer premises equipment, (iii) a decrease in expenditures for new build and upgrade projects, (iv) an increase in expenditures for support capital, such as information technology upgrades and general support systems and (v) a decrease due to FX. During 2013 and 2012, Chile's property and equipment additions represented 19.0% and 25.9% of its revenue, respectively.

For additional information regarding our property and equipment additions, see note 18 to our consolidated financial statements.

Financing Activities. The change in net cash provided (used) by our financing activities is primarily attributable to the net effect of (i) an increase in cash of $3,534.2 million primarily due to the release of restricted cash in June 2013 in connection with the Virgin Media Acquisition, (ii) an increase in cash of $3,003.8 million due to the release of restricted cash in connection with the Telenet Tender, (iii) an increase in cash of $632.9 million due to higher cash received related to derivative instruments, (iv) a decrease in cash of $461.3 million, substantially all of which related to shares purchased in connection with the Telenet Tender, (v) a decrease in cash of $256.1 million related to lower net borrowings of debt, (vi) a decrease in cash of $203.0 million related to higher distributions by subsidiaries to noncontrolling interests, (vii) a decrease in cash of $186.9 million related to higher repurchases of our shares and (viii) a decrease in cash of $159.8 million due to higher payments for financing costs, debt premiums and exchange offer consideration.

Free cash flow

We define free cash flow as net cash provided by our operating activities, plus (i) excess tax benefits related to the exercise of share-based incentive awards and (ii) cash payments for third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, less (a) capital expenditures, as reported in our consolidated statements of cash flows, (b) principal payments on capital-related vendor financing obligations and (c) principal payments on capital leases (exclusive of the portions of the network lease in Belgium and the duct leases in Germany that we assumed in connection with certain acquisitions), with each item excluding any cash provided or used by our discontinued operations. We believe that our presentation of free cash flow provides useful information to our investors because this measure can be used to gauge our ability to service debt and fund new investment opportunities. Free cash flow should not be understood to represent our ability to fund discretionary amounts, as we have various mandatory and contractual obligations, including debt repayments, which are not deducted to arrive at this amount. Investors should view free cash flow as a supplement to, and not a substitute for, GAAP measures of liquidity included in our consolidated statements of cash flows.

The following table provides the details of our free cash flow:

	Year ended December 31,		
	2014	**2013**	**2012**
		in millions	
Net cash provided by operating activities of our continuing operations	$ 5,612.8	$ 3,921.0	$ 2,837.5
Excess tax benefits from share-based compensation	7.0	41.0	6.7
Cash payments for direct acquisition and disposition costs	79.7	61.0	31.5
Capital expenditures	(2,684.4)	(2,481.5)	(1,868.3)
Principal payments on capital-related vendor financing obligations	(677.6)	(320.4)	(104.7)
Principal payments on certain capital leases	(183.3)	(95.8)	(17.5)
Free cash flow	$ 2,154.2	$ 1,125.3	$ 885.2

Contractual Commitments

The U.S. dollar equivalents of the commitments of our continuing operations as of December 31, 2014 are presented below:

	Payments due during:						
	2015	2016	2017	2018	2019	Thereafter	Total
	in millions						
Debt (excluding interest)	$ 1,350.3	$ 360.0	$ 917.1	$ 248.5	$ 604.8	$ 41,131.5	$ 44,612.2
Capital leases (excluding interest)	198.5	151.4	111.0	83.9	74.4	928.4	1,547.6
Programming commitments	863.9	785.4	612.7	528.0	231.4	2.0	3,023.4
Network and connectivity commitments	359.9	261.5	240.2	127.1	90.2	1,048.5	2,127.4
Purchase commitments	827.8	119.4	62.9	10.1	4.0	—	1,024.2
Operating leases	174.0	141.5	117.3	98.1	75.4	279.3	885.6
Other commitments	350.2	198.7	150.1	90.0	39.2	48.2	876.4
Total (a)	$ 4,124.6	$ 2,017.9	$ 2,211.3	$ 1,185.7	$ 1,119.4	$ 43,437.9	$ 54,096.8
Projected cash interest payments on debt and capital lease obligations (b)	$ 2,342.9	$ 2,352.3	$ 2,334.0	$ 2,320.9	$ 2,287.2	$ 7,006.0	$ 18,643.3

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(a) The commitments reflected in this table do not reflect any liabilities that are included in our December 31, 2014 consolidated balance sheet other than debt and capital lease obligations. Our liability for uncertain tax positions in the various jurisdictions in which we operate ($373.3 million at December 31, 2014) has been excluded from the table as the amount and timing of any related payments are not subject to reasonable estimation.

(b) Amounts are based on interest rates, interest payment dates and contractual maturities in effect as of December 31, 2014. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. In addition, the amounts presented do not include the impact of our interest rate derivative contracts, deferred financing costs, discounts or premiums, all of which affect our overall cost of borrowing.

Programming commitments consist of obligations associated with certain of our programming, studio output and sports rights contracts that are enforceable and legally binding on us in that we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services, (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems or (iii) whether we discontinue our premium film or sports services. In addition, programming commitments do not include increases in future periods associated with contractual inflation or other price adjustments that are not fixed. Accordingly, the amounts reflected in the above table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Payments to programming vendors have in the past represented, and are expected to continue to represent in the future, a significant portion of our operating costs. In this regard, during 2014, 2013 and 2012, the third-party programming and copyright costs incurred by our broadband communications and DTH operations aggregated $2,145.0 million, $1,612.5 million and $978.4 million, respectively. The ultimate amount payable in excess of the contractual minimums of our studio output contracts, which expire at various dates through 2019, is dependent upon the number of subscribers to our premium movie service and the theatrical success of the films that we exhibit.

Network and connectivity commitments include (i) Telenet's commitments for certain operating costs associated with its leased network, (ii) commitments associated with our MVNO agreements and (iii) certain repair and maintenance, fiber capacity and energy commitments of Unitymedia KabelBW. Subsequent to October 1, 2015, Telenet's commitments for certain operating costs will be subject to adjustment based on changes in the network operating costs incurred by Telenet with respect to its own networks. These potential adjustments are not subject to reasonable estimation and, therefore, are not included in the above table. The amounts reflected in the table with respect to certain of our MVNO commitments represent fixed minimum amounts payable under these agreements and, therefore, may be significantly less than the actual amounts we ultimately pay in these periods.

Purchase commitments include unconditional purchase obligations associated with commitments to purchase customer premises and other equipment that are enforceable and legally binding on us.

Commitments arising from acquisition agreements are not reflected in the above table. In addition, the table does not include our commitments with respect to the amounts we have agreed to pay to settle the FCO Appeals. For additional information, see note 17 to our consolidated financial statements.

In addition to the commitments set forth in the table above, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information regarding projected cash flows associated with these derivative instruments, see *Quantitative and Qualitative Disclosures about Market Risk — Projected Cash Flows Associated with Derivatives* below. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during 2014, 2013 and 2012, see note 7 to our consolidated financial statements. For information concerning our defined benefit plans, see note 15 to our consolidated financial statements.

We also have commitments pursuant to agreements with, and obligations imposed by, franchise authorities and municipalities, which may include obligations in certain markets to move aerial cable to underground ducts or to upgrade, rebuild or extend portions of our broadband communication systems. Such amounts are not included in the above table because they are not fixed or determinable.

Critical Accounting Policies, Judgments and Estimates

In connection with the preparation of our consolidated financial statements, we make estimates and assumptions that affect the reported amounts of assets and liabilities, revenue and expenses and related disclosure of contingent assets and liabilities. Critical accounting policies are defined as those policies that are reflective of significant judgments, estimates and uncertainties, which would potentially result in materially different results under different assumptions and conditions. We believe the following accounting policies are critical in the preparation of our consolidated financial statements because of the judgment necessary to account for these matters and the significant estimates involved, which are susceptible to change:

- Impairment of property and equipment and intangible assets (including goodwill);
- Costs associated with construction and installation activities;
- Useful lives of long-lived assets;
- Fair value measurements; and
- Income tax accounting.

We have discussed the selection of the aforementioned critical accounting policies with the audit committee of our board of directors. For additional information concerning our significant accounting policies, see note 3 to our consolidated financial statements.

Impairment of Property and Equipment and Intangible Assets

Carrying Value. The aggregate carrying value of our property and equipment and intangible assets (including goodwill) that were held for use comprised 85.9% of our total assets at December 31, 2014.

We review, when circumstances warrant, the carrying amounts of our property and equipment and our intangible assets (other than goodwill and other indefinite-lived intangible assets) to determine whether such carrying amounts continue to be recoverable. Such changes in circumstance may include, among other items, (i) an expectation of a sale or disposal of a long-lived asset or asset group, (ii) adverse changes in market or competitive conditions, (iii) an adverse change in legal factors or business climate in the markets in which we operate and (iv) operating or cash flow losses. For purposes of impairment testing, long-lived assets are grouped at the lowest level for which cash flows are largely independent of other assets and liabilities, generally at or below the reporting unit level (see below). If the carrying amount of the asset or asset group is greater than the expected undiscounted cash flows to be generated by such asset or asset group, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset or asset group exceeds its fair value. We generally measure fair value by considering (a) sale prices for similar assets, (b) discounted estimated future cash flows using an appropriate discount rate and/or (c) estimated replacement cost. Assets to be disposed of are carried at the lower of their financial statement carrying amount or fair value less costs to sell.

We evaluate the goodwill, franchise rights and other indefinite-lived intangible assets for impairment at least annually on October 1 and whenever other facts and circumstances indicate that the carrying amounts of goodwill and other indefinite-lived intangible assets may not be recoverable. For impairment evaluations with respect to both goodwill and other indefinite-lived intangibles, we first make a qualitative assessment to determine if the goodwill or other indefinite-lived intangible may be impaired. In the case of goodwill, if it is more-likely-than-not that a reporting unit's fair value is less than its carrying value, we then compare the fair value of the reporting unit to its respective carrying amount. A reporting unit is an operating segment or one level below an operating segment (referred to as a "component"). In most cases, our operating segments are deemed to be a reporting unit either because the operating segment is comprised of only a single component, or the components below the operating segment are aggregated as they have similar economic characteristics. If the carrying value of a reporting unit were to exceed its fair value, we would then compare the implied fair value of the reporting unit's goodwill to its carrying amount, and any excess of the carrying amount over the fair value would be charged to operations as an impairment loss. With respect to franchise rights or other indefinite-lived intangible assets, if it is more-likely-than-not that the fair value of an indefinite-lived intangible asset is less than its carrying value, we then estimate its fair value and any excess of the carrying value over the fair value of the franchise right or other indefinite-lived intangible asset is also charged to operations as an impairment loss.

When required, considerable management judgment is necessary to estimate the fair value of reporting units and underlying long-lived and indefinite-lived assets. The equity of one of our reporting units, Telenet, is publicly traded in an active market. For this reporting unit, our fair value determination is based on quoted market prices. For other reporting units, we typically determine fair value using an income-based approach (discounted cash flows) based on assumptions in our long-range business plans and, in some cases, a combination of an income-based approach and a market-based approach. With respect to our discounted cash flow analysis used in the income-based approach, the timing and amount of future cash flows under these business plans require estimates, among other items, of subscriber growth and retention rates, rates charged per product, expected gross margin and operating cash flow margins and expected property and equipment additions. The development of these cash flows, and the discount rate applied to the cash flows, is subject to inherent uncertainties, and actual results could vary significantly from such estimates. Our determination of the discount rate is based on a weighted average cost of capital approach, which uses a market participant's cost of equity and after-tax cost of debt and reflects the risks inherent in the cash flows. Based on the results of our 2014 qualitative assessment of our reporting unit carrying values, we determined that it was more-likely-than-not that fair value exceeded carrying value for all of our reporting units.

During the three years ended December 31, 2014, the most significant impairment charges that we recorded with respect to our property and equipment and intangible assets were (i) the $73.0 million impairment charge that Telenet recorded during the fourth quarter of 2013 to reduce the carrying value of the intangible assets related to certain of its spectrum rights and (ii) the $68.7 million impairment charge that we recorded during the fourth quarter of 2014 to reduce the carrying amount of certain of Ziggo's internal-use software assets. For additional information, see note 9 to our consolidated financial statements.

Based on the results of our October 1, 2014 goodwill impairment test, a hypothetical decline of 20% or more in the fair value of one of our reporting units, Liberty Puerto Rico, could result in the need to record a goodwill impairment charge. At December 31, 2014, the goodwill associated with the Liberty Puerto Rico reporting unit, which is included in our corporate and other category, was $347.0 million. If, among other factors, (i) our equity values were to decline significantly, or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. Any such impairment charges could be significant.

Costs Associated with Construction and Installation Activities

We capitalize costs associated with the construction of new cable transmission and distribution facilities and the installation of new cable services. Installation activities that are capitalized include (i) the initial connection (or drop) from our cable system to a customer location, (ii) the replacement of a drop and (iii) the installation of equipment for additional services, such as digital cable, telephone or broadband internet service. The costs of other customer-facing activities, such as reconnecting customer locations where a drop already exists, disconnecting customer locations and repairing or maintaining drops, are expensed as incurred.

The nature and amount of labor and other costs to be capitalized with respect to construction and installation activities involves significant judgment. In addition to direct external and internal labor and materials, we also capitalize other costs directly attributable to our construction and installation activities, including dispatch costs, quality-control costs, vehicle-related costs and certain warehouse-related costs. The capitalization of these costs is based on time sheets, time studies, standard costs, call tracking systems and other verifiable means that directly link the costs incurred with the applicable capitalizable activity. We continuously monitor the appropriateness of our capitalization policies and update the policies when necessary to respond to changes in facts and circumstances, such as the development of new products and services, and changes in the manner that installations or construction activities are performed.

Useful Lives of Long-Lived Assets

We depreciate our property and equipment on a straight-line basis over the estimated useful life of the assets. The determination of the useful lives of property and equipment requires significant management judgment, based on factors such as the estimated physical lives of the assets, technological changes, changes in anticipated use, legal and economic factors, rebuild and equipment swap-out plans, and other factors. Our intangible assets with finite lives primarily consist of customer relationships. Customer relationship intangible assets are amortized on a straight-line basis over the estimated weighted average life of the customer relationships. The determination of the estimated useful life of customer relationship intangible assets requires significant management judgment and is primarily based on historical and forecasted subscriber disconnect rates, adjusted when necessary for risk associated with demand, competition, technological changes and other economic factors. We regularly review whether changes to estimated useful lives are required in order to accurately reflect the economic use of our property and equipment and intangible assets with finite lives. Any changes to estimated useful lives are reflected prospectively. Depreciation and amortization expense of our continuing operations during 2014, 2013 and 2012 was $5,500.1 million, $4,276.4 million and $2,661.5 million, respectively. A 10% increase in the aggregate amount of the depreciation and amortization expense of our continuing operations during 2014 would have resulted in a $550.0 million or 24.7% decrease in our 2014 operating income.

Fair Value Measurements

GAAP provides guidance with respect to the recurring and nonrecurring fair value measurements and for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

Recurring Valuations. We perform recurring fair value measurements with respect to our derivative instruments and fair value method investments, each of which are carried at fair value. We use (i) cash flow valuation models to determine the fair values of our interest rate and foreign currency derivative instruments and (ii) a binomial option pricing model to determine the fair values of our equity-related derivative instruments. We use quoted market prices when available and, when not available, we use a combination of an income approach (discounted cash flows) and a market approach (market multiples of similar businesses) to determine the fair value of our fair value method investments. For a detailed discussion of the inputs we use to determine the fair value of our derivative instruments and fair value method investments, see note 8 to our consolidated financial statements. See also notes 6 and 7 to our consolidated financial statements for information concerning our fair value method investments and derivative instruments, respectively.

Changes in the fair values of our derivative instruments and fair value method investments have had, and we believe will continue to have, a significant and volatile impact on our results of operations. During 2014, 2013 and 2012, our continuing operations included net gains (losses) of $294.0 million, ($496.3 million) and ($1,080.5 million), respectively, attributable to changes in the fair values of these items.

As further described in note 8 to our consolidated financial statements, actual amounts received or paid upon the settlement of our derivative instruments or disposal of our fair value method investments may differ materially from the recorded fair values at December 31, 2014.

For information concerning the sensitivity of the fair value of certain of our more significant derivative instruments to changes in market conditions, see *Quantitative and Qualitative Disclosures About Market Risk — Sensitivity Information* below.

Nonrecurring Valuations. Our nonrecurring valuations are primarily associated with (i) the application of acquisition accounting and (ii) impairment assessments, both of which require that we make fair value determinations as of the applicable valuation date. In making these determinations, we are required to make estimates and assumptions that affect the recorded amounts, including, but not limited to, expected future cash flows, market comparables and discount rates, remaining useful lives of long-lived assets, replacement or reproduction costs of property and equipment and the amounts to be recovered in future periods from acquired net operating losses and other deferred tax assets. To assist us in making these fair value determinations, we may engage third-party valuation specialists. Our estimates in this area impact, among other items, the amount of depreciation and amortization, impairment charges and income tax expense or benefit that we report. Our estimates of fair value are based upon assumptions we believe to be reasonable, but which are inherently uncertain. A significant portion of our long-lived assets were initially recorded through the application of acquisition accounting and all of our long-lived assets are subject to impairment assessments. For additional information, see notes 4, 8 and 9 to our consolidated financial statements.

Income Tax Accounting

We are required to estimate the amount of tax payable or refundable for the current year and the deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts and income tax basis of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards, using enacted tax rates in effect for each taxing jurisdiction in which we operate for the year in which those temporary differences are expected to be recovered or settled. This process requires our management to make assessments regarding the timing and probability of the ultimate tax impact of such items.

Net deferred tax assets are reduced by a valuation allowance if we believe it more-likely-than-not such net deferred tax assets will not be realized. Establishing or reducing a tax valuation allowance requires us to make assessments about the timing of future events, including the probability of expected future taxable income and available tax planning strategies. At December 31, 2014, the aggregate valuation allowance provided against deferred tax assets was $6,679.4 million. The actual amount of deferred income tax benefits realized in future periods will likely differ from the net deferred tax assets reflected in our December 31, 2014 balance sheet due to, among other factors, possible future changes in income tax law or interpretations thereof in the jurisdictions in which we operate and differences between estimated and actual future taxable income. Any of such factors could have a material effect on our current and deferred tax positions as reported in our consolidated financial statements. A high degree of judgment is required to assess the impact of possible future outcomes on our current and deferred tax positions.

Tax laws in jurisdictions in which we have a presence are subject to varied interpretation, and many tax positions we take are subject to significant uncertainty regarding whether the position will be ultimately sustained after review by the relevant tax authority. We recognize the financial statement effects of a tax position when it is more-likely-than-not, based on technical merits, that the position will be sustained upon examination. The determination of whether the tax position meets the more-likely-than-not threshold requires a facts-based judgment using all information available. In a number of cases, we have concluded that the more-likely-than-not threshold is not met and, accordingly, the amount of tax benefit recognized in our consolidated financial statements is different than the amount taken or expected to be taken in our tax returns. As of December 31, 2014, the amount of unrecognized tax benefits for financial reporting purposes, but taken or expected to be taken on tax returns, was $513.5 million, of which $332.9 million would have a favorable impact on our effective income tax rate if ultimately recognized, after considering amounts that we would expect to be offset by valuation allowances.

We are required to continually assess our tax positions, and the results of tax examinations or changes in judgment can result in substantial changes to our unrecognized tax benefits.

We have taxable outside basis differences on certain investments in non-U.S. subsidiaries. We do not recognize the deferred tax liabilities associated with these outside basis differences when the difference is considered essentially permanent in duration. In order to be considered essentially permanent in duration, sufficient evidence must indicate that the foreign subsidiary has invested or will invest its undistributed earnings indefinitely, or that earnings will be remitted in a tax-free liquidation. If circumstances change and it becomes apparent that some or all of the undistributed earnings will be remitted on a taxable basis in the foreseeable future, a net deferred tax liability must be recorded for some or all of the outside basis difference. The assessment of whether these outside basis differences are considered permanent in nature requires significant judgment and is based on management’s intentions to reinvest the earnings of a foreign subsidiary indefinitely in light of anticipated liquidity requirements and other relevant factors. At December 31, 2014, income and withholding taxes for which a net deferred tax liability might otherwise be required have not been provided on an estimated $11.1 billion of cumulative temporary differences on non-U.S. entities. If our plans or intentions change in the future due to liquidity or other relevant considerations, we could decide that it would be prudent to repatriate significant funds or other assets from one or more of our subsidiaries, even though we would incur a tax liability in connection with any such repatriation. If our plans or intentions were to change in this manner, the recognition of all or a part of these outside basis differences could have an adverse impact on our consolidated net loss.

For additional information concerning our income taxes, see note 11 to our consolidated financial statements.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk in the normal course of our business operations due to our investments in various foreign countries and ongoing investing and financing activities. Market risk refers to the risk of loss arising from adverse changes in foreign currency exchange rates, interest rates and stock prices. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. As further described below, we have established policies, procedures and processes governing our management of market risks and the use of derivative instruments to manage our exposure to such risks.

Cash and Investments

We invest our cash in highly liquid instruments that meet high credit quality standards. We are exposed to exchange rate risk to the extent that the denominations of our cash and cash equivalent balances, revolving lines of credit and other short-term sources of liquidity do not correspond to the denominations of our and our subsidiaries' short-term liquidity requirements. In order to mitigate this risk, we actively manage the denominations of our cash balances in light of our and our subsidiaries' forecasted liquidity requirements. At December 31, 2014, $455.1 million or 39.3% and $409.9 million or 35.4% of our consolidated cash balances were denominated in euros and U.S. dollars, respectively.

We are also exposed to market price fluctuations related to our investments in ITV and Sumitomo shares. At December 31, 2014, the aggregate fair value of these investments was $871.2 million and $473.1 million, respectively. All of our ITV and Sumitomo shares are held through the ITV Collar and the Sumitomo Collar, respectively. For information concerning the terms of the ITV Collar and the related ITV Collar Loan, and the Sumitomo Collar and the related Sumitomo Collar Loan, see note 7 to our consolidated financial statements. For those shares that are held through the ITV Collar and the Sumitomo Collar, our exposure to market risk is limited. For additional information concerning our investments in ITV and Sumitomo shares, see note 6 to our consolidated financial statements.

Foreign Currency Risk

We are exposed to foreign currency exchange rate risk with respect to our consolidated debt in situations where our debt is denominated in a currency other than the functional currency of the operations whose cash flows support our ability to repay or refinance such debt. Although we generally seek to match the denomination of our and our subsidiaries' borrowings with the functional currency of the operations that are supporting the respective borrowings, market conditions or other factors may cause us to enter into borrowing arrangements that are not denominated in the functional currency of the underlying operations (unmatched debt). In these cases, our policy is to provide for an economic hedge against foreign currency exchange rate movements by using derivative instruments to synthetically convert unmatched debt into the applicable underlying currency. At December 31, 2014, substantially all of our debt was either directly or synthetically matched to the applicable functional currencies of the underlying operations. For additional information concerning the terms of our derivative instruments, see note 7 to our consolidated financial statements.

In addition to the exposure that results from the mismatch of our borrowings and underlying functional currencies, we are exposed to foreign currency risk to the extent that we enter into transactions denominated in currencies other than our or our subsidiaries' respective functional currencies (non-functional currency risk), such as equipment purchases, programming contracts, notes payable and notes receivable (including intercompany amounts). Changes in exchange rates with respect to amounts recorded in our consolidated balance sheets related to these items will result in unrealized (based upon period-end exchange rates) or realized foreign currency transaction gains and losses upon settlement of the transactions. Moreover, to the extent that our revenue, costs and expenses are denominated in currencies other than our respective functional currencies, we will experience fluctuations in our revenue, costs and expenses solely as a result of changes in foreign currency exchange rates**.** In this regard, we currently expect that during 2015, (i) less than 1% of our revenue, (ii) approximately 2% to 4% of our aggregate operating and SG&A expenses (exclusive of share-based compensation expense) and (iii) approximately 7% to 9% of our property and equipment additions will be denominated in non-functional currencies, including amounts denominated in (a) U.S. dollars in Chile and Europe and (b) euros in Poland, the Czech Republic, Romania, Switzerland and Hungary. Our expectations with respect to our non-functional currency transactions in 2015 may differ from actual results. Generally, we will consider hedging non-functional currency risks when the risks arise from agreements with third parties that involve the future payment or receipt of cash or other monetary items to the extent that we can reasonably predict the timing and amount of such payments or receipts and the payments or receipts are not otherwise hedged. In this regard, we have entered into foreign currency forward contracts to hedge certain of these risks. Certain non-functional currency risks related to our revenue, operating and SG&A expenses and property and equipment additions were not hedged as of December 31, 2014. For additional information concerning our foreign currency forward contracts, see note 7 to our consolidated financial statements.

We also are exposed to unfavorable and potentially volatile fluctuations of the U.S. dollar (our reporting currency) against the currencies of our operating subsidiaries when their respective financial statements are translated into U.S. dollars for inclusion in our consolidated financial statements. Cumulative translation adjustments are recorded in accumulated other comprehensive earnings (loss) as a separate component of equity. Any increase (decrease) in the value of the U.S. dollar against any foreign currency that is the functional currency of one of our operating subsidiaries will cause us to experience unrealized foreign currency translation losses (gains) with respect to amounts already invested in such foreign currencies. Accordingly, we may experience a negative impact on our comprehensive earnings (loss) and equity with respect to our holdings solely as a result of FX. Our primary exposure to FX risk during the three months ended December 31, 2014 was to the euro and British pound sterling as 43.8% and 36.7% of our U.S. dollar revenue during the period was derived from subsidiaries whose functional currencies are the euro and British pound sterling, respectively. In addition, our reported operating results are impacted by changes in the exchange rates for the Swiss franc, the Chilean peso and other local currencies in Europe. We generally do not hedge against the risk that we may incur non-cash losses upon the translation of the financial statements of our subsidiaries and affiliates into U.S. dollars. For information regarding certain currency instability risks with respect to the euro, see *Management's Discussion and Analysis of Financial Condition and Results of Operations - Overview* above.

The relationship between (i) the euro, the British pound sterling, the Swiss franc, the Hungarian forint, the Polish zloty, the Czech koruna, the Romanian lei and the Chilean peso and (ii) the U.S. dollar, which is our reporting currency, is shown below, per one U.S. dollar:

	As of December 31,	
	2014	**2013**
Spot rates:		
Euro	0.8264	0.7252
British pound sterling	0.6418	0.6036
Swiss franc	0.9939	0.8886
Hungarian forint	261.44	215.62
Polish zloty	3.5397	3.0135
Czech koruna	22.914	19.828
Romanian lei	3.7059	3.2434
Chilean peso	606.90	525.45

	Year ended December 31,		
	2014	**2013**	**2012**
Average rates:			
Euro	0.7537	0.7530	0.7779
British pound sterling	0.6074	0.6396	0.6310
Swiss franc	0.9152	0.9268	0.9376
Hungarian forint	232.73	223.58	225.02
Polish zloty	3.1553	3.1601	3.2539
Czech koruna	20.758	19.559	19.555
Romanian lei	3.3494	3.3273	3.4682
Chilean peso	570.76	495.45	486.26

Inflation and Foreign Investment Risk

We are subject to inflationary pressures with respect to labor, programming and other costs. While we attempt to increase our revenue to offset increases in costs, there is no assurance that we will be able to do so. Therefore, costs could rise faster than associated revenue, thereby resulting in a negative impact on our operating results, cash flows and liquidity. The economic environment in the respective countries in which we operate is a function of government, economic, fiscal and monetary policies and various other factors beyond our control that could lead to inflation. We are unable to predict the extent that price levels might be impacted in future periods by the current state of the economies in the countries in which we operate.

Interest Rate Risks

We are exposed to changes in interest rates primarily as a result of our borrowing and investment activities, which include fixed-rate and variable-rate investments and borrowings by our borrowing groups. Our primary exposure to variable-rate debt is through the EURIBOR-indexed and LIBOR-indexed debt of UPC Broadband Holding, the LIBOR-indexed debt of Virgin Media and Ziggo, the EURIBOR-indexed debt of Telenet and Unitymedia KabelBW and the variable-rate debt of certain of our other subsidiaries.

In general, we seek to enter into derivative instruments to protect against increases in the interest rates on our variable-rate debt. Accordingly, we have entered into various derivative transactions to reduce exposure to increases in interest rates. We use interest rate derivative contracts to exchange, at specified intervals, the difference between fixed and variable interest rates calculated by reference to an agreed-upon notional principal amount. We also use interest rate cap and collar agreements that lock in a maximum interest rate if variable rates rise, but also allow our company to benefit, to a limited extent in the case of collars, from declines in market rates. At December 31, 2014, we effectively paid a fixed interest rate on 94% of our total debt after considering the impact of our interest rate derivative instruments that convert variable rates to fixed rates, including interest rate caps and collars for which the specified maximum rate is in excess of the applicable December 31, 2014 base rate (out-of-the-money caps and collars). If out-of-the-money caps and collars are excluded from this analysis, the percentage of our total debt on which we effectively paid a fixed interest rate at December 31, 2014 declines to 92%. The final maturity dates of our various portfolios of interest rate derivative instruments generally fall short of the respective maturities of the underlying variable-rate debt. In this regard, we use judgment to determine the appropriate maturity dates of our portfolios of interest rate derivative instruments, taking into account the relative costs and benefits of different maturity profiles in light of current and expected future market conditions, liquidity issues and other factors. For additional information concerning the terms of these interest rate derivative instruments, see note 7 to our consolidated financial statements.

Weighted Average Variable Interest Rate. At December 31, 2014, our variable-rate indebtedness aggregated $16.8 billion, and the weighted average interest rate (including margin) on such variable-rate indebtedness was approximately 3.7%, excluding the effects of interest rate derivative contracts, financing costs, discounts or commitment fees, all of which affect our overall cost of borrowing. Assuming no change in the amount outstanding, and without giving effect to any interest rate derivative contracts, financing costs, discounts or commitment fees, a hypothetical 50 basis point (0.50%) increase (decrease) in our weighted average variable interest rate would increase (decrease) our annual consolidated interest expense and cash outflows by $84.0 million. As discussed above and in note 7 to our consolidated financial statements, we use interest rate derivative contracts to manage our exposure to increases in variable interest rates. In this regard, increases in the fair value of these contracts generally would be expected to offset most of the economic impact of increases in the variable interest rates applicable to our indebtedness to the extent and during the period that principal amounts are matched with interest rate derivative contracts.

Counterparty Credit Risk

We are exposed to the risk that the counterparties to the derivative instruments of our subsidiary borrowing groups will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, the respective counterparties. In this regard, credit risk associated with our derivative instruments is spread across a relatively broad counterparty base of banks and financial institutions. Collateral is generally not posted by either party under the derivative instruments of our subsidiary borrowing groups. Most of our cash currently is invested in either (i) AAA credit rated money market funds, including funds that invest in government obligations, or (ii) overnight deposits with banks having a minimum credit rating of A by Standard & Poor’s or an equivalent rating by Moody’s Investor Service. To date, neither the access to nor the value of our cash and cash equivalent balances have been adversely impacted by liquidity problems of financial institutions.

At December 31, 2014, our exposure to counterparty credit risk included (i) derivative assets with an aggregate fair value of $1,040.9 million, (ii) cash and cash equivalent and restricted cash balances of $1,236.5 million and (iii) aggregate undrawn debt facilities of $3,974.1 million.

Each of our subsidiary borrowing groups have entered into derivative instruments under master agreements with each counterparty that contain master netting arrangements that are applicable in the event of early termination by either party to such derivative instrument. The master netting arrangements under each of these master agreements are limited to the derivative instruments governed by the relevant master agreement within each individual borrowing group and are independent of similar arrangements of our other subsidiary borrowing groups.

Under our derivative contracts, it is generally only the non-defaulting party that has a contractual option to exercise early termination rights upon the default of the other counterparty and to set off other liabilities against sums due upon such termination.

However, in an insolvency of a derivative counterparty, under the laws of certain jurisdictions, the defaulting counterparty or its insolvency representatives may be able to compel the termination of one or more derivative contracts and trigger early termination payment liabilities payable by us, reflecting any mark-to-market value of the contracts for the counterparty. Alternatively, or in addition, the insolvency laws of certain jurisdictions may require the mandatory set off of amounts due under such derivative contracts against present and future liabilities owed to us under other contracts between us and the relevant counterparty. Accordingly, it is possible that we may be subject to obligations to make payments, or may have present or future liabilities owed to us partially or fully discharged by set off as a result of such obligations, in the event of the insolvency of a derivative counterparty, even though it is the counterparty that is in default and not us. To the extent that we are required to make such payments, our ability to do so will depend on our liquidity and capital resources at the time. In an insolvency of a defaulting counterparty, we will be an unsecured creditor in respect of any amount owed to us by the defaulting counterparty, except to the extent of the value of any collateral we have obtained from that counterparty.

In addition, where a counterparty is in financial difficulty, under the laws of certain jurisdictions, the relevant regulators may be able to (i) compel the termination of one or more derivative instruments, determine the settlement amount and/or compel, without any payment, the partial or full discharge of liabilities arising from such early termination that are payable by the relevant counterparty or (ii) transfer the derivative instruments to an alternative counterparty.

Although we actively monitor the creditworthiness of our key vendors, the financial failure of a key vendor could disrupt our operations and have an adverse impact on our revenue and cash flows.

Sensitivity Information

Information concerning the sensitivity of the fair value of certain of our more significant derivative instruments to changes in market conditions is set forth below. The potential changes in fair value set forth below do not include any amounts associated with the remeasurement of the derivative asset or liability into the applicable functional currency. For additional information, see notes 7 and 8 to our consolidated financial statements.

Virgin Media Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at December 31, 2014:

(i) an instantaneous increase (decrease) of 10% in the value of the British pound sterling relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £458 million ($714 million); and

(ii) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the Virgin Media cross-currency and interest rate derivative contracts by approximately £47 million ($73 million).

UPC Broadband Holding Cross-currency and Interest Rate Derivative Contracts

Holding all other factors constant, at December 31, 2014:

(i) an instantaneous increase (decrease) of 10% in the value of the Swiss franc, Polish zloty, Hungarian forint, Czech koruna and Chilean peso relative to the euro would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €439 million ($531 million);

(ii) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €243 million ($294 million);

(iii) an instantaneous increase (decrease) of 10% in the value of the Swiss franc and Romanian lei relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €118 million ($143 million); and

(iv) an instantaneous increase in the relevant base rate of 50 basis points (0.50%) would have increased the aggregate fair value of the UPC Broadband Holding cross-currency and interest rate derivative contracts by approximately €78 million ($94 million) and conversely, a decrease of 50 basis points (0.50%) would have decreased the aggregate fair value by approximately €87 million ($105 million).

Ziggo Cross-currency Derivative Contracts

Holding all other factors constant, at December 31, 2014:

(i) an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Ziggo cross-currency derivative contracts by approximately €228 million ($276 million); and

(ii) an instantaneous increase (decrease) in the relevant base rate of 50 basis points (0.50%) would have increased (decreased) the aggregate fair value of the Ziggo cross-currency and interest rate derivative contracts by approximately €125 million ($151 million).

Unitymedia KabelBW Cross-currency Derivative Contracts

Holding all other factors constant, at December 31, 2014 an instantaneous increase (decrease) of 10% in the value of the euro relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the Unitymedia KabelBW cross-currency derivative contracts by approximately €242 million ($293 million).

Telenet Interest Rate Caps, Collars and Swaps

Holding all other factors constant, at December 31, 2014, an instantaneous increase in the relevant base rate of 50 basis points (0.50%) would have increased the aggregate fair value of the Telenet interest rate cap, collar and swap contracts by approximately €64 million ($77 million) and, conversely, an instantaneous decrease of 50 basis points would have decreased the aggregate fair value by approximately €81 million ($98 million).

VTR Cross-currency Derivative Contracts

Holding all other factors constant, at December 31, 2014, an instantaneous increase (decrease) of 10% in the value of the Chilean peso relative to the U.S. dollar would have decreased (increased) the aggregate fair value of the VTR cross-currency derivative contracts by approximately CLP 110.2 billion ($182 million).

ITV Collar

Holding all other factors constant, at December 31, 2014, an instantaneous increase of 10% in the per share market price of ITV's ordinary shares would have decreased the fair value of the ITV Collar by approximately £45 million ($70 million) and, conversely, a decrease of 10% would have increased the fair value by approximately £43 million ($67 million).

Sumitomo Collar

Holding all other factors constant, at December 31, 2014, an instantaneous increase (decrease) of 10% in the per share market price of Sumitomo's common stock would have decreased (increased) the fair value of the Sumitomo Collar by approximately ¥5.3 billion ($44 million).

Projected Cash Flows Associated with Derivative Instruments

The following table provides information regarding the projected cash flows of our continuing operations associated with our derivative instruments. The U.S. dollar equivalents presented below are based on interest rates and exchange rates that were in effect as of December 31, 2014. These amounts are presented for illustrative purposes only and will likely differ from the actual cash payments required in future periods. For additional information regarding our derivative instruments, including our counterparty credit risk, see note 7 to our consolidated financial statements. For information concerning the counterparty credit risk associated with our derivative instruments, see the discussion under *Counterparty Credit Risk* above.

	Payments (receipts) due during:						
	2015	**2016**	**2017**	**2018**	**2019**	**Thereafter**	**Total**
				in millions			
Projected derivative cash payments (receipts), net:							
Interest-related (a)	$ 269.9	$ 294.9	$ 168.4	$ 134.6	$ 72.8	$ 234.2	$ 1,174.8
Principal-related (b)	249.3	27.8	173.4	(87.3)	(63.3)	(986.3)	(686.4)
Other (c)	15.0	(156.2)	(124.3)	(60.9)	—	—	(326.4)
Total	$ 534.2	$ 166.5	$ 217.5	$ (13.6)	$ 9.5	$ (752.1)	$ 162.0

(a) Includes (i) the cash flows of our interest rate cap, collar and swap contracts and (ii) the interest-related cash flows of our cross-currency and interest rate swap contracts.

(b) Includes the principal-related cash flows of our cross-currency contracts.

(c) Includes amounts related to our equity-related derivative instruments and, to a lesser extent, our foreign currency forward contracts. We may elect to use cash or the collective value of the related shares and equity-related derivative instrument to settle the ITV Collar Loan and the Sumitomo Collar Loan.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financial statements of Liberty Global are filed under this Item, beginning on page II-76. Financial statement schedules are filed under Item 15 of this Annual Report on Form 10-K.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

In accordance with Exchange Act Rule 13a-15, we carried out an evaluation, under the supervision and with the participation of management, including our chief executive officer, principal accounting officer, and principal financial officer (the Executives), of the effectiveness of our disclosure controls and procedures as of December 31, 2014. In designing and evaluating the disclosure controls and procedures, the Executives recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is necessarily required to apply judgment in evaluating the cost-benefit relationship of possible controls and objectives. Based on that evaluation, the Executives concluded that our disclosure controls and procedures are effective as of December 31, 2014, in timely making known to them material information relating to us and our consolidated subsidiaries required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934.

Internal control over financial reporting

(a) Management's Annual Report on Internal Control over Financial Reporting

Management's annual report on internal control over financial reporting is included herein on page II-74.

(b) Attestation Report of the Independent Registered Public Accounting Firm

The attestation report of KPMG LLP is included herein on page II-75.

(c) Changes in Internal Control over Financial Reporting

There have been no changes in our internal controls over financial reporting identified in connection with the evaluation described above that occurred during the fourth fiscal quarter covered by this Annual Report on Form 10-K that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. OTHER INFORMATION

Not applicable.

Management’s Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of internal control over financial reporting as of December 31, 2014, using the criteria in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management believes that our internal control over financial reporting was effective as of December 31, 2014. The effectiveness of our internal control over financial reporting has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report included herein. Our evaluation of internal control over financial reporting did not include the internal control of Ziggo Holding B.V. (Ziggo), which we acquired in 2014. The aggregate amount of total assets and revenue of Ziggo included in our consolidated financial statements as of and for the year ended December 31, 2014 was $15,426.7 million and $272.0 million, respectively.

Report of Independent Registered Public Accounting Firm

The Board of Directors
Liberty Global plc:

We have audited Liberty Global plc and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Management's evaluation of the effectiveness of the Company's internal control over financial reporting as of December 31, 2014 excluded Ziggo Holding B.V. (Ziggo), which was acquired in 2014. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of this entity. The aggregate amount of total assets and revenue of Ziggo included in the consolidated financial statements of the Company as of and for the year ended December 31, 2014 was $15,426.7 million and $272.0 million, respectively.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of the Company as of December 31, 2014 and 2013, and the related consolidated statements of operations, comprehensive earnings (loss), equity and cash flows for each of the years in the three-year period ended December 31, 2014, and the related financial statement schedules I and II, and our report dated February 12, 2015 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

Denver, Colorado
February 12, 2015

Report of Independent Registered Public Accounting Firm

The Board of Directors
Liberty Global plc:

We have audited the accompanying consolidated balance sheets of Liberty Global plc and subsidiaries (the Company) as of December 31, 2014 and 2013, and the related consolidated statements of operations, comprehensive earnings (loss), equity and cash flows for each of the years in the three-year period ended December 31, 2014. In connection with our audits of the consolidated financial statements, we also have audited financial statement schedules I and II. These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2014 and 2013, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2014, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of December 31, 2014, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 12, 2015 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

/s/ KPMG LLP

Denver, Colorado
February 12, 2015

LIBERTY GLOBAL PLC

CONSOLIDATED BALANCE SHEETS

	December 31, 2014	December 31, 2013
	in millions	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,158.5	$ 2,701.9
Trade receivables, net	1,499.5	1,588.7
Derivative instruments (note 7)	446.6	252.1
Deferred income taxes (note 11)	290.3	226.1
Prepaid expenses	189.7	238.2
Current assets of discontinued operation (note 5)	—	238.7
Other current assets	335.9	236.9
Total current assets	3,920.5	5,482.6
Investments (including $1,662.7 million and $3,481.8 million, respectively, measured at fair value) (note 6)	1,808.2	3,491.2
Property and equipment, net (note 9)	23,840.6	23,974.9
Goodwill (note 9)	29,001.6	23,748.8
Intangible assets subject to amortization, net (note 9)	9,189.8	5,795.4
Long-term assets of discontinued operation (note 5)	—	513.6
Other assets, net (notes 7, 9 and 11)	5,081.2	4,707.8
Total assets	$ 72,841.9	$ 67,714.3

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED BALANCE SHEETS — (Continued)

	December 31, 2014	December 31, 2013
	in millions	
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 1,039.0	$ 1,072.9
Deferred revenue and advance payments from subscribers and others	1,452.2	1,406.2
Current portion of debt and capital lease obligations (note 10)	1,550.9	1,023.4
Derivative instruments (note 7)	1,043.7	751.2
Accrued interest	690.6	598.7
Accrued programming and copyright fees	368.5	359.1
Current liabilities of discontinued operation (note 5)	—	127.5
Other accrued and current liabilities (notes 11 and 14)	3,045.4	2,344.0
Total current liabilities	9,190.3	7,683.0
Long-term debt and capital lease obligations (note 10)	44,608.1	43,680.9
Long-term liabilities of discontinued operation (note 5)	—	19.8
Other long-term liabilities (notes 7, 11, 14 and 15)	4,927.5	4,789.1
Total liabilities	58,725.9	56,172.8
Commitments and contingencies (notes 4, 7, 10, 11, 15, 17 and 20)		
Equity (note 12):		
Liberty Global shareholders:		
Class A ordinary shares, $0.01 nominal value. Issued and outstanding 251,167,686 and 222,081,117 shares, respectively	2.5	2.2
Class B ordinary shares, $0.01 nominal value. Issued and outstanding 10,139,184 and 10,147,184 shares, respectively	0.1	0.1
Class C ordinary shares, $0.01 nominal value. Issued and outstanding 630,353,372 and 556,221,669 shares, respectively	6.3	5.6
Additional paid-in capital	17,070.8	12,809.4
Accumulated deficit	(4,007.6)	(3,312.6)
Accumulated other comprehensive earnings, net of taxes	1,646.6	2,528.8
Treasury shares, at cost	(4.2)	(7.7)
Total Liberty Global shareholders	14,714.5	12,025.8
Noncontrolling interests	(598.5)	(484.3)
Total equity	14,116.0	11,541.5
Total liabilities and equity	$ 72,841.9	$ 67,714.3

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,		
	2014	2013	2012
	in millions, except share and per share amounts		
Revenue (note 18)	$ 18,248.3	$ 14,474.2	$ 9,930.8
Operating costs and expenses:			
Operating (other than depreciation and amortization) (including share-based compensation) (note 13)	6,810.4	5,417.7	3,349.7
Selling, general and administrative (SG&A) (including share-based compensation) (note 13)	3,172.8	2,616.5	1,860.3
Depreciation and amortization	5,500.1	4,276.4	2,661.5
Release of litigation provision (note 17)	—	(146.0)	—
Impairment, restructuring and other operating items, net (notes 4, 9, 14 and 17)	536.8	297.5	76.2
	16,020.1	12,462.1	7,947.7
Operating income	2,228.2	2,012.1	1,983.1
Non-operating income (expense):			
Interest expense	(2,544.7)	(2,286.9)	(1,673.6)
Interest and dividend income	31.7	113.1	42.1
Realized and unrealized gains (losses) on derivative instruments, net (note 7)	88.8	(1,020.4)	(1,070.3)
Foreign currency transaction gains (losses), net	(836.5)	349.3	438.4
Realized and unrealized gains (losses) due to changes in fair values of certain investments, net (notes 6 and 8)	205.2	524.1	(10.2)
Losses on debt modification, extinguishment and conversion, net (note 10)	(186.2)	(212.2)	(213.8)
Other expense, net	(42.4)	(5.6)	(4.6)
	(3,284.1)	(2,538.6)	(2,492.0)
Loss from continuing operations before income taxes	(1,055.9)	(526.5)	(508.9)
Income tax benefit (expense) (note 11)	75.0	(355.5)	(75.0)
Loss from continuing operations	(980.9)	(882.0)	(583.9)
Discontinued operations (note 5):			
Earnings (loss) from discontinued operations, net of taxes	0.8	(23.7)	47.1
Gain on disposal of discontinued operations, net of taxes	332.7	—	924.1
	333.5	(23.7)	971.2
Net earnings (loss)	(647.4)	(905.7)	387.3
Net earnings attributable to noncontrolling interests	(47.6)	(58.2)	(64.5)
Net earnings (loss) attributable to Liberty Global shareholders	$ (695.0)	$ (963.9)	$ 322.8
Basic and diluted earnings (loss) attributable to Liberty Global shareholders per share (note 3):			
Continuing operations	$ (1.29)	$ (1.39)	$ (1.17)
Discontinued operations	0.42	(0.04)	1.77
	$ (0.87)	$ (1.43)	$ 0.60
Weighted average ordinary shares outstanding - basic and diluted	798,869,761	672,348,540	534,641,440

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (LOSS)

	Year ended December 31,		
	2014	2013	2012
		in millions	
Net earnings (loss)	$ (647.4)	$ (905.7)	$ 387.3
Other comprehensive earnings (loss), net of taxes (note 16):			
Foreign currency translation adjustments	(935.9)	900.8	98.0
Reclassification adjustments included in net earnings (loss)	124.4	(0.7)	(12.1)
Pension-related adjustments and other	(71.2)	11.3	5.4
Other comprehensive earnings (loss)	(882.7)	911.4	91.3
Comprehensive earnings (loss)	(1,530.1)	5.7	478.6
Comprehensive earnings attributable to noncontrolling interests	(47.1)	(41.3)	(64.8)
Comprehensive earnings (loss) attributable to Liberty Global shareholders	$ (1,577.2)	$ (35.6)	$ 413.8

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF EQUITY

	Liberty Global shareholders								
	Common stock								
	Series A	Series B	Series C	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive earnings, net of taxes	Total Liberty Global shareholders	Non-controlling interests	Total equity
	in millions								
Balance at January 1, 2012	$ 1.5	$ 0.1	$ 5.2	$ 3,960.6	$ (2,671.5)	$ 1,509.5	$ 2,805.4	$ 126.0	$ 2,931.4
Net earnings	—	—	—	—	322.8	—	322.8	64.5	387.3
Other comprehensive earnings, net of taxes (note 16)	—	—	—	—	—	91.0	91.0	0.3	91.3
Repurchase and cancellation of LGI common stock (note 12)	(0.1)	—	(0.1)	(980.5)	—	—	(980.7)	—	(980.7)
LGI call option contracts (note 12)	—	—	—	(53.2)	—	—	(53.2)	—	(53.2)
Share-based compensation (note 13)	—	—	—	70.4	—	—	70.4	—	70.4
Telenet Share Repurchase Agreement (note 12)	—	—	—	(62.8)	—	—	(62.8)	2.2	(60.6)
Sale of Austar (note 5)	—	—	—	—	—	—	—	(84.4)	(84.4)
Puerto Rico Transaction (note 4)	—	—	—	48.3	—	—	48.3	48.2	96.5
Distributions by subsidiaries to noncontrolling interest owners (note 12)	—	—	—	—	—	—	—	(351.3)	(351.3)
Adjustments due to changes in subsidiaries' equity and other, net	—	—	—	(31.2)	—	—	(31.2)	69.6	38.4
Balance at December 31, 2012	$ 1.4	$ 0.1	$ 5.1	$ 2,951.6	$ (2,348.7)	$ 1,600.5	$ 2,210.0	$ (124.9)	$ 2,085.1

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF EQUITY — (Continued)

	Liberty Global shareholders												
	Ordinary Shares			Common stock									
	Class A	Class B	Class C	Series A	Series B	Series C	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive earnings, net of taxes	Treasury shares, at cost	Total Liberty Global shareholders	Non-controlling interests	Total equity
	in millions												
Balance at January 1, 2013	$ —	$ —	$ —	$ 1.4	$ 0.1	$ 5.1	$ 2,951.6	$ (2,348.7)	$ 1,600.5	$ —	$ 2,210.0	$ (124.9)	$ 2,085.1
Net loss	—	—	—	—	—	—	—	(963.9)	—	—	(963.9)	58.2	(905.7)
Other comprehensive earnings, net of taxes (note 16)	—	—	—	—	—	—	—	—	928.3	—	928.3	(16.9)	911.4
Shares issued in connection with the Virgin Media Acquisition and impacts of related change in parent entity (notes 1 and 4)	2.1	0.1	5.6	(1.4)	(0.1)	(5.1)	9,374.1	—	—	—	9,375.3	—	9,375.3
Revaluation of VM Convertible Notes in connection with the Virgin Media Acquisition (notes 4 and 10)	—	—	—	—	—	—	1,660.0	—	—	—	1,660.0	—	1,660.0
Repurchase and cancellation of Liberty Global and LGI shares (note 12)	(0.1)	—	(0.1)	—	—	—	(1,151.7)	—	—	—	(1,151.9)	—	(1,151.9)
Distributions by subsidiaries to noncontrolling interest owners (note 12)	—	—	—	—	—	—	—	—	—	—	—	(542.7)	(542.7)
Purchase of additional Telenet shares (note 12)	—	—	—	—	—	—	(525.7)	—	—	—	(525.7)	63.5	(462.2)
Share-based compensation (note 13)	—	—	—	—	—	—	206.3	—	—	—	206.3	—	206.3
Exchange of VM Convertible Notes (note 10)	0.1	—	0.1	—	—	—	113.5	—	—	—	113.7	—	113.7
Adjustments due to changes in subsidiaries' equity and other, net	0.1	—	—	—	—	—	181.3	—	—	(7.7)	173.7	78.5	252.2
Balance at December 31, 2013	$2.2	$0.1	$5.6	$ —	$ —	$ —	$12,809.4	$ (3,312.6)	$ 2,528.8	$ (7.7)	$ 12,025.8	$ (484.3)	$11,541.5

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF EQUITY — (Continued)

	Liberty Global shareholders									
	Ordinary Shares									
	Class A	Class B	Class C	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive earnings, net of taxes	Treasury shares, at cost	Total Liberty Global shareholders	Non-controlling interests	Total equity
	in millions									
Balance at January 1, 2014	$ 2.2	$ 0.1	$ 5.6	$12,809.4	$ (3,312.6)	$ 2,528.8	$ (7.7)	$ 12,025.8	$ (484.3)	$11,541.5
Net loss	—	—	—	—	(695.0)	—	—	(695.0)	47.6	(647.4)
Other comprehensive loss, net of taxes (note 16)	—	—	—	—	—	(882.2)	—	(882.2)	(0.5)	(882.7)
Repurchase and cancellation of Liberty Global ordinary shares (note 12)	—	—	(0.2)	(1,596.7)	—	—	—	(1,596.9)	—	(1,596.9)
VTR NCI Acquisition (note 12)	—	—	0.1	185.3	—	—	—	185.4	(185.4)	—
Shares issued in connection with the Ziggo Acquisition (note 4)	0.3	—	0.8	4,904.7	—	—	—	4,905.8	1,080.6	5,986.4
Ziggo NCI Acquisition and impact of Statutory Squeeze-out (note 4)	—	—	0.1	663.8	—	—	—	663.9	(1,080.6)	(416.7)
Share-based compensation (note 13)	—	—	—	216.0	—	—	—	216.0	—	216.0
Adjustments due to changes in subsidiaries' equity and other, net (note 12)	—	—	(0.1)	(111.7)	—	—	3.5	(108.3)	24.1	(84.2)
Balance at December 31, 2014	$ 2.5	$ 0.1	$ 6.3	$17,070.8	$ (4,007.6)	$ 1,646.6	$ (4.2)	$ 14,714.5	$ (598.5)	$14,116.0

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,		
	2014	2013	2012
	in millions		
Cash flows from operating activities:			
Net earnings (loss)	$ (647.4)	$ (905.7)	$ 387.3
Loss (earnings) from discontinued operations	(333.5)	23.7	(971.2)
Loss from continuing operations	(980.9)	(882.0)	(583.9)
Adjustments to reconcile loss from continuing operations to net cash provided by operating activities:			
Share-based compensation expense	257.2	300.7	110.1
Depreciation and amortization	5,500.1	4,276.4	2,661.5
Release of litigation provision	—	(146.0)	—
Impairment, restructuring and other operating items, net	536.8	297.5	76.2
Amortization of deferred financing costs and non-cash interest accretion	84.3	78.0	65.7
Realized and unrealized losses (gains) on derivative instruments, net	(88.8)	1,020.4	1,070.3
Foreign currency transaction losses (gains), net	836.5	(349.3)	(438.4)
Realized and unrealized losses (gains) due to changes in fair values of certain investments, including impact of dividends	(203.7)	(523.1)	19.6
Losses on debt modification, extinguishment and conversion, net	186.2	212.2	213.8
Deferred income tax expense (benefit)	(350.6)	18.6	36.0
Excess tax benefits from share-based compensation	(7.0)	(41.0)	(6.7)
Changes in operating assets and liabilities, net of the effects of acquisitions and dispositions:			
Receivables and other operating assets	860.5	866.7	785.0
Payables and accruals	(1,017.8)	(1,208.1)	(1,171.7)
Net cash provided (used) by operating activities of discontinued operations	(9.6)	10.3	82.2
Net cash provided by operating activities	5,603.2	3,931.3	2,919.7
Cash flows from investing activities:			
Capital expenditures	(2,684.4)	(2,481.5)	(1,868.3)
Investments in and loans to affiliates and others	(1,016.6)	(1,350.3)	(32.4)
Proceeds received upon disposition of discontinued operations, net of disposal costs	988.5	—	1,055.4
Cash paid in connection with acquisitions, net of cash acquired	(73.3)	(4,073.4)	(154.2)
Other investing activities, net	(13.8)	(44.9)	41.8
Net cash used by investing activities of discontinued operations, including deconsolidated cash	(3.8)	(14.9)	(123.2)
Net cash used by investing activities	$ (2,803.4)	$ (7,965.0)	$ (1,080.9)

The accompanying notes are an integral part of these consolidated financial statements.

LIBERTY GLOBAL PLC

CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)

	Year ended December 31,		
	2014	2013	2012
	in millions		
Cash flows from financing activities:			
Repayments and repurchases of debt and capital lease obligations	$ (11,316.1)	$ (8,318.6)	$ (4,373.6)
Borrowings of debt	9,572.4	9,670.3	5,981.4
Repurchase of Liberty Global and LGI shares	(1,584.9)	(1,157.2)	(970.3)
Payment of financing costs, debt premiums and exchange offer consideration	(379.8)	(389.6)	(229.8)
Purchase of additional shares of subsidiaries	(260.7)	(461.3)	—
Net cash received (paid) related to derivative instruments	(221.0)	524.5	(108.4)
Change in cash collateral	(58.7)	3,593.8	59.6
Distributions by subsidiaries to noncontrolling interest owners	(11.7)	(538.1)	(335.1)
Decrease (increase) in restricted cash related to the Telenet Tender	—	1,539.7	(1,464.1)
Contributions by noncontrolling interest owners to subsidiaries	—	22.2	115.1
Other financing activities, net	0.4	137.6	(139.9)
Net cash used by financing activities of discontinued operations	(1.2)	(7.4)	(4.7)
Net cash provided (used) by financing activities	(4,261.3)	4,615.9	(1,469.8)
Effect of exchange rate changes on cash:			
Continuing operations	(81.9)	85.4	28.3
Discontinued operations	—	—	(9.6)
Total	(81.9)	85.4	18.7
Net increase (decrease) in cash and cash equivalents:			
Continuing operations	(1,528.8)	679.6	443.0
Discontinued operations	(14.6)	(12.0)	(55.3)
Net increase (decrease) in cash and cash equivalents	(1,543.4)	667.6	387.7
Cash and cash equivalents:			
Beginning of year	2,701.9	2,038.9	1,651.2
End of year	1,158.5	2,706.5	2,038.9
Less cash and cash equivalents of discontinued operations at end of year	—	(4.6)	—
Cash and cash equivalents of continuing operations at end of year	$ 1,158.5	$ 2,701.9	$ 2,038.9
Cash paid for interest:			
Continuing operations	$ 2,376.7	$ 2,148.8	$ 1,562.7
Discontinued operations	—	—	28.9
Total	$ 2,376.7	$ 2,148.8	$ 1,591.6
Net cash paid for taxes:			
Continuing operations	$ 97.3	$ 97.5	$ 0.3
Discontinued operations	2.2	11.7	11.5
Total	$ 99.5	$ 109.2	$ 11.8

The accompanying notes are an integral part of these consolidated financial statements.

(1) Basis of Presentation

Liberty Global plc (Liberty Global) is a public limited company organized under the laws of England and Wales. As a result of a series of mergers that were completed on June 7, 2013, Liberty Global became the publicly-held parent company of the successors by merger of Liberty Global, Inc. (LGI) (the predecessor to Liberty Global) and Virgin Media Inc. (Virgin Media). In these notes, the terms "we," "our," "our company" and "us" may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries.

We are an international provider of video, broadband internet, fixed-line telephony and mobile services, with consolidated operations at December 31, 2014 in 14 countries. Through Virgin Media and Unitymedia KabelBW GmbH (Unitymedia KabelBW), each a wholly-owned subsidiary, and Telenet Group Holding NV (Telenet), a 56.6%-owned subsidiary, we provide video, broadband internet, fixed-line telephony and mobile services in the United Kingdom (U.K.), Germany and Belgium, respectively. In the Netherlands, we provide video, broadband internet, fixed-line telephony and mobile services through (i) Ziggo Holding B.V. (Ziggo), formerly known as Ziggo N.V., which, as described in note 4, we acquired on November 11, 2014, and (ii) UPC Nederland B.V. (UPC Nederland). We also provide (i) video, broadband internet and fixed-line telephony services in eight other European countries and (ii) mobile services in four other European countries. The operations of Virgin Media, Unitymedia KabelBW, Telenet, Ziggo, UPC Nederland and our other operations in Europe are collectively referred to herein as the "European Operations Division." In Chile, we provide video, broadband internet, fixed-line telephony and mobile services through VTR GlobalCom SpA (VTR). Our consolidated operations also include the broadband communications operations of Liberty Cablevision of Puerto Rico LLC (Liberty Puerto Rico), an entity in which we hold a 60.0% ownership interest.

At December 31, 2013, we owned programming interests in Europe and Latin America that were held through Chellomedia B.V. (Chellomedia). Certain of Chellomedia's subsidiaries and affiliates provided programming services to certain of our broadband communications operations, primarily in Europe. On January 31, 2014, we completed the sale of substantially all of Chellomedia's assets (the Chellomedia Disposal Group). On May 23, 2012, we completed the sale of our then 54.15%-owned subsidiary, Austar United Communications Limited (Austar), a provider of direct-to-home (DTH) services in Australia. We have accounted for the Chellomedia Disposal Group and Austar as discontinued operations in our consolidated financial statements. Accordingly, (i) the Chellomedia Disposal Group is presented as a discontinued operation in our consolidated balance sheet as of December 31, 2013, (ii) our consolidated statements of operations and cash flows have been reclassified to present the Chellomedia Disposal Group and Austar as discontinued operations for all periods presented and (iii) the amounts presented in these notes relate only to our continuing operations, unless otherwise noted. For additional information regarding our discontinued operations, see note 5.

On January 26, 2014, our board of directors approved a share split in the form of a share dividend (the 2014 Share Dividend), which constitutes a bonus issue under our articles of association and English law, of one Liberty Global Class C ordinary share on each outstanding Liberty Global Class A, Class B and Class C ordinary share as of the February 14, 2014 record date. The distribution date for the 2014 Share Dividend was March 3, 2014. All Liberty Global share and per share amounts presented herein have been retroactively adjusted to give effect to the 2014 Share Dividend.

Unless otherwise indicated, ownership percentages and convenience translations into United States (U.S.) dollars are calculated as of December 31, 2014.

(2) Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. ASU 2014-09 will replace existing revenue recognition accounting principles generally accepted in the United States (GAAP) when it becomes effective, currently scheduled for January 1, 2017. Early application is not permitted. This new standard permits the use of either the retrospective or cumulative effect transition method. We are currently evaluating the effect that ASU 2014-09 will have on our consolidated financial statements and related disclosures. We have not yet selected a transition method nor have we determined the effect of the standard on our ongoing financial reporting.

(3) Summary of Significant Accounting Policies

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, allowances for uncollectible accounts, programming and copyright expenses, deferred income taxes and related valuation allowances, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities, useful lives of long-lived assets, share-based compensation and actuarial liabilities associated with certain benefit plans. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Principles of Consolidation

The accompanying consolidated financial statements include our accounts and the accounts of all voting interest entities where we exercise a controlling financial interest through the ownership of a direct or indirect controlling voting interest and variable interest entities for which our company is the primary beneficiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents and Restricted Cash

Cash equivalents consist of money market funds and other investments that are readily convertible into cash and have maturities of three months or less at the time of acquisition. We record money market funds at the net asset value reported by the investment manager as there are no restrictions on our ability, contractual or otherwise, to redeem our investments at the stated net asset value reported by the investment manager.

Restricted cash consists of cash held in restricted accounts, including cash held as collateral for debt and other compensating balances. Restricted cash amounts that are required to be used to purchase long-term assets or repay long-term debt are classified as long-term assets. All other cash that is restricted to a specific use is classified as current or long-term based on the expected timing of the disbursement. At December 31, 2014 and 2013, our aggregate current and long-term restricted cash balances aggregated $78.0 million and $23.3 million, respectively.

Our significant non-cash investing and financing activities are disclosed in our consolidated statements of equity and in notes 4, 5, 9, and 10.

Trade Receivables

Our trade receivables are reported net of an allowance for doubtful accounts. Such allowance aggregated $116.1 million and $122.6 million at December 31, 2014 and 2013, respectively. The allowance for doubtful accounts is based upon our assessment of probable loss related to uncollectible accounts receivable. We use a number of factors in determining the allowance, including, among other things, collection trends, prevailing and anticipated economic conditions and specific customer credit risk. The allowance is maintained until either receipt of payment or the likelihood of collection is considered to be remote.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers and their dispersion across many different countries worldwide. We also manage this risk by disconnecting services to customers whose accounts are delinquent.

Investments

We make elections, on an investment-by-investment basis, as to whether we measure our investments at fair value. Such elections are generally irrevocable. We generally elect the fair value method for all investments, except those investments over which we exercise significant influence. For investments over which we have significant influence, we consider statutory reporting obligations, the significance of transactions between our company and our equity affiliates and other factors in determining whether the fair value should be applied. We generally will not elect the fair value option if we are required to account for an investment under the equity method of accounting under statutory reporting obligations. In addition, we generally do not elect the fair value option for those significant-influence investments with which Liberty Global or its consolidated subsidiaries have significant related-party obligations.

Under the fair value method, investments are recorded at fair value and any changes in fair value are reported in realized and unrealized gains or losses due to changes in fair values of certain investments, net, in our consolidated statements of operations. All costs directly associated with the acquisition of an investment to be accounted for using the fair value method are expensed as incurred. Under the equity method of accounting, investments are recorded at cost and are subsequently increased or reduced to reflect the share of income or losses of the investee. All costs directly associated with the acquisition of an investment to be accounted for using the equity method are included in the carrying amount of the investment. For additional information regarding our fair value and equity method investments, see notes 6 and 8.

Dividends from publicly-traded investees are recognized when declared as dividend income in our consolidated statements of operations. Dividends from privately-held investees generally are reflected as reductions of the carrying values of the applicable investments.

Realized gains and losses are determined on an average cost basis. Securities transactions are recorded on the trade date.

Financial Instruments

Due to the short maturities of cash and cash equivalents, restricted cash, short-term liquid investments, trade and other receivables, other current assets, accounts payable, accrued liabilities, subscriber advance payments and deposits and other current liabilities, their respective carrying values approximate their respective fair values. For information concerning the fair values of certain of our investments, our derivatives and debt, see notes 6, 7 and 10, respectively. For information concerning how we arrive at certain of our fair value measurements, see note 8.

Derivative Instruments

All derivative instruments, whether designated as hedging relationships or not, are recorded on the balance sheet at fair value. If the derivative instrument is not designated as a hedge, changes in the fair value of the derivative instrument are recognized in earnings. If the derivative instrument is designated as a fair value hedge, the changes in the fair value of the derivative instrument and of the hedged item attributable to the hedged risk are recognized in earnings. If the derivative instrument is designated as a cash flow hedge, the effective portions of changes in the fair value of the derivative instrument are recorded in other comprehensive earnings or loss and subsequently reclassified into our consolidated statements of operations when the hedged forecasted transaction affects earnings. Ineffective portions of changes in the fair value of cash flow hedges are recognized in earnings. We generally do not apply hedge accounting to our derivative instruments. For information regarding our derivative instruments, including our policy for classifying cash flows related to derivative instruments in our consolidated statements of cash flows, see note 7.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. We capitalize costs associated with the construction of new cable transmission and distribution facilities and the installation of new cable services. Capitalized construction and installation costs include materials, labor and other directly attributable costs. Installation activities that are capitalized include (i) the initial connection (or drop) from our cable system to a customer location, (ii) the replacement of a drop and (iii) the installation of equipment for additional services, such as digital cable, telephone or broadband internet service. The costs of other customer-facing activities such as reconnecting customer locations where a drop already exists, disconnecting customer locations and repairing or maintaining drops, are expensed as incurred. Interest capitalized with respect to construction activities was not material during any of the periods presented.

Capitalized internal-use software is included as a component of property and equipment. We capitalize internal and external costs directly associated with the development of internal-use software. We also capitalize costs associated with the purchase of software licenses. Maintenance and training costs, as well as costs incurred during the preliminary stage of an internal-use software development project, are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the underlying asset. Equipment under capital leases is amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the asset. Useful lives used to depreciate our property and equipment are assessed periodically and are adjusted when warranted. The useful lives of cable distribution systems that are undergoing a rebuild are adjusted such that property and equipment to be retired will be fully depreciated by the time the rebuild is completed. For additional information regarding the useful lives of our property and equipment, see note 9.

Additions, replacements and improvements that extend the asset life are capitalized. Repairs and maintenance are charged to operations.

We recognize a liability for asset retirement obligations in the period in which it is incurred if sufficient information is available to make a reasonable estimate of fair values. Asset retirement obligations may arise from the loss of rights of way that we obtain from local municipalities or other relevant authorities. Under certain circumstances, the authorities could require us to remove our network equipment from an area if, for example, we were to discontinue using the equipment for an extended period of time or the authorities were to decide not to renew our access rights. However, because the rights of way are integral to our ability to deliver broadband communications services to our customers, we expect to conduct our business in a manner that will allow us to maintain these rights for the foreseeable future. In addition, we have no reason to believe that the authorities will not renew our rights of way and, historically, renewals have been granted. We also have obligations in lease agreements to restore the property to its original condition or remove our property at the end of the lease term. Sufficient information is not available to estimate the fair value of our asset retirement obligations in certain of our lease arrangements. This is the case for long-term lease arrangements in which the underlying leased property is integral to our operations, there is not an acceptable alternative to the leased property and we have the ability to indefinitely renew the lease. Accordingly, for most of our rights of way and certain lease agreements, the possibility is remote that we will incur significant removal costs in the foreseeable future and, as such, we do not have sufficient information to make a reasonable estimate of fair value for these asset retirement obligations.

As of December 31, 2014 and 2013, the recorded value of our asset retirement obligations was $65.1 million and $79.3 million, respectively.

Intangible Assets

Our primary intangible assets relate to goodwill, customer relationships and cable television franchise rights. Goodwill represents the excess purchase price over the fair value of the identifiable net assets acquired in a business combination. Customer relationships and cable television franchise rights were originally recorded at their fair values in connection with business combinations.

Goodwill and other intangible assets with indefinite useful lives are not amortized, but instead are tested for impairment at least annually. Intangible assets with finite lives are amortized on a straight-line basis over their respective estimated useful lives to their estimated residual values, and reviewed for impairment.

We do not amortize our franchise rights and certain other intangible assets as these assets have indefinite lives. For additional information regarding the useful lives of our intangible assets, see note 9.

Impairment of Property and Equipment and Intangible Assets

We review, when circumstances warrant, the carrying amounts of our property and equipment and our intangible assets (other than goodwill and other indefinite-lived intangible assets) to determine whether such carrying amounts continue to be recoverable. Such changes in circumstance may include, among other items, (i) an expectation of a sale or disposal of a long-lived asset or asset group, (ii) adverse changes in market or competitive conditions, (iii) an adverse change in legal factors or business climate in the markets in which we operate and (iv) operating or cash flow losses. For purposes of impairment testing, long-lived assets are grouped at the lowest level for which cash flows are largely independent of other assets and liabilities, generally at or below the reporting unit level (see below). If the carrying amount of the asset or asset group is greater than the expected undiscounted cash flows to be generated by such asset or asset group, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset or asset group exceeds its fair value. We generally measure fair value by considering (a) sale prices for similar assets, (b) discounted estimated future cash flows using an appropriate discount rate and/or (c) estimated replacement cost. Assets to be disposed of are carried at the lower of their financial statement carrying amount or fair value less costs to sell.

We evaluate the goodwill, franchise rights and other indefinite-lived intangible assets for impairment at least annually on October 1 and whenever other facts and circumstances indicate that the carrying amounts of goodwill and other indefinite-lived intangible assets may not be recoverable. For impairment evaluations with respect to both goodwill and other indefinite-lived intangibles, we first make a qualitative assessment to determine if the goodwill or other indefinite-lived intangible may be impaired. In the case of goodwill, if it is more-likely-than-not that a reporting unit's fair value is less than its carrying value, we then compare the fair value of the reporting unit to its respective carrying amount. A reporting unit is an operating segment or one level below an operating segment (referred to as a "component"). In most cases, our operating segments are deemed to be a reporting unit either because the operating segment is comprised of only a single component, or the components below the operating segment are aggregated as they have similar economic characteristics. If the carrying value of a reporting unit were to exceed its fair value, we would then compare the implied fair value of the reporting unit's goodwill to its carrying amount, and any excess of the carrying amount over the fair value would be charged to operations as an impairment loss. With respect to franchise rights or other indefinite-lived intangible assets, if it is more-likely-than-not that the fair value of an indefinite-lived intangible asset is less than its carrying value, we then estimate its fair value and any excess of the carrying value over the fair value of the franchise right or other indefinite-lived intangible asset is also charged to operations as an impairment loss.

Income Taxes

Income taxes are accounted for under the asset and liability method. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts and income tax basis of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards, using enacted tax rates in effect for each taxing jurisdiction in which we operate for the year in which those temporary differences are expected to be recovered or settled. We recognize the financial statement effects of a tax position when it is more-likely-than-not, based on technical merits, that the position will be sustained upon examination. Net deferred tax assets are then reduced by a valuation allowance if we believe it is more-likely-than-not such net deferred tax assets will not be realized. Certain of our valuation allowances and tax uncertainties are associated with entities that we acquired in business combinations. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that includes the enactment date. Deferred tax liabilities related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration are not recognized until it becomes apparent that such amounts will reverse in the foreseeable future. Interest and penalties related to income tax liabilities are included in income tax expense. For additional information on our income taxes, see note 11.

Defined Benefit Plans

Certain of our subsidiaries maintain various employee defined benefit plans. Certain assumptions and estimates must be made in order to determine the costs and future benefits that will be associated with these plans. These assumptions include (i) the estimated long-term rates of return to be earned by plan assets, (ii) the estimated discount rates used to value the projected benefit obligations and (iii) estimated wage increases. We estimate discount rates annually based upon the yields on high-quality fixed-income investments available at the measurement date and expected to be available during the period to maturity of the benefits under the applicable defined benefit plan. For the long-term rates of return, we consider relevant factors such as discount rates and estimated returns on the subsidiaries' targeted and actual asset allocations. To the extent that net actuarial gains or losses exceed 10% of the greater of plan assets or plan liabilities, such gains or losses are amortized over the average future service period of plan participants. For additional information, see note 15.

Foreign Currency Translation and Transactions

The reporting currency of our company is the U.S. dollar. The functional currency of our foreign operations generally is the applicable local currency for each foreign subsidiary and equity method investee. Assets and liabilities of foreign subsidiaries (including intercompany balances for which settlement is not anticipated in the foreseeable future) are translated at the spot rate in effect at the applicable reporting date. With the exception of certain material transactions, the amounts reported in our consolidated statements of operations are translated at the average exchange rates in effect during the applicable period. The resulting unrealized cumulative translation adjustment, net of applicable income taxes, is recorded as a component of accumulated other comprehensive earnings or loss in our consolidated statements of equity. With the exception of certain material transactions, the cash flows from our operations in foreign countries are translated at the average rate for the applicable period in our consolidated statements of cash flows. The impacts of material transactions generally are recorded at the applicable spot rates in our consolidated statements of operations and cash flows. The effect of exchange rates on cash balances held in foreign currencies are separately reported in our consolidated statements of cash flows.

Transactions denominated in currencies other than our or our subsidiaries' functional currencies are recorded based on exchange rates at the time such transactions arise. Changes in exchange rates with respect to amounts recorded in our consolidated balance sheets related to these non-functional currency transactions result in transaction gains and losses that are reflected in our consolidated statements of operations as unrealized (based on the applicable period end exchange rates) or realized upon settlement of the transactions.

Revenue Recognition

Service Revenue — Cable Networks. We recognize revenue from the provision of video, broadband internet and fixed-line telephony services over our cable network to customers in the period the related services are provided. Installation revenue (including reconnect fees) related to services provided over our cable network is recognized as revenue in the period during which the installation occurs to the extent these fees are equal to or less than direct selling costs, which costs are expensed as incurred. To the extent installation revenue exceeds direct selling costs, the excess revenue is deferred and amortized over the average expected subscriber life.

Sale of Multiple Products and Services. We sell video, broadband internet, fixed-line telephony and, in certain markets, mobile services to our customers in bundled packages at a rate lower than if the customer purchased each product on a standalone basis. Revenue from bundled packages generally is allocated proportionally to the individual services based on the relative standalone price for each respective service.

Mobile Revenue — General. Arrangement consideration from mobile contracts is allocated to the airtime service element and the handset service element based on the relative standalone prices of each element. The amount of arrangement consideration allocated to the handset is limited to the amount that is not contingent upon the delivery of future airtime services. Certain of our operations that provide mobile services offer handsets under a subsidized contract model, whereby upfront revenue recognition is limited to the upfront cash collected from the customer as the remaining monthly fees to be received from the customer, including fees that may be associated with the handset, are contingent upon delivering future airtime services. At certain of our operations, mobile customers may choose to enter into two distinct contractual relationships: (i) a mobile handset contract and (ii) a mobile airtime services contract. Under the mobile handset contract, the customer takes full title to the handset upon delivery and typically has the option to either (a) pay for the handset in cash upon delivery or (b) pay for the handset in installments over a contractual period. Under these arrangements, the handset installments payments are not contingent upon delivering future airtime services and the arrangement consideration allocated to the handset is not limited to the upfront cash collected.

Mobile Revenue — Airtime Services. We recognize revenue from mobile services in the period the related services are provided. Revenue from pre-pay customers is recorded as deferred revenue prior to the commencement of services and revenue is recognized as the services are rendered or usage rights expire.

Mobile Revenue — Handset Revenue. Arrangement consideration allocated to handsets is recognized as revenue when the goods have been delivered and title has passed. For customers under a mobile handset installment contract that is independent of a mobile airtime services contract, revenue is recognized upon delivery only if collectibility is reasonably assured. Our assessment of collectibility is based principally on internal and external credit assessments as well as historical collection information for similar customers. To the extent that collectibility of installment payments from the customer is not reasonably assured upon delivery of the handset, handset revenue is recognized on a cash basis as customer payments are received.

Business-to-Business (B2B) Revenue. We defer upfront installation and certain nonrecurring fees received on B2B contracts where we maintain ownership of the installed equipment. The deferred fees are amortized into revenue on a straight-line basis over the term of the arrangement or the expected period of performance.

Promotional Discounts. For subscriber promotions, such as discounted or free services during an introductory period, revenue is recognized only to the extent of the discounted monthly fees charged to the subscriber, if any.

Subscriber Advance Payments and Deposits. Payments received in advance for the services we provide are deferred and recognized as revenue when the associated services are provided.

Sales, Use and Other Value-Added Taxes (VAT). Revenue is recorded net of applicable sales, use and other value-added taxes.

Share-Based Compensation

We recognize all share-based payments to employees, including grants of employee share incentive awards based on their grant-date fair values and our estimates of forfeitures. We recognize the fair value of outstanding awards as a charge to operations over the vesting period. The cash benefits of tax deductions in excess of deferred taxes on recognized share-based compensation expense are reported as a financing cash flow.

We use the straight-line method to recognize share-based compensation expense for our outstanding share awards that do not contain a performance condition and the accelerated expense attribution method for our outstanding share awards that contain a performance condition and vest on a graded basis.

We have calculated the expected life of options and share appreciation rights (SARs) granted by Liberty Global to employees based on historical exercise trends. The expected volatility for Liberty Global options and SARs is generally based on a combination of (i) historical volatilities of Liberty Global ordinary shares for a period equal to the expected average life of the Liberty Global awards and (ii) volatilities implied from publicly traded Liberty Global options.

Under U.K. corporate law, we are required to issue new shares of Liberty Global ordinary shares when Liberty Global options or SARs are exercised and when restricted share units (RSUs) and performance-based restricted share units (PSUs) vest. Although we repurchase Liberty Global ordinary shares from time to time, the parameters of our share purchase and redemption activities are not established solely with reference to the dilutive impact of our share-based compensation plans.

For additional information regarding our share-based compensation, see note 13.

Litigation Costs

Legal fees and related litigation costs are expensed as incurred.

Earnings or Loss per Ordinary Share

Basic earnings or loss per share attributable to Liberty Global shareholders is computed by dividing net earnings or loss attributable to Liberty Global shareholders by the weighted average number of ordinary shares (excluding restricted shares) outstanding for the period. Diluted earnings or loss per share attributable to Liberty Global shareholders presents the dilutive effect, if any, on a per share basis of potential ordinary shares (e.g., options, SARs, restricted shares, RSUs and convertible securities) as if they had been exercised, vested or converted at the beginning of the periods presented.

We reported losses from continuing operations attributable to Liberty Global shareholders during 2014, 2013 and 2012. Therefore, the potentially dilutive effect at December 31, 2014, 2013 and 2012 of (i) the aggregate number of shares issuable pursuant to outstanding options, SARs, PSARs (as defined in note 13) and restricted shares and RSUs of approximately 39.1 million, 40.3 million and 19.7 million, respectively, (ii) the number of shares issuable pursuant to PSUs and PGUs (as defined in note 13) of approximately 5.4 million, 3.7 million and 3.0 million, respectively, and (iii) the aggregate number of shares issuable pursuant to obligations that may be settled in cash or shares of approximately 2.6 million, 2.6 million and 7.3 million, respectively, were not included in the computation of diluted loss per share attributable to Liberty Global shareholders because their inclusion would have been anti-dilutive to the computation or, in the case of certain PSUs, because such awards had not yet met the applicable performance criteria.

The details of our net earnings (loss) attributable to Liberty Global shareholders are set forth below:

	Year ended December 31,		
	2014	2013	2012
	in millions		
Amounts attributable to Liberty Global shareholders:			
Loss from continuing operations	$ (1,028.5)	$ (937.6)	$ (623.7)
Earnings (loss) from discontinued operations	333.5	(26.3)	946.5
Net earnings (loss) attributable to Liberty Global shareholders	$ (695.0)	$ (963.9)	$ 322.8

(4) <u>Acquisitions</u>

Pending 2015 Acquisition

On December 9, 2014, one of our subsidiaries, together with investment funds affiliated with Searchlight Capital Partners, L.P. (collectively, Searchlight), entered into an agreement to acquire 100% of the parent of Puerto Rico Cable Acquisition Company Inc., dba Choice Cable TV (Choice), the second largest cable and broadband services provider in Puerto Rico (the Choice Acquisition). The transaction values Choice at an enterprise value, before transaction costs, of approximately $272.5 million. Most of the purchase price is expected to be funded through $257.5 million of committed facilities under the Liberty Puerto Rico Bank Facility, as defined and described in note 10. The Choice Acquisition is subject to customary closing conditions, including regulatory approvals, and is expected to close in the first half of 2015. Upon completion of the Choice Acquisition, Choice's operations will be combined with those of Liberty Puerto Rico, and the combined business will be 60%-owned by our company and 40%-owned by Searchlight.

2014 Acquisition

Ziggo. On November 11, 2014 (the Ziggo Acquisition Date), pursuant to an Agreement and Plan of Merger (the Ziggo Merger Agreement) with respect to an offer to acquire all of the shares of Ziggo that we did not already own (the Ziggo Offer), we gained control of Ziggo through the acquisition of 136,603,794 additional Ziggo shares, which increased our ownership interest in Ziggo to 88.9% (the Ziggo Acquisition). From November 12, 2014 through November 19, 2014, we acquired 18,998,057 additional Ziggo shares, further increasing our ownership interest in Ziggo to 98.4% (the Ziggo NCI Acquisition). We have accounted for the Ziggo Acquisition using the acquisition method of accounting and the Ziggo NCI Acquisition as the acquisition of a noncontrolling interest. Ziggo is a provider of video, broadband internet, fixed-line telephony and mobile services in the Netherlands. We acquired Ziggo in order to achieve certain financial, operational and strategic benefits through the integration of Ziggo with UPC Nederland and our other European operations.

Pursuant to the Ziggo Merger Agreement, Ziggo shareholders who tendered their Ziggo shares received an offer price of (i) 0.2282 Liberty Global Class A ordinary shares, (ii) 0.5630 Liberty Global Class C ordinary shares and (iii) €11.00 ($13.71 at the applicable rates) in cash for each Ziggo share that they tendered. In connection with the completion of the Ziggo Acquisition and the Ziggo NCI Acquisition, we (i) issued an aggregate of 35,508,342 Liberty Global Class A and 87,603,842 Liberty Global Class C ordinary shares and (ii) paid aggregate cash consideration of €1,711.6 million ($2,133.6 million at the applicable rates) to holders of Ziggo ordinary shares.

On December 3, 2014, we initiated a statutory squeeze-out procedure in accordance with the Dutch Civil Code (the Statutory Squeeze-out) in order to acquire the remaining 3,162,605 Ziggo shares not tendered through November 19, 2014. Under the Statutory Squeeze-out, Ziggo shareholders other than Liberty Global will receive cash consideration. We have submitted €39.78 ($48.14) per share as the suggested cash consideration to be paid in the Statutory Squeeze-out. This suggested per share consideration is subject to confirmation of the applicable court in the Netherlands. Effective upon the commencement of the Statutory Squeeze-out, the remaining noncontrolling interest in Ziggo became mandatorily redeemable, and accordingly, is reflected as a liability that is included in other accrued and current liabilities in our consolidated balance sheet. The difference between the carrying value of the noncontrolling interest immediately prior to the date that the noncontrolling interest became mandatorily redeemable and the expected redemption value of €125.8 million ($152.2 million) was reflected as a $2.6 million decrease to additional paid-in capital in our consolidated statement of equity. The Statutory Squeeze-out is expected to be completed during the third quarter of 2015.

In connection with the completion of the Ziggo Acquisition, we obtained regulatory clearance from the European Commission on October 10, 2014, subject to the following commitments:

- our commitment to divest our *Film1* channel to a third party and to carry *Film1* on our network in the Netherlands for a period of three years; and

- our commitment for a period of eight years with respect to our network in the Netherlands (i) not to enforce certain clauses currently contained in carriage agreements with broadcasters that restrict the ability of broadcasters to offer their channels and content via over-the-top services, (ii) not to enter into carriage agreements containing such clauses and (iii) to maintain adequate interconnection capacity through at least three uncongested routes into our network in the Netherlands, at least one of which must be with a large transit provider.

For accounting purposes, the Ziggo Acquisition was treated as the acquisition of Ziggo by Liberty Global. In this regard, the equity and cash consideration paid to acquire Ziggo plus the fair value of our pre-existing investment in Ziggo on the Ziggo Acquisition Date is set forth below (in millions):

Liberty Global Class A ordinary shares (a)	$ 1,448.7
Liberty Global Class C ordinary shares (a)	3,457.1
Cash (b)	1,872.9
Fair value of pre-existing investment in Ziggo (c)	2,015.4
Total	$ 8,794.1

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(a) Represents the value assigned to the 31,172,985 Liberty Global Class A and 76,907,936 Liberty Global Class C ordinary shares issued to Ziggo shareholders in connection with the Ziggo Acquisition through the Ziggo Acquisition Date. These amounts are based on (i) the exchange ratios specified by the Ziggo Merger Agreement, (ii) the applicable closing per share prices of Liberty Global Class A and Class C ordinary shares and (iii) 136,603,794 ordinary shares of Ziggo tendered in the Ziggo Offer through the Ziggo Acquisition Date.

(b) Represents the cash consideration paid in connection with the Ziggo Acquisition.

(c) Represents the fair value of the 41,329,850 million shares of Ziggo held by Liberty Global and its subsidiaries immediately prior to the Ziggo Acquisition.

We have accounted for the Ziggo Acquisition using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of Ziggo based on assessments of their respective fair values, and the excess of the purchase price over the fair values of these identifiable net assets was allocated to goodwill. A summary of the purchase price and the preliminary opening balance sheet for the Ziggo Acquisition as of the Ziggo Acquisition Date is presented in the following table. The preliminary opening balance sheet is subject to adjustment based on our final assessment of the fair values of the acquired identifiable assets and liabilities. Although most items in the valuation process remain open, the items with the highest likelihood of changing upon finalization of the valuation process include property and equipment, goodwill, intangible assets associated with customer relationships and income taxes (in millions):

Cash and cash equivalents (a)	$ 1,889.7
Other current assets	69.6
Property and equipment, net	2,714.9
Goodwill (b)	7,724.3
Intangible assets subject to amortization (c)	5,000.9
Other assets, net	394.6
Current portion of debt and capital lease obligations	(604.0)
Other accrued and current liabilities	(443.5)
Long-term debt and capital lease obligations	(5,351.5)
Other long-term liabilities	(1,520.3)
Noncontrolling interest (d)	(1,080.6)
Total purchase price (e)	$ 8,794.1

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(a) The Ziggo Acquisition resulted in $16.8 million of net cash received after deducting the cash consideration paid in the Ziggo Acquisition.

(b) The goodwill recognized in connection with the Ziggo Acquisition is primarily attributable to (i) the ability to take advantage of Ziggo's existing advanced broadband communications network to gain immediate access to potential customers and (ii) substantial synergies that are expected to be achieved through the integration of Ziggo with UPC Nederland and our other European operations.

(c) Amount primarily includes intangible assets related to customer relationships. As of the Ziggo Acquisition Date, the weighted average useful life of Ziggo's intangible assets was approximately ten years.

(d) Represents the fair value of the noncontrolling interest in Ziggo as of the Ziggo Acquisition Date.

(e) Excludes direct acquisition costs of $84.1 million incurred through December 31, 2014, which are included in impairment, restructuring and other operating items, net, in our consolidated statement of operations.

We have accounted for the Ziggo NCI Acquisition as an equity transaction, with the carrying amount of the noncontrolling interest adjusted to reflect the change in ownership of Ziggo. The difference between the fair value of consideration paid and the amount by which the noncontrolling interest was adjusted has been recognized as additional paid-in capital in our consolidated statement of equity. The impact of the Ziggo NCI Acquisition is summarized in the following table (in millions):

Reduction of noncontrolling interests	$ 927.2
Additional paid-in capital	23.5
Fair value of consideration paid (a)	$ 950.7

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(a) Represents (i) the value assigned to the 4,335,357 Liberty Global Class A and 10,695,906 Liberty Global Class C ordinary shares issued to Ziggo shareholders and (ii) cash consideration of €209.0 million ($260.7 million at the applicable rates) paid to Ziggo shareholders, based on the 18,998,057 ordinary shares of Ziggo tendered in connection with the Ziggo NCI Acquisition.

The cash consideration paid in the Ziggo Acquisition and the Ziggo NCI Acquisition was funded with a combination of debt and our existing liquidity. For information regarding the various debt financing arrangements that we entered into in connection with the execution of the Ziggo Merger Agreement and the completion of the Ziggo Acquisition and the Ziggo NCI Acquisition, see note 10. For information regarding additional debt financing transactions involving Ziggo and UPC Nederland that we completed during the first quarter of 2015, see note 20.

2013 Acquisition

Virgin Media. On June 7, 2013, pursuant to an Agreement and Plan of Merger (the Virgin Media Merger Agreement) with Virgin Media and following receipt of regulatory and shareholder approvals, we acquired Virgin Media in a stock and cash merger (the Virgin Media Acquisition). Virgin Media is one of the U.K.'s largest providers of residential broadband internet, television, fixed-line telephony and mobile services in terms of number of customers. We acquired Virgin Media in order to achieve certain financial, operational and strategic benefits through the integration of Virgin Media with our existing European operations.

Pursuant to the Virgin Media Merger Agreement:

- Each share of common stock of Virgin Media was converted into the right to receive (i) 0.2582 Class A ordinary shares of Liberty Global, (ii) 0.6438 Class C ordinary shares of Liberty Global and (iii) $17.50 in cash (collectively, the Virgin Media Merger Consideration); and

- Each share of Series A common stock of LGI was converted into the right to receive one Class A ordinary share of Liberty Global; each share of Series B common stock of LGI was converted into the right to receive one Class B ordinary share of Liberty Global; and each share of Series C common stock of LGI was converted into the right to receive one Class C ordinary share of Liberty Global.

In connection with the completion of the Virgin Media Acquisition, we issued 70,233,842 Class A and 175,122,182 Class C ordinary shares to holders of Virgin Media common stock and 141,234,331 Class A, 10,176,295 Class B and 362,556,220 Class C ordinary shares to holders of LGI Series A, Series B and Series C common stock, respectively.

In connection with the execution of the Virgin Media Merger Agreement, we entered into various debt financing arrangements. For additional information, see note 10.

In a transaction that did not impact our cash and cash equivalents, the net proceeds (after deducting certain transaction expenses)from the February 2013 issuance of the April 2021 VM Senior Secured Notes and 2023 VM Senior Notes (each as defined and described in note 10) of $3,557.5 million (equivalent at the transaction date) were placed into segregated escrow accounts (the Virgin Media Escrow Accounts) with a trustee. Such net proceeds were released in connection with the closing of the Virgin Media Acquisition.

The Virgin Media Acquisition and related refinancing transactions were funded with a combination of (i) the proceeds from the Virgin Media Escrow Accounts, (ii) borrowings under the VM Credit Facility (as defined and described in note 10) and (iii) our and Virgin Media's existing liquidity.

For accounting purposes, the Virgin Media Acquisition was treated as the acquisition of Virgin Media by Liberty Global (as the successor to LGI). In this regard, the equity and cash consideration paid to acquire Virgin Media is set forth below (in millions):

Class A ordinary shares (a)	$	2,735.0
Class C ordinary shares (a)		6,369.9
Cash (b)		4,760.2
Fair value of the vested portion of Virgin Media stock incentive awards (c)		270.4
Total equity and cash consideration	$	14,135.5

(a) Represents the value assigned to the 70,233,842 Class A and 175,122,182 Class C ordinary shares issued to Virgin Media shareholders in connection with the Virgin Media Acquisition. These amounts are based on (i) the exchange ratios specified by the Virgin Media Merger Agreement, (ii) the closing per share price on June 7, 2013 of Series A and Series C LGI common stock of $38.94 and $36.37, respectively, and (iii) the 272,013,333 outstanding shares of Virgin Media common stock at June 7, 2013.

(b) Represents the cash consideration paid in connection with the Virgin Media Acquisition. This amount is based on (i) the $17.50 per share cash consideration specified by the Virgin Media Merger Agreement and (ii) the 272,013,333 outstanding shares of Virgin Media common stock at June 7, 2013.

(c) Represents the portion of the estimated fair value of the Virgin Media stock incentive awards that are attributable to services provided prior to the June 7, 2013 acquisition date. The estimated fair value is based on the attributes of the 13.03 million outstanding Virgin Media stock incentive awards at June 7, 2013, including the market price of the underlying Virgin Media common stock. The outstanding Virgin Media stock incentive awards at June 7, 2013 include 9.86 million stock options that have been valued using Black Scholes option valuations. In addition, Virgin Media's stock incentive awards at June 7, 2013 included 3.17 million restricted stock units that included performance conditions and, in certain cases, market conditions. Those restricted stock units with market conditions have been valued using Monte Carlo simulation models.

We have accounted for the acquisition of Virgin Media using the acquisition method of accounting, whereby the total purchase price was allocated to the acquired identifiable net assets of Virgin Media based on assessments of their respective fair values, and the excess of the purchase price over the fair values of these identifiable net assets was allocated to goodwill. A summary of the purchase price and opening balance sheet for the Virgin Media Acquisition at the June 7, 2013 acquisition date is presented in the following table. The opening balance sheet presented below reflects our final purchase price allocation (in millions):

Cash and cash equivalents	$	694.6
Other current assets		932.2
Property and equipment, net		9,863.1
Goodwill (a)		9,000.8
Intangible assets subject to amortization (b)		3,925.8
Other assets, net		4,259.4
Current portion of debt and capital lease obligations		(1,184.5)
Other accrued and current liabilities (c) (d)		(1,892.2)
Long-term debt and capital lease obligations		(8,477.4)
Other long-term liabilities (c)		(1,326.3)
Additional paid-in capital (e)		(1,660.0)
Total purchase price (f)	$	14,135.5

(a) The goodwill recognized in connection with the Virgin Media Acquisition is primarily attributable to (i) the ability to take advantage of Virgin Media's existing advanced broadband communications network to gain immediate access to potential customers and (ii) substantial synergies that were expected to be achieved through the integration of Virgin Media with our other broadband communications operations in Europe.

(b) Amount primarily includes intangible assets related to customer relationships. At June 7, 2013, the weighted average useful life of Virgin Media's intangible assets was approximately seven years.

(c) No amounts were allocated to deferred revenue with respect to the then ongoing performance obligations associated with Virgin Media's B2B service contracts, as the remaining fees to be received under these contracts approximated fair value given our estimates of the costs associated with these performance obligations.

(d) Amount includes a $35.6 million liability that was recorded to adjust an unfavorable capacity contract to its estimated fair value. This amount was amortized through the March 31, 2014 expiration date of the contract as a reduction of Virgin Media's operating expenses so that the net effect of this amortization and the payments required under the contract approximated market rates. During the period from June 8, 2013 through December 31, 2013 and the year ended December 31, 2014, $22.8 million and $12.8 million, respectively, of this liability was amortized as a reduction of operating expenses in our consolidated statements of operations.

(e) Represents the equity component of the VM Convertible Notes (as defined and described in note 10). During the period from June 7, 2013 through December 31, 2013, 94.4% of the VM Convertible Notes were exchanged for Liberty Global Class A and Class C ordinary shares and cash pursuant to the terms of the VM Convertible Notes Indenture. For additional information, see note 10.

(f) Excludes direct acquisition costs of $51.5 million, which are included in impairment, restructuring and other operating items, net, in our consolidated statements of operations.

2012 Acquisitions

Puerto Rico. On November 8, 2012, one of our subsidiaries, LGI Broadband Operations, Inc. (LGI Broadband Operations), completed a series of transactions (collectively, the Puerto Rico Transaction) with certain investment funds affiliated with Searchlight that resulted in their joint ownership of (i) Liberty Cablevision of Puerto Rico LLC (Old Liberty Puerto Rico), a subsidiary of LGI Broadband Operations, and (ii) San Juan Cable, LLC, doing business as OneLink Communications (OneLink), a broadband communications operator in Puerto Rico. In connection with the Puerto Rico Transaction, (i) Old Liberty Puerto Rico and OneLink were merged, with OneLink as the surviving entity, and (ii) OneLink was renamed Liberty Puerto Rico.

Immediately prior to the acquisition of OneLink, LGI Broadband Operations contributed its 100% interest in Old Liberty Puerto Rico, and Searchlight contributed cash of $94.7 million, to Leo Cable LP (Leo Cable), a newly formed entity. Leo Cable in turn used the cash contributed by Searchlight to fund the acquisition of 100% of the equity of OneLink from a third party (the OneLink Seller) for a purchase price of $96.5 million, including closing adjustments and $1.8 million of transaction-related costs paid by Old Liberty Puerto Rico on behalf of the OneLink Seller. Such purchase price, together with OneLink's consolidated net debt (aggregate fair value of debt and capital lease obligations outstanding less cash and cash equivalents) at November 8, 2012 of $496.0 million, resulted in total consideration of $592.5 million, excluding direct acquisition costs of $18.1 million, which are included in impairment, restructuring and other operating items, net, in our consolidated statement of operations.

In November 2013, LGI Broadband Operations reached a settlement agreement with respect to certain claims against the OneLink Seller, pursuant to which, among other matters, LGI Broadband Operations received a cash payment of $20.0 million. This amount is included as a credit within impairment, restructuring and other operating items, net, in our consolidated statement of operations, and the cash received is included within cash provided by operating activities in our consolidated statement of cash flows.

As a result of the Puerto Rico Transaction, LGI Broadband Operations acquired a 60.0% interest, and Searchlight acquired a 40.0% interest, in Leo Cable. As LGI Broadband Operations' 60.0% interest represents a controlling financial interest, LGI Broadband Operations consolidates Leo Cable.

We have accounted for the Puerto Rico Transaction as the acquisition of OneLink and the effective sale of a 40.0% interest in Old Liberty Puerto Rico. The effective sale of the 40.0% interest in Old Liberty Puerto Rico was accounted for as an equity transaction. We have accounted for the acquisition of OneLink using the acquisition method of accounting.

A summary of the purchase price and opening balance sheet for OneLink at the November 8, 2012 acquisition date is presented in the following table. The opening balance sheet presented below reflects our final purchase price allocation (in millions):

Cash and cash equivalents	$	4.4
Other current assets (a)		19.2
Property and equipment, net		150.2
Intangible assets subject to amortization (b)		90.5
Intangible assets not subject to amortization - cable television franchise rights		285.0
Goodwill (c)		226.1
Other assets, net		1.2
Current portion of debt and capital lease obligations		(3.5)
Other current liabilities (a)		(54.1)
Long-term debt and capital lease obligations		(496.9)
Deferred tax liabilities		(125.6)
Total purchase price	$	96.5

(a) Other current liabilities include an accrual for a loss contingency that was measured based on our best estimate of the probable loss. The OneLink Seller partially indemnified us for the outcome of this loss contingency and, accordingly, other current assets includes an indemnification asset, measured using the same basis as the associated loss contingency.

(b) Amount primarily includes intangible assets related to customer relationships. At November 8, 2012, the weighted average useful life of OneLink's intangible assets was approximately 10 years.

(c) The goodwill recognized in connection with the Puerto Rico Transaction is primarily attributable to (i) the ability to take advantage of the existing advanced broadband communications networks of OneLink to gain immediate access to potential customers and (ii) substantial synergies that were expected to be achieved through the integration of OneLink with our existing broadband communications operations in Puerto Rico.

Pro Forma Information

The following unaudited pro forma consolidated operating results give effect to (i) the acquisition of 100% of Ziggo and (ii) the Virgin Media Acquisition, as if they had been completed as of January 1, 2013. These pro forma amounts are not necessarily indicative of the operating results that would have occurred if these transactions had occurred on such date. The pro forma adjustments are based on certain assumptions that we believe are reasonable.

	Year ended December 31,			
	2014		2013	
	in millions, except per share amounts			
Revenue:				
Continuing operations	$	20,095.7	$	19,301.2
Discontinued operations		26.6		408.6
Total	$	20,122.3	$	19,709.8
Net loss attributable to Liberty Global shareholders	$	(1,223.0)	$	(1,200.2)
Basic and diluted loss attributable to Liberty Global shareholders per share	$	(1.35)	$	(1.30)

Our consolidated statement of operations for 2014 includes revenue and net loss of $272.0 million and $98.7 million, respectively, attributable to Ziggo.

The following unaudited pro forma consolidated operating results give effect to (i) the Virgin Media Acquisition and (ii) the Puerto Rico Transaction, as if they had been completed as of January 1, 2012. These pro forma amounts are not necessarily indicative of the operating results that would have occurred if these transactions had occurred on such date. The pro forma adjustments are based on certain assumptions that we believe are reasonable.

	Year ended December 31,	
	2013	2012
	in millions, except per share amounts	
Revenue:		
Continuing operations	$ 17,239.1	$ 16,465.0
Discontinued operations	408.6	673.7
Total	$ 17,647.7	$ 17,138.7
Net earnings (loss) attributable to Liberty Global shareholders (a)	$ (1,300.4)	$ 3,701.5
Basic earnings (loss) attributable to Liberty Global shareholders per share (a)	$ (1.63)	$ 4.48
Diluted earnings (loss) attributable to Liberty Global shareholders per share (a)	$ (1.63)	$ 4.39

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(a) The 2012 amounts reflect the impact of a $4,144.9 million release of valuation allowances on Virgin Media's deferred tax assets. This release was included in Virgin Media's historical results for the fourth quarter of 2012.

Our consolidated statement of operations for 2013 includes revenue and net loss of $3,653.7 million and $987.8 million, respectively, attributable to Virgin Media.

(5) Discontinued Operations

Chellomedia Disposal Group. On January 31, 2014, we completed the sale of the Chellomedia Disposal Group to AMC Networks Inc. for €750.0 million ($1,013.1 million at the applicable rate) in cash (the Chellomedia Transaction). Accordingly, the Chellomedia Disposal Group is reflected as a discontinued operation in our consolidated statements of operations and cash flows for all periods presented. The assets disposed of pursuant to the Chellomedia Transaction exclude Chellomedia's premium sports and film channels in the Netherlands. In connection with the sale of the Chellomedia Disposal Group, we recognized a pre-tax gain of $342.2 million. This pre-tax gain is net of a $64.0 million cumulative foreign currency translation loss, which was reclassified to net loss from accumulated other comprehensive earnings. The associated income tax expense of $9.5 million differs from the amount computed by applying the U.K. statutory income tax rate in effect at the time of 21.5% primarily due to the fact that (i) the transaction was not subject to taxation in the U.K. and (ii) most elements of the transaction were not subject to taxation in the Netherlands or the U.S. The net after-tax gain of $332.7 million is included in gain on disposal of discontinued operations, net of taxes, in our consolidated statement of operations.

Certain of our broadband communications operations will continue to receive programming services from the Chellomedia Disposal Group through contracts that were negotiated as part of the disposal. As such, Liberty Global will have continuing cash outflows associated with the Chellomedia Disposal Group through at least 2017. However, our involvement as an ongoing customer of the Chellomedia Disposal Group does not disqualify discontinued operations classification because (i) the ongoing cash outflows are not considered significant to the Chellomedia Disposal Group and (ii) Liberty Global does not possess any rights within the ongoing contractual arrangements that would allow us to exert influence over the Chellomedia Disposal Group.

The summarized financial position of the Chellomedia Disposal Group as of December 31, 2013 is as follows (in millions):

Assets:	
Cash and cash equivalents	$ 4.6
Other current assets	234.1
Investments	21.1
Property and equipment, net	43.1
Goodwill	224.4
Other assets	225.0
Total assets (a)	$ 752.3
Liabilities:	
Current liabilities	$ 127.5
Other long-term liabilities	19.8
Total liabilities (a)	147.3
Total equity	605.0
Total liabilities and equity	$ 752.3

(a) Excludes intercompany payables and receivables that are eliminated within Liberty Global's consolidated financial statements.

Austar. On July 11, 2011, our company and Austar entered into agreements with certain third parties (collectively, FOXTEL) pursuant to which FOXTEL agreed to acquire 100% of Austar's ordinary shares through a series of transactions (the Austar Transaction), one of which involved our temporary acquisition of the 45.85% of Austar's ordinary shares held by the noncontrolling shareholders (the Austar NCI Acquisition). On April 26, 2012, pursuant to the terms of the Austar NCI Acquisition, all of the shares of Austar that we did not already own were acquired by a new wholly-owned subsidiary of Liberty Global (LGI Austar Holdco), with funding provided by a loan from FOXTEL. On May 23, 2012, FOXTEL acquired 100% of Austar from LGI Austar Holdco for AUD 1.52 ($1.50 at the transaction date) per share in cash, which represented a total equity sales price of AUD 1,932.7 million ($1,906.6 million at the transaction date) for the 100% interest in Austar (based on Austar ordinary shares outstanding at the transaction date) or AUD 1,046.5 million for our 54.15% interest in Austar. Upon completion of these transactions and excluding proceeds related to the shares acquired in the Austar NCI Acquisition, our company realized cash proceeds equivalent to $1,056.1 million after taking into account applicable foreign currency forward contracts and before considering cash paid for disposal costs.

In connection with the sale of Austar, we recognized a pre-tax gain of $928.2 million that includes (i) cumulative foreign currency translation gains of $22.6 million and (ii) cumulative cash flow hedge losses of $15.1 million, each of which have been reclassified to net earnings from accumulated other comprehensive earnings. The associated deferred income tax expense of $4.1 million differs from the amount computed by applying the U.S. federal income tax rate of 35% primarily due to the fact that (i) the Austar Transaction was not subject to taxation in Australia and (ii) most elements of the Austar Transaction were not subject to taxation in the U.S. This gain, net of income taxes, is included in gain on disposal of discontinued operations, net of taxes, in our consolidated statement of operations.

The combined operating results of the Chellomedia Disposal Group (2014, 2013 and 2012) and Austar (2012) are classified as discontinued operations in our consolidated statements of operations and are summarized in the following table:

	Year ended December 31,		
	2014 (a) (b)	2013 (b)	2012 (b) (c)
	in millions		
Revenue	$ 26.6	$ 408.6	$ 673.7
Operating income	$ 0.6	$ 12.1	$ 78.7
Earnings (loss) before income taxes and noncontrolling interests	$ 0.9	$ (1.0)	$ 75.2
Income tax expense	$ (0.1)	$ (22.7)	$ (28.1)
Earnings (loss) from discontinued operations attributable to Liberty Global shareholders, net of taxes	$ 0.8	$ (26.3)	$ 22.4

(a) Includes the operating results of the Chellomedia Disposal Group through January 31, 2014, the date the Chellomedia Disposal Group was sold.

(b) Excludes the Chellomedia Disposal Group's intercompany revenue and expenses that are eliminated within Liberty Global's consolidated financial statements.

(c) Includes the operating results of Austar through May 23, 2012, the date the Austar Transaction was completed.

(6) Investments

The details of our investments are set forth below:

	December 31,	
Accounting Method	2014	2013
	in millions	
Fair value:		
Ziggo:		
Not subject to re-use rights (34.1 million shares at December 31, 2013)	$ —	$ 1,560.1
Subject to re-use rights (22.9 million shares at December 31, 2013)	—	1,049.4
Total — Ziggo	—	2,609.5
ITV — subject to re-use rights	871.2	—
Sumitomo	473.1	572.9
Other	318.4	299.4
Total — fair value	1,662.7	3,481.8
Equity	145.1	8.9
Cost	0.4	0.5
Total	$ 1,808.2	$ 3,491.2
Discontinued operation — Investments held by the Chellomedia Disposal Group	$ —	$ 21.1

Fair Value Investments

Ziggo. Prior to the November 11, 2014 completion of the Ziggo Acquisition, we accounted for our investment in shares of Ziggo as a fair value investment. For additional information regarding the Ziggo Acquisition, see note 4.

At December 31, 2013, we owned 57,000,738 shares of Ziggo, representing 28.5% of the then outstanding shares of Ziggo. In April 2013, LGE HoldCo V BV, our wholly-owned subsidiary, entered into a limited recourse margin loan agreement (the Ziggo Margin Loan) with respect to a portion of our investment in Ziggo and, in July 2013, we entered into a share collar (the Ziggo Collar) and secured borrowing arrangement (the Ziggo Collar Loan) with respect to a portion of our owned Ziggo shares. All but 4,743,738 of the Ziggo shares that we owned at December 31, 2013 were pledged as collateral under one or the other of the Ziggo Collar and Ziggo Collar Loan. During 2013, we received aggregate cash dividends from Ziggo of $78.4 million after taking into account the impact of the Ziggo Collar. In connection with the Ziggo Acquisition, the Ziggo Collar was terminated and the Ziggo Collar Loan was settled. For additional information on the Ziggo Collar and Ziggo Collar Loan, see note 7. As described in note 10, we repaid the Ziggo Margin Loan during the first quarter of 2014.

The summarized financial condition of Ziggo as of December 31, 2013 is set forth below (in millions):

Current assets	$ 261.9
Long-term assets	6,131.5
Total assets	$ 6,393.4
Current liabilities	$ 539.3
Long-term liabilities	4,516.0
Owners’ equity	1,338.1
Total liabilities and owners’ equity	$ 6,393.4

The summarized results of operations of Ziggo for the periods indicated are set forth below:

	2014 (a)	2013 (b)
	in millions	
Revenue	$ 1,876.9	$ 1,570.7
Operating income	$ 336.0	$ 418.5
Net earnings (loss)	$ (230.3)	$ 199.1

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(a) Amounts relate to the period from January 1, 2014 through the Ziggo Acquisition Date.

(b) Amounts relate to the period from March 28, 2013 (the date of our initial investment in Ziggo) through December 31, 2013.

ITV. On July 17, 2014, we acquired an aggregate of 259,820,065 shares of ITV plc (ITV) from British Sky Broadcasting Group plc at a price of £1.85 ($3.14 at the transaction date) per share, for a total investment of £480.7 million ($816.3 million at the transaction date). ITV is a commercial broadcaster in the U.K. Our ITV shares represent 6.4% of the total outstanding shares of ITV as of September 30, 2014, the most current publicly-available information. All of our ITV shares are subject to a share collar (the ITV Collar) and pledged as collateral under a secured borrowing arrangement (the ITV Collar Loan). Under the terms of the ITV Collar, the counterparty has the right to re-use all of the pledged ITV shares. For additional information regarding the ITV Collar Loan and the ITV Collar, including a description of the related re-use rights and the impact of the ITV Collar on the dividends we receive on our ITV shares, see note 7.

Sumitomo. At December 31, 2014 and 2013, we owned 45,652,043 shares of Sumitomo Corporation (Sumitomo) common stock. Our Sumitomo shares represented less than 5% of Sumitomo’s outstanding common stock at December 31, 2014. These shares secure the Sumitomo Collar Loan, as defined and described in note 7.

Other. Includes various fair value investments, the most significant of which is our 17.0% interest in ITI Neovision S.A. (ITI Neovision**)** (formerly Canal+ Cyfrowy S.A.), a privately-held DTH operator in Poland.

Equity Method Investments

All3Media. As of December 31, 2014, our most significant equity method investment is our investment in All3Media Holdings Limited (All3Media), an independent television, film and digital production and distribution company in the U.K. Our investment in All3Media is held through our 50.0% interest in DLG Acquisition Limited (DLG), a joint venture between one of our subsidiaries and a subsidiary of Discovery Communications, Inc. (Discovery). In September 2014, we and a subsidiary of Discovery each contributed £90.0 million ($147.2 million at the transaction date) to DLG in connection with DLG's acquisition of 100% of All3Media.

Chellomedia Disposal Group

Substantially all of the investments held by the Chellomedia Disposal Group were measured at fair value. The investments held by the Chellomedia Disposal Group at December 31, 2013 are included in long-term assets of discontinued operations on our consolidated balance sheet. For additional information regarding the Chellomedia Disposal Group, see note 5.

(7) Derivative Instruments

In general, we seek to enter into derivative instruments to protect against (i) increases in the interest rates on our variable-rate debt and (ii) foreign currency movements, particularly with respect to borrowings that are denominated in a currency other than the functional currency of the borrowing entity. In this regard, through our subsidiaries, we have entered into various derivative instruments to manage interest rate exposure and foreign currency exposure with respect to the U.S. dollar ($), the euro (€), the British pound sterling (£), the Swiss franc (CHF), the Chilean peso (CLP), the Czech koruna (CZK), the Hungarian forint (HUF), the Polish zloty (PLN) and the Romanian lei (RON). We generally do not apply hedge accounting to our derivative instruments. Accordingly, changes in the fair values of most of our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments, net, in our consolidated statements of operations.

The following table provides details of the fair values of our derivative instrument assets and liabilities:

	December 31, 2014			December 31, 2013		
	Current	Long-term (a)	Total	Current	Long-term (a)	Total
	in millions					
Assets:						
Cross-currency and interest rate derivative contracts (b)	$ 443.6	$ 913.7	$ 1,357.3	$ 248.4	$ 520.8	$ 769.2
Equity-related derivative instruments (c)	—	400.2	400.2	—	430.4	430.4
Foreign currency forward contracts	2.5	—	2.5	2.6	—	2.6
Other	0.5	0.9	1.4	1.1	0.9	2.0
Total	$ 446.6	$ 1,314.8	$ 1,761.4	$ 252.1	$ 952.1	$ 1,204.2
Liabilities:						
Cross-currency and interest rate derivative contracts (b)	$ 1,027.4	$ 1,443.9	$ 2,471.3	$ 727.2	$ 2,191.4	$ 2,918.6
Equity-related derivative instruments (c)	15.3	73.1	88.4	15.6	101.3	116.9
Foreign currency forward contracts	0.8	—	0.8	8.2	12.0	20.2
Other	0.2	0.1	0.3	0.2	0.6	0.8
Total	$ 1,043.7	$ 1,517.1	$ 2,560.8	$ 751.2	$ 2,305.3	$ 3,056.5

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(a) Our long-term derivative assets and liabilities are included in other assets, net, and other long-term liabilities, respectively, in our consolidated balance sheets.

(b) We consider credit risk in our fair value assessments. As of December 31, 2014 and 2013, (i) the fair values of our cross-currency and interest rate derivative contracts that represented assets have been reduced by credit risk valuation adjustments aggregating $30.9 million and $9.8 million, respectively, and (ii) the fair values of our cross-currency and interest rate derivative contracts that represented liabilities have been reduced by credit risk valuation adjustments aggregating $64.6 million and $173.0 million, respectively. The adjustments to our derivative assets relate to the credit risk associated with counterparty nonperformance and the adjustments to our derivative liabilities relate to credit risk associated with our own nonperformance. In all cases, the adjustments take into account offsetting liability or asset positions within a given contract. Our determination of credit risk valuation adjustments generally is based on our and our counterparties' credit risks, as observed in the credit default swap market and market quotations for certain of our subsidiaries' debt instruments, as applicable. The changes in the credit risk valuation adjustments associated with our cross-currency and interest rate derivative contracts resulted in net gains (losses) of ($120.9 million), $15.3 million and ($57.3 million) during 2014, 2013 and 2012, respectively. These amounts are included in realized and unrealized gains (losses) on derivative instruments, net, in our consolidated statements of operations. For further information concerning our fair value measurements, see note 8.

(c) Our equity-related derivative instruments include the fair value of (i) the ITV Collar (as described below) at December 31, 2014, (ii) the share collar (the Sumitomo Collar) with respect to the Sumitomo shares held by our company, (iii) the Virgin Media Capped Calls (as defined and described below) and (iv) the Ziggo Collar (as described below) at December 31, 2013. The fair values of our equity collars do not include credit risk valuation adjustments as we assume that any losses incurred by our company in the event of nonperformance by the respective counterparty would be, subject to relevant insolvency laws, fully offset against amounts we owe to such counterparty pursuant to the related secured borrowing arrangements.

The details of our realized and unrealized gains (losses) on derivative instruments, net, are as follows:

	Year ended December 31,		
	2014	**2013**	**2012**
		in millions	
Cross-currency and interest rate derivative contracts	$ 293.6	$ (586.5)	$ (958.3)
Equity-related derivative instruments:			
Ziggo Collar	(113.3)	(152.5)	—
ITV Collar	(77.4)	—	—
Sumitomo Collar	(46.0)	(206.4)	(109.0)
Virgin Media Capped Calls	0.4	(3.4)	—
Total equity-related derivative instruments	(236.3)	(362.3)	(109.0)
Foreign currency forward contracts	31.6	(72.9)	(6.0)
Other	(0.1)	1.3	3.0
Total	$ 88.8	$ (1,020.4)	$ (1,070.3)

The net cash received or paid related to our derivative instruments is classified as an operating, investing or financing activity in our consolidated statements of cash flows based on the objective of the derivative instrument and the classification of the applicable underlying cash flows. For derivative contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity. The classification of these cash inflows (outflows) are as follows:

	Year ended December 31,		
	2014	2013	2012
	in millions		
Operating activities	$ (445.7)	$ (402.1)	$ (435.5)
Investing activities	(30.2)	(66.5)	23.7
Financing activities	(221.0)	524.5	(108.4)
Total	$ (696.9)	$ 55.9	$ (520.2)

Counterparty Credit Risk

We are exposed to the risk that the counterparties to the derivative instruments of our subsidiary borrowing groups will default on their obligations to us. We manage these credit risks through the evaluation and monitoring of the creditworthiness of, and concentration of risk with, the respective counterparties. In this regard, credit risk associated with our derivative instruments is spread across a relatively broad counterparty base of banks and financial institutions. Collateral is generally not posted by either party under the derivative instruments of our subsidiary borrowing groups. At December 31, 2014, our exposure to counterparty credit risk included derivative assets with an aggregate fair value of $1,040.9 million.

Each of our subsidiary borrowing groups have entered into derivative instruments under master agreements with each counterparty that contain master netting arrangements that are applicable in the event of early termination by either party to such derivative instrument. The master netting arrangements under each of these master agreements are limited to the derivative instruments governed by the relevant master agreement within each individual borrowing group and are independent of similar arrangements of our other subsidiary borrowing groups.

Under our derivative contracts, it is generally only the non-defaulting party that has a contractual option to exercise early termination rights upon the default of the other counterparty and to set off other liabilities against sums due upon such termination. However, in an insolvency of a derivative counterparty, under the laws of certain jurisdictions, the defaulting counterparty or its insolvency representatives may be able to compel the termination of one or more derivative contracts and trigger early termination payment liabilities payable by us, reflecting any mark-to-market value of the contracts for the counterparty. Alternatively, or in addition, the insolvency laws of certain jurisdictions may require the mandatory set off of amounts due under such derivative contracts against present and future liabilities owed to us under other contracts between us and the relevant counterparty. Accordingly, it is possible that we may be subject to obligations to make payments, or may have present or future liabilities owed to us partially or fully discharged by set off as a result of such obligations, in the event of the insolvency of a derivative counterparty, even though it is the counterparty that is in default and not us. To the extent that we are required to make such payments, our ability to do so will depend on our liquidity and capital resources at the time. In an insolvency of a defaulting counterparty, we will be an unsecured creditor in respect of any amount owed to us by the defaulting counterparty, except to the extent of the value of any collateral we have obtained from that counterparty.

In addition, where a counterparty is in financial difficulty, under the laws of certain jurisdictions, the relevant regulators may be able to (i) compel the termination of one or more derivative instruments, determine the settlement amount and/or compel, without any payment, the partial or full discharge of liabilities arising from such early termination that are payable by the relevant counterparty or (ii) transfer the derivative instruments to an alternative counterparty.

Details of our Derivative Instruments

In the following tables, we present the details of the various categories of our subsidiaries' derivative instruments. For each subsidiary, the notional amount of multiple derivative instruments that mature within the same calendar month are shown in the aggregate and interest rates are presented on a weighted average basis. In addition, for derivative instruments that were in effect as of December 31, 2014, we present a single date that represents the applicable final maturity date. For derivative instruments that become effective subsequent to December 31, 2014, we present a range of dates that represents the period covered by the applicable derivative instruments.

Cross-currency and Interest Rate Derivative Contracts

Cross-currency Swaps:

The terms of our outstanding cross-currency swap contracts at December 31, 2014 are as follows:

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
		in millions				
Virgin Media Investment Holdings Limited (VMIH), a subsidiary of Virgin Media:						
February 2022	$	1,400.0	£	873.6	5.01%	5.49%
June 2020	$	1,384.6	£	901.4	6 mo. LIBOR + 2.75%	6 mo. GBP LIBOR + 3.18%
October 2020	$	1,370.4	£	881.6	6 mo. LIBOR + 2.75%	6 mo. GBP LIBOR + 3.10%
January 2021	$	500.0	£	308.9	5.25%	6 mo. GBP LIBOR + 2.06%
October 2022	$	450.0	£	272.0	6.00%	6.43%
January 2022	$	425.0	£	255.8	5.50%	5.82%
April 2019	$	291.5	£	186.2	5.38%	5.49%
November 2016 (a)	$	55.0	£	27.7	6.50%	7.03%
October 2019	$	50.0	£	30.3	8.38%	8.98%
October 2019 - October 2022	$	50.0	£	30.7	6.00%	5.75%
UPC Broadband Holding BV (UPC Broadband Holding), a subsidiary of UPC Holding BV:						
July 2018	$	525.0	€	396.3	6 mo. LIBOR + 1.99%	6.25%
January 2020	$	327.5	€	249.5	6 mo. LIBOR + 4.92%	7.52%
January 2015 - July 2021	$	312.0	€	240.0	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.87%
January 2015	$	300.0	€	226.5	6 mo. LIBOR + 1.75%	5.78%
October 2020	$	300.0	€	219.1	6 mo. LIBOR + 3.00%	6 mo. EURIBOR + 3.04%
January 2017 - July 2021	$	262.1	€	194.1	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.51%
November 2019	$	250.0	€	181.5	7.25%	7.74%
November 2021	$	250.0	€	181.4	7.25%	7.50%
July 2018	$	200.0	€	151.0	6 mo. LIBOR + 3.00%	7.31%
January 2020	$	197.5	€	150.5	6 mo. LIBOR + 4.92%	6 mo. EURIBOR + 4.91%
July 2021	$	128.0	€	97.2	6 mo. LIBOR + 2.50%	6 mo. EURIBOR + 2.90%

Subsidiary / Final maturity date	Notional amount due from counterparty		Notional amount due to counterparty		Interest rate due from counterparty	Interest rate due to counterparty
	in millions					
January 2015 - July 2018	$	100.0	€	75.4	6 mo. LIBOR + 1.75%	5.77%
December 2016	$	340.0	CHF	370.9	6 mo. LIBOR + 3.50%	6 mo. CHF LIBOR + 4.01%
January 2017 - July 2021	$	300.0	CHF	278.3	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.46%
November 2019	$	250.0	CHF	226.8	7.25%	6 mo. CHF LIBOR + 5.01%
January 2020	$	225.0	CHF	206.3	6 mo. LIBOR + 4.81%	5.44%
January 2015 - July 2021	$	200.0	CHF	186.0	6 mo. LIBOR + 2.50%	6 mo. CHF LIBOR + 2.55%
January 2015	$	171.5	CHF	187.1	6 mo. LIBOR + 2.75%	6 mo. CHF LIBOR + 2.95%
July 2020	$	201.5	RON	489.3	6 mo. LIBOR + 3.50%	11.34%
January 2015	€	898.4	CHF	1,466.0	6 mo. EURIBOR + 1.68%	6 mo. CHF LIBOR + 1.94%
January 2015 - January 2021	€	720.8	CHF	877.0	6 mo. EURIBOR + 2.50%	6 mo. CHF LIBOR + 2.62%
January 2015 - September 2022	€	383.8	CHF	477.0	6 mo. EURIBOR + 2.00%	6 mo. CHF LIBOR + 2.22%
January 2015 - January 2017	€	360.4	CHF	589.0	6 mo. EURIBOR + 3.75%	6 mo. CHF LIBOR + 3.94%
April 2018	€	285.1	CHF	346.7	10.51%	9.87%
January 2020	€	175.0	CHF	258.6	7.63%	6.76%
January 2015 - July 2021	€	161.4	CHF	187.1	6 mo. EURIBOR + 2.35%	6 mo. CHF LIBOR + 2.76%
July 2020	€	107.4	CHF	129.0	6 mo. EURIBOR + 3.00%	6 mo. CHF LIBOR + 3.28%
January 2017	€	75.0	CHF	110.9	7.63%	6.98%
December 2015	€	69.1	CLP	53,000.0	3.50%	5.75%
January 2015	€	365.8	CZK	10,521.8	5.48%	5.99%
January 2015 - January 2020	€	318.9	CZK	8,818.7	5.58%	5.44%
January 2015 - January 2017	€	60.0	CZK	1,703.1	5.50%	6.99%
July 2017	€	39.6	CZK	1,000.0	3.00%	3.75%
January 2015	€	260.0	HUF	75,570.0	5.50%	9.40%
January 2015 - January 2017	€	260.0	HUF	75,570.0	5.50%	10.56%
December 2016	€	150.0	HUF	43,367.5	5.50%	9.20%
July 2018	€	78.0	HUF	19,500.0	5.50%	9.15%
January 2015	€	400.5	PLN	1,605.6	5.50%	7.50%
January 2015 - January 2017	€	245.0	PLN	1,000.6	5.50%	9.03%
September 2016	€	200.0	PLN	892.7	6.00%	8.19%
January 2015 - January 2020	€	144.6	PLN	605.0	5.50%	7.98%
July 2017	€	82.0	PLN	318.0	3.00%	5.60%
December 2015	CLP	53,000.0	€	69.1	5.75%	3.50%

Subsidiary / Final maturity date		Notional amount due from counterparty		Notional amount due to counterparty	Interest rate due from counterparty	Interest rate due to counterparty
		in millions				
Amsterdamse Beheer-en Consultingmaatschappij BV (ABC B.V.), a subsidiary of Ziggo:						
January 2022	$	2,350.0	€	1,727.0	6 mo. LIBOR + 2.75%	4.56%
Unitymedia Hessen GmbH & Co. KG (Unitymedia Hessen), a subsidiary of Unitymedia KabelBW:						
January 2023	$	1,652.9	€	1,252.5	5.67%	4.50%
January 2021	$	797.1	€	546.5	5.50%	5.60%
VTR:						
January 2022	$	1,400.0	CLP	760,340.0	6.88%	10.94%

(a) Unlike the other cross-currency swaps presented in this table, the identified cross-currency swap does not involve the exchange of notional amounts at the inception and maturity of the instrument. Accordingly, the only cash flows associated with this instrument are interest payments and receipts.

Interest Rate Swaps:

The terms of our outstanding interest rate swap contracts at December 31, 2014 are as follows:

Subsidiary / Final maturity date		Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
		in millions		
VMIH:				
October 2018	£	2,155.0	6 mo. GBP LIBOR	1.52%
January 2021	£	650.0	5.50%	6 mo. GBP LIBOR + 1.84%
January 2021	£	650.0	6 mo. GBP LIBOR + 1.84%	3.87%
December 2015	£	600.0	6 mo. GBP LIBOR	2.90%
April 2018	£	300.0	6 mo. GBP LIBOR	1.37%
UPC Broadband Holding:				
July 2020	$	1,000.0	6.63%	6 mo. LIBOR + 3.03%
January 2022	$	750.0	6.88%	6 mo. LIBOR + 4.89%
January 2015	€	1,554.0	1 mo. EURIBOR + 3.75%	6 mo. EURIBOR + 3.56%
January 2015 - January 2016	€	1,554.0	1 mo. EURIBOR + 3.75%	6 mo. EURIBOR + 3.58%
January 2015	€	1,364.8	6 mo. EURIBOR	3.44%
July 2020	€	750.0	6.38%	6 mo. EURIBOR + 3.16%
January 2015 - January 2021	€	750.0	6 mo. EURIBOR	2.57%
January 2015 - December 2016	€	500.0	6 mo. EURIBOR	4.32%
January 2015 - January 2023	€	290.0	6 mo. EURIBOR	2.79%
December 2015	€	263.3	6 mo. EURIBOR	3.97%
January 2023	€	210.0	6 mo. EURIBOR	2.88%
January 2015 - January 2018	€	175.0	6 mo. EURIBOR	3.74%
January 2015 - July 2020	€	171.3	6 mo. EURIBOR	3.95%

Subsidiary / Final maturity date	Notional amount		Interest rate due from counterparty	Interest rate due to counterparty
	in millions			
July 2020	€	171.3	6 mo. EURIBOR	4.32%
January 2015 - November 2021	€	107.0	6 mo. EURIBOR	2.89%
January 2015	CHF	2,380.0	6 mo. CHF LIBOR	2.81%
January 2015 - January 2022	CHF	711.5	6 mo. CHF LIBOR	1.89%
January 2015 - January 2021	CHF	500.0	6 mo. CHF LIBOR	1.65%
January 2015 - January 2018	CHF	400.0	6 mo. CHF LIBOR	2.51%
January 2015 - December 2016	CHF	370.9	6 mo. CHF LIBOR	3.82%
January 2015 - November 2019	CHF	226.8	6 mo. CHF LIBOR + 5.01%	6.88%
ABC B.V.:				
January 2022	€	1,566.0	6 mo. EURIBOR	1.66%
Telenet International Finance S.a.r.l (Telenet International), a subsidiary of Telenet:				
June 2023	€	500.0	3 mo. EURIBOR	1.45%
July 2017 - June 2022	€	420.0	3 mo. EURIBOR	2.08%
June 2021	€	400.0	3 mo. EURIBOR	0.41%
July 2017 - June 2023	€	382.0	3 mo. EURIBOR	1.89%
July 2017	€	150.0	3 mo. EURIBOR	3.55%
August 2015 - June 2022	€	55.0	3 mo. EURIBOR	1.81%
June 2015	€	50.0	3 mo. EURIBOR	3.55%

Interest Rate Caps

Our purchased and sold interest rate cap contracts with respect to EURIBOR at December 31, 2014 are detailed below:

	December 31, 2014		
Subsidiary / Final maturity date	Notional amount		EURIBOR cap rate
	in millions		
Interest rate caps purchased (a):			
Liberty Global Europe Financing BV (LGE Financing), the immediate parent of UPC Holding BV:			
January 2015 - January 2020	€	735.0	7.00%
Telenet International:			
June 2015 - June 2017	€	50.0	4.50%
Telenet NV, a subsidiary of Telenet:			
December 2017	€	0.6	6.50%
December 2017	€	0.6	5.50%
Interest rate cap sold (b):			
UPC Broadband Holding:			
January 2015 - January 2020	€	735.0	7.00%

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(a) Our purchased interest rate caps entitle us to receive payments from the counterparty when EURIBOR exceeds the EURIBOR cap rate.

(b) Our sold interest rate cap requires that we make payments to the counterparty when EURIBOR exceeds the EURIBOR cap rate.

Interest Rate Collars

Our interest rate collar contracts establish floor and cap rates with respect to EURIBOR on the indicated notional amounts at December 31, 2014, as detailed below:

	December 31, 2014		
Subsidiary / Final maturity date	**Notional amount**	**EURIBOR floor rate (a)**	**EURIBOR cap rate (b)**
	in millions		
UPC Broadband Holding:			
January 2015 - January 2020	€ 1,135.0	1.00%	3.54%
Telenet International:			
July 2017	€ 650.0	2.00%	4.00%

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(a) We make payments to the counterparty when EURIBOR is less than the EURIBOR floor rate.

(b) We receive payments from the counterparty when EURIBOR is greater than the EURIBOR cap rate.

Equity-Related Derivative Instruments

Ziggo Collar and Secured Borrowing. In July 2013, Liberty Global Incorporated Limited (Liberty Global Limited), our wholly-owned subsidiary, paid a net option premium of €38.6 million ($51.0 million at the transaction date) to enter into the Ziggo Collar with respect to the then owned 24,957,000 Ziggo shares. The Ziggo Collar was comprised of (i) purchased put options exercisable by Liberty Global Limited and (ii) sold call options exercisable by the counterparty. Prior to the Ziggo Acquisition, the Ziggo Collar effectively hedged the value of a portion of our investment in Ziggo shares from significant losses due to market price decreases below the put option price while retaining a portion of the gains from market price increases up to the call option price.

The Ziggo Collar and related agreements also provided Liberty Global Limited with the ability to effectively finance the purchase of certain of its Ziggo shares pursuant to the Ziggo Collar Loan. In this regard, in July 2013, we borrowed €617.1 million ($816.4 million at the transaction date) under the Ziggo Collar Loan, including €486.4 million ($643.5 million at the transaction date) of non-cash borrowings that were used to finance the acquisition of Ziggo shares. At December 31, 2013, borrowings under the Ziggo Collar Loan were secured by 24,957,000 shares of Ziggo that were placed into a custody account. The Ziggo Collar Loan was issued at a discount with a zero coupon rate and an average implied yield of 45 basis points (0.45%). Under the terms of the Ziggo Collar, the counterparty had the right to re-use most of the Ziggo shares held in the custody account (up to an estimated 22.9 million shares at December 31, 2013), but we had the right to recall the shares that were re-used by the counterparty subject to certain costs. Pursuant to the terms of the Ziggo Collar, we lent to the counterparty 15.7 million Ziggo shares (the Lent Shares) on October 10, 2014. In addition, the counterparty had the right to retain dividends on the Ziggo shares that the counterparty would need to borrow from the custody account to hedge its exposure under the Ziggo Collar (an estimated 18.7 million shares at December 31, 2013). In January 2014, we settled a portion of the Ziggo Collar and Ziggo Collar Loan such that the number of Ziggo shares covered by these instruments was reduced to 19,965,600. Upon completion of the Ziggo Acquisition (see note 4), the Ziggo Collar was terminated, the Ziggo Collar Loan was settled and the counterparty was relieved of its obligation to redeliver to us the Lent Shares.

ITV Collar and Secured Borrowing. In July 2014, Liberty Global Limited entered into the ITV Collar with respect to all 259,820,065 of our ITV shares. The ITV Collar is comprised of (i) purchased put options exercisable by Liberty Global Limited and (ii) written call options exercisable by the counterparty. The ITV Collar effectively hedges the value of our investment in ITV shares from significant losses due to market price decreases below the put option price while retaining a portion of the gains from market price increases up to the call option price. For additional information regarding our investment in ITV, see note 6.

The ITV Collar and related agreements also provided Liberty Global Limited with the ability to effectively finance the purchase of its ITV shares pursuant to the ITV Collar Loan. In this regard, in July 2014, we borrowed £446.9 million ($764.5 million at the transaction date) under the ITV Collar Loan. At December 31, 2014, borrowings under the ITV Collar Loan were secured by all 259,820,065 of our ITV shares, which have been placed into a custody account. The ITV Collar Loan was issued at a discount with a zero coupon rate and an average implied yield of 173 basis points (1.73%). The ITV Collar Loan, which has an average maturity of three years and contains no financial covenants, provides for customary representations and warranties, events of default and certain adjustment and termination events. Under the terms of the ITV Collar, the counterparty has the right to re-use the pledged ITV shares held in the custody account, but we have the right to recall the shares that are re-used by the counterparty subject to certain costs. In addition, the counterparty retains dividends on the ITV shares that the counterparty would need to borrow from the custody account to hedge its exposure under the ITV Collar (an estimated 205 million shares at December 31, 2014).

Sumitomo Collar and Secured Borrowing. The Sumitomo Collar is comprised of purchased put options exercisable by Liberty Programming Japan LLC (Liberty Programming Japan), a wholly-owned subsidiary, and written call options exercisable by the counterparty with respect to all of the common shares of Sumitomo owned by Liberty Programming Japan. The Sumitomo Collar effectively hedges the value of our investment in Sumitomo shares from losses due to market price decreases below a per share value of ¥2,118.50 ($17.68) while retaining gains from market price increases up to a per share value of ¥2,787.50 ($23.26). At December 31, 2014, the market price of Sumitomo common stock was ¥1,242.00 ($10.36) per share. The Sumitomo Collar provides for a projected gross cash ordinary dividend to be paid per Sumitomo share during the term of the Sumitomo Collar. If the actual dividend paid does not exactly match the projected dividend, then an adjustment amount shall be payable between the parties to the Sumitomo Collar depending on the dividend actually paid by Sumitomo. The Sumitomo Collar may, at the option of Liberty Programming Japan, be settled in Sumitomo shares or in cash. The Sumitomo Collar also includes a purchased fair value put option, which effectively provides Liberty Programming Japan with the ability to sell the Sumitomo shares when the market price is trading between the put and call strike prices. The Sumitomo Collar matures in five equal semi-annual installments beginning on May 22, 2016. The fair value of the Sumitomo Collar as of December 31, 2014 was a net asset of $351.1 million.

The Sumitomo Collar and related agreements also provide Liberty Programming Japan with the ability to borrow funds on a secured basis. Borrowings under these agreements, which are secured by a pledge of 100% of the Sumitomo shares owned by Liberty Programming Japan, bear interest at 1.883%, mature in five equal semi-annual installments beginning on May 22, 2016, and are included in long-term debt and capital lease obligations in our consolidated balance sheets. During 2007, Liberty Programming Japan borrowed ¥93.660 billion ($757.6 million at the transaction date) under these agreements (the Sumitomo Collar Loan). The pledge arrangement entered into by Liberty Programming Japan provides that Liberty Programming Japan will be able to exercise all voting and consensual rights and, subject to the terms of the Sumitomo Collar, receive dividends on the Sumitomo shares.

Virgin Media Capped Calls. During 2010, Virgin Media entered into conversion hedges (the Virgin Media Capped Calls) with respect to the VM Convertible Notes, as defined and described in note 10, in order to offset a portion of the dilutive effects associated with conversion of the VM Convertible Notes. We account for the Virgin Media Capped Calls at fair value using a binomial pricing model and changes in fair value are reported in realized and unrealized gains or losses on derivative instruments, net, in our consolidated statements of operations. The Virgin Media Capped Calls mature on dates ranging from September 30, 2016 to November 10, 2016.

As further described in note 10, most of the VM Convertible Notes were exchanged for Liberty Global Class A and Class C ordinary shares and cash pursuant to the terms of the VM Convertible Notes Indenture (as defined in note 10). Accordingly, during 2013, we settled 93.8% of the notional amount of the Virgin Media Capped Calls for cash proceeds of $534.8 million.

Foreign Currency Forwards

The following table summarizes our outstanding foreign currency forward contracts at December 31, 2014:

Subsidiary	Currency purchased forward		Currency sold forward		Maturity dates
	in millions				
UPC Broadband Holding	$	0.8	CZK	14.9	January 2015 - March 2015
UPC Broadband Holding	€	63.8	CHF	76.0	January 2015 - December 2015
UPC Broadband Holding	€	4.5	CZK	123.3	January 2015 - March 2015
UPC Broadband Holding	€	4.1	HUF	1,275.0	January 2015 - March 2015
UPC Broadband Holding	€	12.0	PLN	51.0	January 2015 - March 2015
UPC Broadband Holding	£	1.2	€	1.4	January 2015 - March 2015
UPC Broadband Holding	CHF	67.0	€	55.7	January 2015
UPC Broadband Holding	CZK	300.0	€	10.9	January 2015
UPC Broadband Holding	HUF	7,400.0	€	23.6	January 2015
UPC Broadband Holding	PLN	90.0	€	20.9	January 2015
UPC Broadband Holding	RON	31.0	€	6.9	January 2015
VTR	$	52.4	CLP	31,739.4	January 2015 - December 2015

(8) Fair Value Measurements

We use the fair value method to account for (i) certain of our investments and (ii) our derivative instruments. The reported fair values of these investments and derivative instruments as of December 31, 2014 likely will not represent the value that will be paid or received upon the ultimate settlement or disposition of these assets and liabilities. In the case of the investments that we account for using the fair value method, the values we realize upon disposition will be dependent upon, among other factors, market conditions and the forecasted financial performance of the investees at the time of any such disposition. With respect to our derivative instruments, we expect that the values realized generally will be based on market conditions at the time of settlement, which may occur at the maturity of the derivative instrument or at the time of the repayment or refinancing of the underlying debt instrument.

GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. We record transfers of assets or liabilities in or out of Levels 1, 2 or 3 at the beginning of the quarter during which the transfer occurred. During 2014, no such transfers were made.

All of our Level 2 inputs (interest rate futures, swap rates and certain of the inputs for our weighted average cost of capital calculations) and certain of our Level 3 inputs (forecasted volatilities and credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves, forward interest and currency rates and weighted average cost of capital rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

For our investments in ITV and Sumitomo, the recurring fair value measurements are based on the quoted closing price of the respective shares at each reporting date. Accordingly, the valuations of these investments fall under Level 1 of the fair value hierarchy. Our other investments that we account for at fair value are privately-held companies and, therefore, quoted market prices are unavailable. The valuation technique we use for such investments is a combination of an income approach (discounted cash flow model based on forecasts) and a market approach (market multiples of similar businesses). With the exception of certain inputs for our weighted average cost of capital calculations that are derived from pricing services, the inputs used to value these investments are based on unobservable inputs derived from our assumptions. Therefore, the valuation of our privately-held investments falls under Level 3 of the fair value hierarchy. Any reasonably foreseeable changes in assumed levels of unobservable inputs for the valuations of our Level 3 investments would not be expected to have a material impact on our financial position or results of operations.

The recurring fair value measurement of our equity-related derivatives are based on binomial option pricing models, which require the input of observable and unobservable variables such as exchange traded equity prices, risk-free interest rates, dividend yields and forecasted volatilities of the underlying equity securities. The valuations of our equity-related derivatives are based on a combination of Level 1 inputs (exchange traded equity prices), Level 2 inputs (interest rate futures and swap rates) and Level 3 inputs (forecasted volatilities). As changes in volatilities could have a significant impact on the overall valuations, we have determined that these valuations fall under Level 3 of the fair value hierarchy. For the December 31, 2014 valuation of the ITV Collar, we used estimated volatilities ranging from 23.8% to 27.3%**.** At December 31, 2014, the valuations of the Sumitomo Collar and the Virgin Media Capped Calls were not significantly impacted by forecasted volatilities.

As further described in note 7, we have entered into various derivative instruments to manage our interest rate and foreign currency exchange risk. The recurring fair value measurements of these derivative instruments are determined using discounted cash flow models. Most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these derivative instruments. This observable data includes most interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads represent our most significant Level 3 inputs, and these inputs are used to derive the credit risk valuation adjustments with respect to our various interest rate and foreign currency derivative valuations. As we would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these derivative instruments, we have determined that these valuations fall under Level 2 of the fair value hierarchy. Our credit risk valuation adjustments with respect to our cross-currency and interest rate swaps are quantified and further explained in note 7.

Fair value measurements are also used in connection with nonrecurring valuations performed in connection with impairment assessments and acquisition accounting. These nonrecurring valuations include the valuation of reporting units, customer relationship intangible assets, property and equipment and the implied value of goodwill. The valuation of private reporting units is based at least in part on discounted cash flow analyses. With the exception of certain inputs for our weighted average cost of capital and discount rate calculations that are derived from pricing services, the inputs used in our discounted cash flow analyses, such as forecasts of future cash flows, are based on our assumptions. The valuation of customer relationships is primarily based on an excess earnings methodology, which is a form of a discounted cash flow analysis. The excess earnings methodology requires us to estimate the specific cash flows expected from the customer relationship, considering such factors as estimated customer life, the revenue expected to be generated over the life of the customer, contributory asset charges, and other factors. Tangible assets are typically valued using a replacement or reproduction cost approach, considering factors such as current prices of the same or similar equipment, the age of the equipment and economic obsolescence. The implied value of goodwill is determined by allocating the fair value of a reporting unit to all of the assets and liabilities of that unit as if the reporting unit had been acquired in a business combination, with the residual amount allocated to goodwill. All of our nonrecurring valuations use significant unobservable inputs and therefore fall under Level 3 of the fair value hierarchy. During 2014 and 2013, we performed nonrecurring valuations for the purpose of determining the acquisition accounting for the Ziggo Acquisition and the Virgin Media Acquisition, respectively. We used discount rates of 8.5% and 9.0%, respectively, for our valuations of the customer relationships acquired as a result of these acquisitions. For additional information, see note 4.

A summary of our assets and liabilities that are measured at fair value on a recurring basis is as follows:

Description	December 31, 2014	Fair value measurements at December 31, 2014 using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	in millions			
Assets:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 1,357.3	$ —	$ 1,357.3	$ —
Equity-related derivative instruments	400.2	—	—	400.2
Foreign currency forward contracts	2.5	—	2.5	—
Other	1.4	—	1.4	—
Total derivative instruments	1,761.4	—	1,361.2	400.2
Investments	1,662.7	1,344.3	—	318.4
Total assets	$ 3,424.1	$ 1,344.3	$ 1,361.2	$ 718.6
Liabilities - derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 2,471.3	$ —	$ 2,471.3	$ —
Equity-related derivative instruments	88.4	—	—	88.4
Foreign currency forward contracts	0.8	—	0.8	—
Other	0.3	—	0.3	—
Total liabilities	$ 2,560.8	$ —	$ 2,472.4	$ 88.4

Description	December 31, 2013	Fair value measurements at December 31, 2013 using: Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
	in millions			
Assets:				
Derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 769.2	$ —	$ 769.2	$ —
Equity-related derivative instrument	430.4	—	—	430.4
Foreign currency forward contracts	2.6	—	2.6	—
Other	2.0	—	2.0	—
Total derivative instruments	1,204.2	—	773.8	430.4
Investments	3,481.8	3,182.4	—	299.4
Total assets	$ 4,686.0	$ 3,182.4	$ 773.8	$ 729.8
Liabilities - derivative instruments:				
Cross-currency and interest rate derivative contracts	$ 2,918.6	$ —	$ 2,918.6	$ —
Equity-related derivative instrument	116.9	—	—	116.9
Foreign currency forward contracts	20.2	—	20.2	—
Other	0.8	—	0.8	—
Total liabilities	$ 3,056.5	$ —	$ 2,939.6	$ 116.9

A reconciliation of the beginning and ending balances of our assets and liabilities measured at fair value on a recurring basis using significant unobservable, or Level 3, inputs is as follows:

	Investments	Equity-related derivative instruments	Total
	in millions		
Balance of net assets at January 1, 2014	$ 299.4	$ 313.5	$ 612.9
Termination and other activity related to Ziggo Collar (a)	—	212.5	212.5
Gains (losses) included in loss from continuing operations (b):			
Realized and unrealized losses on derivative instruments, net	—	(236.3)	(236.3)
Realized and unrealized gain due to changes in fair values of certain investments, net	26.1	—	26.1
Foreign currency translation adjustments, dividends and other, net	(7.1)	22.1	15.0
Balance of net assets at December 31, 2014	$ 318.4	$ 311.8	$ 630.2

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(a) For additional information regarding the Ziggo Collar, see note 7.

(b) With the exception of a $113.3 million loss that we incurred during 2014 with respect to the Ziggo Collar, substantially all of these net losses relate to assets and liabilities of our continuing operations that we continue to carry on our consolidated balance sheet as of December 31, 2014.

(9) Long-lived Assets

Property and Equipment, Net

The details of our property and equipment and the related accumulated depreciation are set forth below:

	Estimated useful life at December 31, 2014	December 31, 2014	December 31, 2013
		in millions	
Distribution systems	3 to 30 years	$ 26,286.5	$ 25,193.2
Customer premises equipment	3 to 5 years	6,213.9	6,126.0
Support equipment, buildings and land	3 to 50 years	4,024.4	3,581.9
		36,524.8	34,901.1
Accumulated depreciation		(12,684.2)	(10,926.2)
Total property and equipment, net		$ 23,840.6	$ 23,974.9

Depreciation expense of our continuing operations related to our property and equipment was $4,401.6 million, $3,499.6 million and $2,201.4 million during 2014, 2013 and 2012, respectively. Depreciation expense of our discontinued operations related to our property and equipment was nil, $11.5 million and $12.3 million during 2014, 2013 and 2012, respectively.

At December 31, 2014 and 2013, the amount of property and equipment, net, recorded under capital leases was $1,580.8 million and $1,877.3 million, respectively. Most of these amounts relate to assets included in our distribution systems category. Depreciation of assets under capital leases of our continuing operations is included in depreciation and amortization in our consolidated statements of operations.

During 2014, 2013 and 2012, we recorded non-cash increases to our property and equipment related to assets acquired under capital leases of $127.2 million, $143.0 million and $63.1 million, respectively. In addition, during 2014, 2013 and 2012, we recorded non-cash increases related to vendor financing arrangements of $975.3 million, $573.5 million and $246.5 million, respectively, which exclude related VAT of $114.9 million, $46.0 million and $28.5 million, respectively, that were also financed by our vendors under these arrangements.

Most of our property and equipment is pledged as security under our various debt instruments. For additional information, see note 10.

In May 2012, we began offering mobile services in Chile through a combination of our own wireless network and a third-party wireless access arrangement. During the second quarter of 2013, we began exploring strategic alternatives with respect to VTR's mobile operations, including alternatives that involved the use of expanded mobile virtual network operator (MVNO) arrangements. Effective April 1, 2013, we reduced the useful lives of certain of VTR's network equipment to reflect our then expectation that we would enter into a new MVNO arrangement and cease commercial use of VTR's mobile network during the fourth quarter of 2013. In September 2013, VTR (i) completed the process of migrating its mobile traffic to a third-party wireless network pursuant to its existing roaming agreement and (ii) ceased commercial use of its mobile network, which resulted in a further reduction in the useful lives of the aforementioned network equipment. As a result of these reductions in useful lives, VTR's mobile operations recognized aggregate incremental depreciation expense of $98.3 million during 2013. In connection with the foregoing, we have recorded restructuring charges totaling $84.9 million during the third and fourth quarters of 2013. These restructuring charges include the fair value of (i) the remaining payments due under certain tower and real estate operating leases of $71.5 million and (ii) certain other required payments associated with VTR's mobile network. In December 2013, VTR amended its existing roaming agreement with an agreement that provides for a full MVNO relationship. For information regarding our restructuring charges, see note 14.

During the fourth quarter of 2014, we recorded a $68.7 million impairment charge to reduce the carrying amount of certain of Ziggo's internal-use software assets to zero. This internal-use software has no future service potential for Liberty Global as it will not be used by our combined operations in the Netherlands.

Goodwill

Changes in the carrying amount of our goodwill during 2014 are set forth below:

	January 1, 2014	Acquisitions and related adjustments	Foreign currency translation adjustments and other	December 31, 2014
		in millions		
European Operations Division:				
U.K./Ireland	$ 9,844.2	$ 2.1	$ (601.2)	$ 9,245.1
The Netherlands	1,260.4	7,724.3	(379.7)	8,605.0
Germany	3,939.4	—	(482.5)	3,456.9
Belgium	2,255.1	—	(276.2)	1,978.9
Switzerland/Austria	4,031.1	2.3	(441.5)	3,591.9
Total Western Europe	21,330.2	7,728.7	(2,181.1)	26,877.8
Central and Eastern Europe	1,520.1	8.3	(226.3)	1,302.1
Total European Operations Division	22,850.3	7,737.0	(2,407.4)	28,179.9
Chile	508.5	—	(68.2)	440.3
Corporate and other	390.0	—	(8.6)	381.4
Total	$ 23,748.8	$ 7,737.0	$ (2,484.2)	$ 29,001.6

Based on the results of our October 1, 2014 goodwill impairment test, a hypothetical decline of 20% or more in the fair value of one of our reporting units, Liberty Puerto Rico, could result in the need to record a goodwill impairment charge. At December 31, 2014, the goodwill associated with the Liberty Puerto Rico reporting unit, which is included in our corporate and other category, was $347.0 million. If, among other factors, (i) our equity values were to decline significantly or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our results of operations or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. Any such impairment charges could be significant.

At December 31, 2014 and 2013 and based on exchange rates as of those dates, the accumulated goodwill impairments of our continuing operations were $209.7 million and $239.6 million, respectively. These amounts represent accumulated impairments related to our broadband communications operations in Romania, which operations are included within the European Operations Division's Central and Eastern Europe segment.

Changes in the carrying amount of our goodwill during 2013 are set forth below:

	January 1, 2013	Acquisitions and related adjustments	Reclassification of Chellomedia Disposal Group to discontinued operations	Foreign currency translation adjustments and other	December 31, 2013
			in millions		
European Operations Division:					
U.K./Ireland	$ 235.5	$ 9,000.8	$ —	$ 607.9	$ 9,844.2
The Netherlands	1,206.2	—	—	54.2	1,260.4
Germany	3,770.3	—	—	169.1	3,939.4
Belgium	2,158.3	—	—	96.8	2,255.1
Switzerland/Austria	3,903.9	0.6	—	126.6	4,031.1
Total Western Europe	11,274.2	9,001.4	—	1,054.6	21,330.2
Central and Eastern Europe	1,509.5	—	—	10.6	1,520.1
Total European Operations Division	12,783.7	9,001.4	—	1,065.2	22,850.3
Chile	558.0	—	—	(49.5)	508.5
Corporate and other	535.9	77.2	(223.4)	0.3	390.0
Total	$ 13,877.6	$ 9,078.6	$ (223.4)	$ 1,016.0	$ 23,748.8

Intangible Assets Subject to Amortization, Net

The details of our intangible assets subject to amortization are set forth below:

	Estimated useful life at December 31, 2014	December 31, 2014			December 31, 2013		
		Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
				in millions			
Customer relationships	4 to 15 years	$ 12,142.5	$ (3,056.3)	$ 9,086.2	$ 8,116.7	$ (2,458.4)	$ 5,658.3
Other	2 to 15 years	235.4	(131.8)	103.6	288.1	(151.0)	137.1
Total		$ 12,377.9	$ (3,188.1)	$ 9,189.8	$ 8,404.8	$ (2,609.4)	$ 5,795.4

In December 2013, Telenet's management determined that it would no longer be able to utilize its spectrum rights as a result of the conclusion of negotiations with network operators in Belgium and the absence of regulatory alternatives. This resulted in a triggering event with respect to the intangible asset related to Telenet's spectrum rights and, after performing an impairment analysis, Telenet recorded an impairment charge of $73.0 million during the fourth quarter of 2013 to reduce the carrying amount of this intangible asset to zero.

Amortization of intangible assets with finite useful lives of our continuing operations was $1,098.5 million, $776.8 million and $460.1 million during 2014, 2013 and 2012, respectively. Amortization of intangible assets with finite useful lives of our discontinued operations was nil, $17.6 million and $17.3 million during 2014, 2013 and 2012, respectively. Based on the amortizable intangible asset balances of our continuing operations at December 31, 2014, we expect that amortization expense will be as follows for the next five years and thereafter. The U.S. dollar equivalents of such amortization expense amounts as of December 31, 2014 are presented below (in millions):

2015	$ 1,406.8
2016	1,360.6
2017	1,226.4
2018	1,089.2
2019	1,086.8
Thereafter	3,020.0
Total	$ 9,189.8

Other Indefinite-lived Intangible Assets

At December 31, 2014 and 2013, franchise rights and other indefinite-lived intangible assets aggregating $557.0 million and $470.2 million, respectively, were included in other assets, net, in our consolidated balance sheets.

(10) Debt and Capital Lease Obligations

The U.S. dollar equivalents of the components of our consolidated debt and capital lease obligations are as follows:

	December 31, 2014						
	Weighted average interest rate (a)	Unused borrowing capacity (b)		Estimated fair value (c)		Carrying value (d)	
				December 31,		December 31,	
		Borrowing currency	U.S. $ equivalent	2014	2013	2014	2013
				in millions			
Debt:							
VM Notes	5.83%	—	$ —	$ 8,461.0	$ 9,188.7	$ 8,060.7	$ 9,150.1
VM Credit Facility	3.78%	£ 660.0	1,028.4	4,734.9	4,388.9	4,804.0	4,352.8
VM Convertible Notes (e)	6.50%	—	—	178.7	164.1	56.8	57.5
UPC Broadband Holding Bank Facility	3.56%	€ 1,046.2	1,266.0	3,156.4	5,717.8	3,179.2	5,671.4
UPC Holding Senior Notes	7.16%	—	—	2,603.6	3,297.4	2,391.6	3,099.2
UPCB SPE Notes	6.88%	—	—	4,279.0	4,536.5	4,009.4	4,219.5
Unitymedia KabelBW Notes	5.75%	—	—	7,869.3	8,058.2	7,400.9	7,651.9
Unitymedia KabelBW Revolving Credit Facilities	2.63%	€ 220.0	266.2	319.4	—	338.8	—
Ziggo Credit Facility	3.63%	€ 650.0	786.5	4,663.0	—	4,710.8	—
Ziggo Notes	6.82%	—	—	1,082.3	—	1,077.0	—
Telenet SPE Notes	5.93%	—	—	2,450.4	2,916.5	2,299.0	2,759.2
Telenet Credit Facility	3.44%	€ 322.9	390.8	1,633.4	1,956.9	1,638.6	1,936.9
VTR Finance Senior Secured Notes	6.88%	—	—	1,439.4	—	1,400.0	—
Sumitomo Collar Loan (f)	1.88%	—	—	818.0	939.3	787.7	894.3
Liberty Puerto Rico Bank Facility	5.20%	$ 40.0	40.0	666.2	666.2	672.0	665.0
ITV Collar Loan (f)	1.73%	—	—	678.2	—	667.0	—
Vendor financing (g)	3.45%	—	—	946.4	603.1	946.4	603.1
Other (h)	9.28%	(i)	196.2	171.5	1,795.4	171.5	1,795.1
Total debt	5.13%		$ 3,974.1	$ 46,151.1	$ 44,229.0	44,611.4	42,856.0
Capital lease obligations:							
Unitymedia KabelBW (j)						810.1	952.0
Telenet (k)						413.4	451.2
Virgin Media						255.3	373.5
Other subsidiaries						68.8	71.6
Total capital lease obligations						1,547.6	1,848.3
Total debt and capital lease obligations						46,159.0	44,704.3
Current maturities						(1,550.9)	(1,023.4)
Long-term debt and capital lease obligations						$ 44,608.1	$ 43,680.9

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(a) Represents the weighted average interest rate in effect at December 31, 2014 for all borrowings outstanding pursuant to each debt instrument, including any applicable margin. The interest rates presented represent stated rates and do not include the impact of our interest rate derivative instruments, deferred financing costs, original issue premiums or discounts or commitment fees, all of which affect our overall cost of borrowing. Including the effects of derivative instruments, original issue premiums and discounts and commitment fees, but excluding the impact of financing costs, our weighted average interest rate on our aggregate variable- and fixed-rate indebtedness was 6.0% at December 31, 2014. For information concerning our derivative instruments, see note 7.

(b) Unused borrowing capacity represents the maximum availability under the applicable facility at December 31, 2014 without regard to covenant compliance calculations or other conditions precedent to borrowing. At December 31, 2014, the full amount of unused borrowing capacity was available to be borrowed under each of the respective subsidiary facilities based on the applicable leverage and other financial covenants, except as noted below. At December 31, 2014, our availability under the UPC Broadband Holding Bank Facility and the Unitymedia KabelBW Revolving Credit Facilities (each as defined and described below) was limited to €906.7 million ($1,097.2 million) and €15.1 million ($18.3 million), respectively. When the relevant December 31, 2014 compliance reporting requirements have been completed and assuming no changes from December 31, 2014 borrowing levels, we anticipate that our availability under the UPC Broadband Holding Bank Facility and the Unitymedia KabelBW Revolving Credit Facilities will be limited to €889.1 million ($1,075.9 million) and €123.7 million ($149.7 million), respectively. In addition to the limitations noted above, the debt instruments of our subsidiaries contain restricted payment tests that limit the amount that can be loaned or distributed to other Liberty Global subsidiaries and ultimately to Liberty Global. At December 31, 2014, these restrictions did not impact our ability to access the liquidity of our subsidiaries to satisfy our corporate liquidity needs beyond what is described above, except that the availability to be loaned or distributed by Virgin Media and Ziggo was limited to £508.8 million ($792.8 million) and €37.1 million ($44.9 million), respectively. When the relevant December 31, 2014 compliance reporting requirements have been completed and assuming no changes from December 31, 2014 borrowing levels, we anticipate that the availability of Virgin Media and Ziggo will be limited to £525.7 million ($819.1 million) and €11.4 million ($13.8 million), respectively. For information concerning transactions completed subsequent to December 31, 2014 that could have an impact on unused borrowing capacity, see note 20.

(c) The estimated fair values of our debt instruments were determined using the average of applicable bid and ask prices (mostly Level 1 of the fair value hierarchy) or, when quoted market prices are unavailable or not considered indicative of fair value, discounted cash flow models (mostly Level 2 of the fair value hierarchy). The discount rates used in the cash flow models are based on the market interest rates and estimated credit spreads of the applicable entity, to the extent available, and other relevant factors. For additional information concerning fair value hierarchies, see note 8.

(d) Amounts include the impact of premiums and discounts, where applicable.

(e) The amount reported in the estimated fair value column for the VM Convertible Notes (as defined and described below) represents the estimated fair value of the remaining VM Convertible Notes outstanding as of December 31, 2014, including both the debt and equity components.

(f) For information regarding the Sumitomo Collar Loan and the ITV Collar Loan, see note 7.

(g) Represents amounts owed pursuant to interest-bearing vendor financing arrangements that are used to finance certain of our property and equipment additions. These obligations are generally due within one year. At December 31, 2014 and 2013, the amounts owed pursuant to these arrangements include $101.7 million and $47.3 million, respectively, of VAT that was paid on our behalf by the vendor. Repayments of vendor financing obligations are included in repayments and repurchases of debt and capital lease obligations in our consolidated statements of cash flows.

(h) The December 31, 2013 amounts include (i) outstanding borrowings of $113.1 million under VTR’s then-existing CLP 60.0 billion ($98.9 million) term loan bank facility, (ii) $852.6 million related to the Ziggo Collar Loan and (iii) $634.3 million related to the Ziggo Margin Loan. In January 2014, all outstanding amounts under VTR’s term loan bank facility were repaid and this facility was cancelled. In connection with this transaction, we recognized a loss on debt modification, extinguishment and conversion, net, of $2.0 million related to the write-off of deferred financing costs. During the first quarter of 2014, we used existing cash to repay the full amount of the Ziggo Margin Loan that was secured by a portion of our investment in Ziggo. In connection with this transaction, we recognized a loss on debt modification, extinguishment and conversion, net, of $2.3 million related to the write-off of deferred financing costs. Upon completion of the Ziggo Acquisition, the Ziggo Collar was terminated and the Ziggo Collar Loan was settled. In connection with this transaction, we recognized a loss on debt modification, extinguishment and conversion, net, of $4.0 million related to the payment of redemption premium. For information regarding our investment in Ziggo, see note 6.

(i) Unused borrowing capacity relates to the senior secured revolving credit facility of entities within VTR, which includes a $160.0 million U.S. dollar facility (the VTR Dollar Credit Facility) and a CLP 22.0 billion ($36.2 million) Chilean peso facility (the VTR CLP Credit Facility and, together with the VTR Dollar Credit Facility, the VTR Credit Facility), each of which were undrawn at December 31, 2014.

(j) Primarily represents Unitymedia KabelBW's obligations under duct network lease agreements with Telekom Deutschland GmbH (Deutsche Telekom), an operating subsidiary of Deutsche Telekom AG, as the lessor. The original contracts were concluded in 2000 and 2001 and have indefinite terms, subject to certain mandatory statutory termination rights for either party after a term of 30 years. With certain limited exceptions, the lessor generally is not entitled to terminate these leases. For information regarding litigation involving these duct network lease agreements, see note 17.

(k) At December 31, 2014 and 2013, Telenet's capital lease obligations included €328.6 million ($397.6 million) and €309.0 million ($373.9 million), respectively, associated with Telenet's lease of the broadband communications network of the four associations of municipalities in Belgium, which we refer to as the pure intercommunalues or the "PICs." All capital expenditures associated with the PICs network are initiated by Telenet, but are executed and financed by the PICs through additions to this lease that are repaid over a 15-year term. These amounts do not include Telenet's commitment related to certain operating costs associated with the PICs network. For additional information regarding this commitment, see note 17.

VM Notes

On March 28, 2014, Virgin Media Secured Finance PLC (Virgin Media Secured Finance), a wholly-owned subsidiary of Virgin Media, issued (i) $425.0 million principal amount of 5.5% senior secured notes due January 15, 2025 (the 2025 VM 5.5% Dollar Senior Secured Notes), (ii) £430.0 million ($670.0 million) principal amount of 5.5% senior secured notes due January 15, 2025 (the 2025 VM 5.5% Sterling Senior Secured Notes and, together with the 2025 VM 5.5% Dollar Senior Secured Notes, the 2025 VM Senior Secured Notes) and (iii) £225.0 million ($350.6 million) principal amount of 6.25% senior secured notes due March 28, 2029 (the Original 2029 VM Senior Secured Notes). In April 2014, the net proceeds from the 2025 VM Senior Secured Notes and the Original 2029 VM Senior Secured Notes were used to redeem all of the £875.0 million ($1,363.4 million) principal amount of 7.0% senior secured notes due 2018 (the 2018 VM Sterling Senior Secured Notes). In connection with these transactions, we recognized a gain on debt modification, extinguishment and conversion, net, of $5.2 million, which includes (i) the write-off of $61.8 million of unamortized premium, (ii) the payment of $51.3 million of redemption premium and (iii) the write-off of $5.3 million of deferred financing costs.

In April 2014, Virgin Media Secured Finance issued £175.0 million ($272.7 million) principal amount of 6.25% senior secured notes due March 28, 2029 (the Additional 2029 VM Senior Secured Notes and, together with the Original 2029 VM Senior Secured Notes, the 2029 VM Senior Secured Notes) at an issue price of 101.75%. The net proceeds from the Additional 2029 VM Senior Secured Notes, together with the proceeds from VM Facilities D and E (as defined and described below), were used to fully redeem the $1.0 billion principal amount of 6.5% senior secured notes due 2018 (the 2018 VM Dollar Senior Secured Notes). In connection with this transaction, we recognized a loss on debt modification, extinguishment and conversion, net, of $5.4 million, which includes (i) the write-off of $33.9 million of unamortized premium, (ii) the payment of $32.4 million of redemption premium and (iii) the write-off of $6.9 million of deferred financing costs.

On October 7, 2014, Virgin Media Finance PLC (Virgin Media Finance), a wholly-owned subsidiary of Virgin Media, issued (i) £300.0 million ($467.4 million) principal amount of 6.375% senior notes due October 15, 2024 (the 2024 VM Sterling Senior Notes) and (ii) $500.0 million principal amount of 6.0% senior notes due October 15, 2024 (the 2024 VM Dollar Senior Notes and, together with the 2024 VM Sterling Senior Notes, the 2024 VM Senior Notes). On October 24, 2014, the net proceeds from the 2024 VM Senior Notes were used to fully redeem (i) the $507.1 million principal amount of 8.375% senior notes due 2019 (the 2019 VM Dollar Senior Notes) and (ii) the £253.5 million ($395.0 million) principal amount of 8.875% senior notes due 2019 (the 2019 VM Sterling Senior Notes and, together with the 2019 VM Dollar Senior Notes, the 2019 VM Senior Notes). In connection with these transactions, we recognized a gain on debt modification, extinguishment and conversion, net, of $32.5 million, which includes (i) the write-off of $75.2 million of unamortized premium, (ii) the payment of $39.3 million of redemption premium and (iii) the write-off of $3.4 million of deferred financing costs.

The details of the outstanding senior notes of Virgin Media as of December 31, 2014 are summarized in the following table:

VM Notes	Maturity	Interest rate	Outstanding principal amount: Borrowing currency	Outstanding principal amount: U.S. $ equivalent	Estimated fair value	Carrying value (a)
				in millions		
2022 VM Senior Notes:						
2022 VM Dollar Senior Notes	February 15, 2022	4.875%	$ 118.7	$ 118.7	$ 113.9	$ 119.6
2022 VM Dollar Senior Notes	February 15, 2022	5.250%	$ 95.0	95.0	90.5	95.8
2022 VM Sterling Senior Notes	February 15, 2022	5.125%	£ 44.1	68.7	69.7	69.3
2023 VM Senior Notes:						
2023 VM Dollar Senior Notes	April 15, 2023	6.375%	$ 530.0	530.0	555.8	530.0
2023 VM Sterling Senior Notes	April 15, 2023	7.000%	£ 250.0	389.5	425.1	389.5
2024 VM Senior Notes:						
2024 VM Dollar Senior Notes	October 15, 2024	6.000%	$ 500.0	500.0	525.0	500.0
2024 VM Sterling Senior Notes	October 15, 2024	6.375%	£ 300.0	467.4	504.8	467.4
January 2021 VM Senior Secured Notes:						
January 2021 VM Sterling Senior Secured Notes	January 15, 2021	5.500%	£ 628.4	979.1	1,055.0	992.2
January 2021 VM Dollar Senior Secured Notes	January 15, 2021	5.250%	$ 447.9	447.9	468.0	460.1
April 2021 VM Senior Secured Notes:						
April 2021 VM Sterling Senior Secured Notes	April 15, 2021	6.000%	£ 1,100.0	1,713.9	1,810.3	1,713.9
April 2021 VM Dollar Senior Secured Notes	April 15, 2021	5.375%	$ 1,000.0	1,000.0	1,033.1	1,000.0
2025 VM Senior Secured Notes:						
2025 VM 5.5% Sterling Senior Secured Notes	January 15, 2025	5.500%	£ 430.0	670.0	694.7	670.0
2025 VM 5.5% Dollar Senior Secured Notes	January 15, 2025	5.500%	$ 425.0	425.0	440.1	425.0
2029 VM Sterling Senior Secured Notes	March 28, 2029	6.250%	£ 400.0	623.2	675.0	627.9
Total				$ 8,028.4	$ 8,461.0	$ 8,060.7

(a) Amounts include the impact of premiums, where applicable, including amounts recorded in connection with the acquisition accounting for the Virgin Media Acquisition.

The 2022 VM Senior Notes, the 2023 VM Senior Notes and the 2024 VM Senior Notes were issued by Virgin Media Finance and are collectively referred to as the “VM Senior Notes.” The January 2021 VM Senior Secured Notes, the April 2021 VM Senior Secured Notes, the 2025 VM Senior Secured Notes and the 2029 VM Senior Secured Notes were issued by Virgin Media Secured Finance and are collectively referred to as the “VM Senior Secured Notes” and, together with the VM Senior Notes, the VM Notes).

The VM Senior Notes are unsecured senior obligations of Virgin Media Finance that rank equally with all of the existing and future senior debt of Virgin Media Finance and are senior to all existing and future subordinated debt of Virgin Media Finance.

The VM Senior Notes are guaranteed on a senior basis by Virgin Media and certain subsidiaries of Virgin Media, and on a senior subordinated basis by VMIH and Virgin Media Investments Limited (VMIL).

The VM Senior Secured Notes are senior obligations of Virgin Media Secured Finance that rank equally with all of the existing and future senior debt of Virgin Media Secured Finance and are senior to all existing and future subordinated debt of Virgin Media Secured Finance. The VM Senior Secured Notes are guaranteed on a senior basis by Virgin Media and certain subsidiaries of Virgin Media (the VM Senior Secured Guarantors), and are secured by liens on substantially all of the assets of Virgin Media Secured Finance and the VM Senior Secured Guarantors (except for Virgin Media).

The VM Notes contain certain customary incurrence-based covenants. For example, the ability to raise certain additional debt and make certain distributions or loans to other subsidiaries of Liberty Global is subject to a consolidated gross leverage ratio test (or a consolidated net leverage ratio test with respect to the 2024 VM Senior Notes, the 2025 VM Senior Secured Notes and the 2029 VM Senior Secured Notes), in each case, as specified in the applicable indenture. In addition, the VM Notes provide that any failure to pay principal prior to expiration of any applicable grace period, or any acceleration with respect to other indebtedness of £50.0 million ($77.9 million) (or £75.0 million ($116.9 million) with respect to the 2024 VM Senior Notes, the 2025 VM Senior Secured Notes and the 2029 VM Senior Secured Notes) or more in the aggregate of Virgin Media and/or certain of its subsidiaries (as specified under the applicable indenture), is an event of default under the VM Notes.

Subject to the circumstances described below, the VM Notes are non-callable prior to the applicable call date as presented in the below table. At any time prior to the respective call date, Virgin Media Secured Finance or Virgin Media Finance may redeem some or all of the applicable notes by paying a “make-whole” premium, which is the present value of all remaining scheduled interest payments to the applicable call date using the discount rate (as specified in the applicable indenture) as of the redemption date plus 50 basis points (25 basis points in the case of the January 2021 VM Senior Secured Notes).

VM Notes	Call Date
2022 VM Senior Notes	(a)
2023 VM Senior Notes	April 15, 2018
2024 VM Senior Notes	October 15, 2019
January 2021 VM Senior Secured Notes	(a)
April 2021 VM Senior Secured Notes	April 15, 2017
2025 VM Senior Secured Notes	January 15, 2019
2029 VM Senior Secured Notes	January 15, 2021

(a) The 2022 VM Senior Notes and the January 2021 VM Senior Secured Notes are non-callable. At any time prior to maturity, some or all of these notes may be redeemed by paying a “make-whole” premium, which is the present value of all remaining scheduled interest payments to February 15, 2022 in the case of the 2022 VM Senior Notes or January 15, 2021 in the case of the January 2021 VM Senior Secured Notes.

Virgin Media Secured Finance or Virgin Media Finance (as applicable) may redeem some or all of the April 2021 VM Senior Secured Notes, the 2023 VM Senior Notes, the 2024 VM Senior Notes, the 2025 VM Senior Secured Notes or the 2029 VM Senior Secured Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing on October 15, in the case of the 2024 VM Senior Notes, or April 15, in the case of the April 2021 VM Senior Secured Notes and the 2023 VM Senior Notes and January 15, in the case of the 2025 VM Senior Secured Notes and the 2029 VM Senior Secured Notes of the years set forth below:

	Redemption price							
Year	**April 2021 VM Dollar Senior Secured Notes**	**April 2021 VM Sterling Senior Secured Notes**	**2023 VM Dollar Senior Notes**	**2023 VM Sterling Senior Notes**	**2024 VM Dollar Senior Notes**	**2024 VM Sterling Senior Notes**	**2025 VM Senior Secured Notes**	**2029 VM Senior Secured Notes**
2015	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2016	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2017	102.688%	103.000%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2018	101.344%	101.500%	103.188%	103.500%	N.A.	N.A.	N.A.	N.A.
2019	100.000%	100.000%	102.125%	102.333%	103.000%	103.188%	102.750%	N.A.
2020	100.000%	100.000%	101.063%	101.667%	102.000%	102.125%	101.833%	N.A.
2021	N.A.	N.A.	100.000%	100.000%	101.000%	101.063%	100.000%	103.125%
2022	N.A.	N.A.	100.000%	100.000%	100.000%	100.000%	100.000%	102.083%
2023	N.A.	N.A.	N.A.	N.A.	100.000%	100.000%	100.000%	101.042%
2024 and thereafter	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	100.000%	100.000%

If VMIH or Virgin Media Finance (as applicable) or the restricted subsidiaries (as specified in the applicable indenture) sell certain assets, Virgin Media Secured Finance or Virgin Media Finance must offer to repurchase the relevant VM Notes at par, or if Virgin Media Communications Limited (Virgin Media Communications), a wholly-owned subsidiary of Virgin Media, or certain of its subsidiaries experience changes in control (as specified in the applicable indenture), Virgin Media Secured Finance or Virgin Media Finance (as applicable) must offer to repurchase all of the relevant VM Notes at a redemption price of 101%.

For information regarding certain senior notes issued by Virgin Media Secured Finance and Virgin Media Finance subsequent to December 31, 2014, see note 20.

VM Credit Facility

On June 7, 2013, VMIH, together with certain other subsidiaries of Virgin Media as borrowers and guarantors (the Virgin Media Credit Facility Borrowers), entered into a new senior secured credit facility agreement, as amended and restated on June 14, 2013 (the VM Credit Facility), pursuant to which the lenders thereunder agreed to provide the borrowers with (i) a £375.0 million ($584.3 million) term loan (VM Facility A), (ii) a $2,755.0 million term loan (VM Facility B), (iii) a £600.0 million ($934.9 million) term loan (VM Facility C) and (iv) a £660.0 million ($1,028.4 million) revolving credit facility (the VM Revolving Facility). With the exception of the VM Revolving Facility, all available amounts were borrowed under the VM Credit Facility in June 2013.

In April 2014, Virgin Media entered into (a) a new £100.0 million ($155.8 million) term loan (VM Facility D) and (b) a new £849.4 million ($1,323.5 million) term loan (VM Facility E), each under the VM Credit Facility. In connection with these transactions, (1) certain lenders under the then-existing VM Facility C effectively rolled £500.4 million ($779.7 million) of their drawn commitments under VM Facility C to VM Facilities D and E and (2) the remaining outstanding balance of VM Facility C was repaid with existing liquidity.

The VM Credit Facility requires that certain of the Virgin Media Credit Facility Borrowers that generate not less than 80% of such group’s EBITDA (as specified in the VM Credit Facility) in any financial year, guarantee the payment of all sums payable under the VM Credit Facility and such group members are required to grant first-ranking security over all or substantially all of their assets to secure the payment of all sums payable. In addition, the holding company of each borrower must give a share pledge over its shares in such borrower.

In addition to mandatory prepayments which must be made for certain disposal proceeds (subject to certain de minimis thresholds), the lenders may cancel their commitments and declare the loans due and payable after 30 business days following the occurrence of a change of control in respect of VMIH, subject to certain exceptions.

The VM Credit Facility contains certain customary events of default, the occurrence of which, subject to certain exceptions and materiality qualifications, would allow the lenders to (i) cancel the total commitments, (ii) accelerate all outstanding loans and terminate their commitments thereunder and/or (iii) declare that all or part of the loans be payable on demand. The VM Credit Facility contains certain representations and warranties customary for facilities of this type, which are subject to exceptions, baskets and materiality qualifications.

The VM Credit Facility restricts the ability of the Virgin Media Credit Facility Borrowers and certain of their subsidiaries to, among other things, (i) incur or guarantee certain financial indebtedness, (ii) make certain disposals and acquisitions and (iii) create certain security interests over their assets, in each case, subject to carve-outs from such limitations.

The VM Credit Facility requires the borrowers to observe certain affirmative undertakings or covenants, which covenants are subject to materiality and other customary and agreed exceptions. In addition, the VM Credit Facility also requires compliance with various financial covenants such as senior net debt to annualized EBITDA and total net debt to annualized EBITDA, each as specified in the VM Credit Facility.

In addition to customary default provisions, the VM Credit Facility provides that any event of default with respect to indebtedness of £50.0 million ($77.9 million) or more in the aggregate of Virgin Media Finance and its subsidiaries is an event of default under the VM Credit Facility.

The VM Credit Facility permits the Virgin Media Credit Facility Borrowers and certain of their subsidiaries to make certain distributions and restricted payments to its parent company (and indirectly to Liberty Global) through loans, advances or dividends subject to compliance with applicable covenants.

The details of our borrowings under the VM Credit Facility as of December 31, 2014 are summarized in the following table:

Facility	Maturity	Interest rate	Facility amount (in borrowing currency)	Unused borrowing capacity	Carrying value (a)
				in millions	
A	June 7, 2019	LIBOR + 3.25%	£ 375.0	$ —	$ 584.3
B	June 7, 2020	LIBOR + 2.75% (b)	$ 2,755.0	—	2,744.0
D	June 30, 2022	LIBOR + 3.25% (b)	£ 100.0	—	155.4
E	June 30, 2023	LIBOR + 3.50% (b)	£ 849.4	—	1,320.3
VM Revolving Facility (c)	June 7, 2019	LIBOR + 3.25%	£ 660.0	1,028.4	—
Total				$ 1,028.4	$ 4,804.0

(a) The carrying values of VM Facilities B, D and E include the impact of discounts.

(b) VM Facilities B, D and E each have a LIBOR floor of 0.75%.

(c) The VM Revolving Facility has a fee on unused commitments of 1.3% per year.

VM Convertible Notes

In April 2008, Virgin Media issued $1.0 billion principal amount of 6.50% convertible senior notes (the VM Convertible Notes), pursuant to an indenture (as supplemented, the VM Convertible Notes Indenture). The VM Convertible Notes mature on November 15, 2016, unless the VM Convertible Notes are exchanged or repurchased prior thereto pursuant to the terms of the VM Convertible Notes Indenture.

As a result of the application of acquisition accounting in connection with the Virgin Media Acquisition, the $2,716.8 million estimated fair value of the VM Convertible Notes at June 7, 2013 was allocated between the respective debt and equity components. The portion allocated to the debt component of $1,056.8 million was measured based on the estimated fair value of a debt instrument that has the same terms as the VM Convertible Notes without the conversion feature. The amount allocated to the debt component resulted in a premium to the principal amount of the VM Convertible Notes. The $1,660.0 million portion allocated to the equity component was recorded as an increase to additional paid-in capital in our consolidated statement of equity.

The VM Convertible Notes are exchangeable under certain conditions for (subject to further adjustment as specified in the VM Convertible Notes Indenture and subject to Virgin Media's right to settle in cash or a combination of Liberty Global ordinary shares and cash) 13.4339 of our Class A ordinary shares, 33.4963 of our Class C ordinary shares and $910.51 in cash (without interest) for each $1,000 in principal amount of VM Convertible Notes exchanged. The circumstances under which the VM Convertible Notes are exchangeable are more fully described in the VM Convertible Notes Indenture, including, for example, based on the relationship of the value of the Virgin Media Merger Consideration to the conversion price of the VM Convertible Notes. Based on the trading prices of our Class A and Class C ordinary shares during a specified period, as provided for in the VM Convertible Notes Indenture, the VM Convertible Notes are currently exchangeable.

During the 2013 period following the Virgin Media Acquisition, an aggregate of $944.2 million principal amount of VM Convertible Notes had been exchanged following the Virgin Media Acquisition for 13.1 million Class A and 9.8 million Class C ordinary shares and $885.1 million of cash. The difference between the cash portion of the exchange consideration and the aggregate $998.8 million fair value of the exchanged VM Convertible Notes on the exchange dates resulted in a net increase to equity of $113.7 million. No gain or loss on extinguishment was recorded for these exchanges as the debt component of the VM Convertible Notes was measured at fair value shortly before the exchanges pursuant to the application of acquisition accounting in connection with the Virgin Media Acquisition. After giving effect to all exchanges completed through December 31, 2014, the remaining principal amount outstanding under the VM Convertible Notes was $54.8 million.

The VM Convertible Notes are senior unsecured obligations of Virgin Media that rank equally in right of payment with all of Virgin Media's existing and future senior and unsecured indebtedness and rank senior in right to all of Virgin Media's existing and future subordinated indebtedness. The VM Convertible Notes are effectively subordinated to all existing and future indebtedness and other obligations of Virgin Media's subsidiaries. The VM Convertible Notes Indenture does not contain any financial or restrictive covenants. The VM Convertible Notes are non-callable.

UPC Broadband Holding Bank Facility

The UPC Broadband Holding Bank Facility, as amended from time to time, is the senior secured credit facility of UPC Broadband Holding, our wholly-owned subsidiary. The security package for the UPC Broadband Holding Bank Facility includes a pledge over the shares of UPC Broadband Holding and the shares of certain of UPC Broadband Holding's majority-owned operating companies. The UPC Broadband Holding Bank Facility is also guaranteed by UPC Holding B.V. (UPC Holding), the immediate parent of UPC Broadband Holding, and is senior to other long-term debt obligations of UPC Broadband Holding and UPC Holding. The agreement governing the UPC Broadband Holding Bank Facility contains covenants that limit, among other things, UPC Broadband Holding's ability to merge with or into another company, acquire other companies, incur additional debt, dispose of assets, make distributions or pay dividends, provide loans and guarantees and enter into hedging agreements. In addition to customary default provisions, including defaults on other indebtedness of UPC Broadband Holding and its subsidiaries, the UPC Broadband Holding Bank Facility provides that any event of default with respect to indebtedness of (i) €50.0 million ($60.5 million) or more in the aggregate of (a) Liberty Global Europe LLC (the indirect parent of Liberty Global Europe Holding BV, Liberty Global Europe), (b) any other company of which UPC Broadband Holding is a subsidiary and which is a subsidiary of Liberty Global Europe and (c) UPC Holding II BV (a subsidiary of UPC Holding) and (ii) €15.0 million ($18.2 million) or more in the aggregate of any member of the UPC Broadband Holding borrower group, is an event of default under the UPC Broadband Holding Bank Facility.

The UPC Broadband Holding Bank Facility permits UPC Broadband Holding to transfer funds to its parent company (and indirectly to Liberty Global) through loans, advances or dividends provided that UPC Broadband Holding maintains compliance with applicable covenants. If a change of control occurs, as specified in the UPC Broadband Holding Bank Facility, the facility agent may (if required by the majority lenders) cancel each facility and declare all outstanding amounts immediately due and payable. The UPC Broadband Holding Bank Facility requires compliance with various financial covenants such as: (i) senior debt (after deducting cash and cash equivalent investments) to annualized EBITDA, (ii) EBITDA to total cash interest, (iii) EBITDA to senior debt service, (iv) EBITDA to senior interest and (v) total debt (after deducting cash and cash equivalent investments) to annualized EBITDA, each term as specified in the UPC Broadband Holding Bank Facility.

The covenant in the UPC Broadband Holding Bank Facility relating to disposals of assets includes a basket for permitted disposals of assets, the annualized EBITDA of which does not exceed a certain percentage of the annualized EBITDA of the UPC Broadband Holding borrower group, each term as specified in the UPC Broadband Holding Bank Facility. The UPC Broadband Holding Bank Facility includes a recrediting mechanism, in relation to the permitted disposals basket, based on the proportion of net sales proceeds that are (i) used to prepay facilities and (ii) reinvested in the borrower group.

The UPC Broadband Holding Bank Facility includes a mandatory prepayment requirement of four times annualized EBITDA of certain disposed assets. The prepayment amount may be allocated to one or more of the facilities at UPC Broadband Holding's discretion and then applied to the loans under the relevant facility on a pro rata basis, as specified in the UPC Broadband Holding Bank Facility. A prepayment may be waived by the majority lenders subject to the requirement to maintain pro forma covenant compliance. If the mandatory prepayment amount is less than €100.0 million ($121.0 million), then no prepayment is required (subject to pro forma covenant compliance). No such prepayment is required to be made where an amount, equal to the amount that would otherwise be required to be prepaid, is deposited in a blocked account on terms that the principal amount deposited may only be released in order to make the relevant prepayment or to reinvest in assets in accordance with the terms of the UPC Broadband Holding Bank Facility, which expressly includes permitted acquisitions and capital expenditures. Any amounts deposited in the blocked account that have not been reinvested (or contracted to be so reinvested), within 12 months of the relevant permitted disposal, are required to be applied in prepayment in accordance with the terms of the UPC Broadband Holding Bank Facility.

The details of our borrowings under the UPC Broadband Holding Bank Facility as of December 31, 2014 are summarized in the following table:

Facility	Maturity	Interest rate	Facility amount (in borrowing currency) (a)	Unused borrowing capacity (b)	Carrying value (c)
				in millions	
V (d)	January 15, 2020	7.625%	€ 500.0	$ —	$ 605.0
Y (d)	July 1, 2020	6.375%	€ 750.0	—	907.5
Z (d)	July 1, 2020	6.625%	$ 1,000.0	—	1,000.0
AC (d)	November 15, 2021	7.250%	$ 750.0	—	750.0
AD (d)	January 15, 2022	6.875%	$ 750.0	—	750.0
AG (e)	March 31, 2021	EURIBOR + 3.75%	€ 1,554.4	—	1,877.2
AH	June 30, 2021	LIBOR + 2.50% (f)	$ 1,305.0	—	1,302.0
AI	April 30,2019	EURIBOR + 3.25%	€ 1,046.2	1,266.0	—
Elimination of Facilities V, Y, Z, AC and AD in consolidation (d)				—	(4,012.5)
Total				$ 1,266.0	$ 3,179.2

(a) Except as described in (d) below, amounts represent total third-party facility amounts at December 31, 2014 without giving effect to the impact of discounts.

(b) At December 31, 2014, our availability under the UPC Broadband Holding Bank Facility was limited to €906.7 million ($1,097.2 million). When the relevant December 31, 2014 compliance reporting requirements have been completed, we anticipate that our availability under the UPC Broadband Holding Bank Facility will be limited to €889.1 million ($1,075.9 million). Facility AI has a fee on unused commitments of 1.3% per year.

(c) The carrying values of Facilities AG and AH include the impact of discounts.

(d) As further discussed in the below description of the UPCB SPE Notes, the amounts outstanding under Facilities V, Y, Z, AC and AD are eliminated in Liberty Global's consolidated financial statements.

(e) For information regarding certain financing transactions subsequent to December 31, 2014 whereby, among other items, a portion of Facility AG was rolled into a new facility, see note 20.

(f) Facility AH has a LIBOR floor of 0.75%.

Refinancing Transactions. During 2014, 2013 and 2012, we completed a number of refinancing transactions that generally resulted in additional borrowings or extended maturities under the the UPC Broadband Holding Bank Facility. In connection with these transactions, we recognized losses on debt modification, extinguishment and conversion, net, of $16.5 million, $11.9 million and $16.3 million during 2014, 2013 and 2012, respectively. These losses include (i) write-offs of deferred financing costs and unamortized discounts of $16.5 million, $4.2 million and $14.3 million, respectively, and (ii) nil, $7.7 million and $2.0 million of third-party debt modification costs, respectively.

UPC Holding Senior Notes

2014 Transactions. During April 2014, we used existing cash to fully redeem UPC Holding's $400.0 million principal amount of 9.875% senior notes due 2018 (the UPC Holding 9.875% Senior Notes). In connection with this transaction, we recognized a loss on debt modification, extinguishment and conversion, net, of $41.5 million, which includes (i) the payment of $19.7 million of redemption premium, (ii) the write-off of $17.4 million of unamortized discount and (iii) the write-off of $4.4 million of deferred financing costs.

2013 Transactions. On March 26, 2013, UPC Holding issued (i) €450.0 million ($544.5 million) principal amount of 6.75% senior notes (the UPC Holding 6.75% Euro Senior Notes) and (ii) CHF 350.0 million ($352.1 million) principal amount of 6.75% senior notes (the UPC Holding 6.75% CHF Senior Notes and, together with the UPC Holding 6.75% Euro Senior Notes, the UPC Holding 6.75% Senior Notes).

On April 25, 2013, the net proceeds from the issuance of the UPC Holding 6.75% Senior Notes were used to redeem in full (a) UPC Holding's €300.0 million ($363.0 million) principal amount of 8.0% senior notes due 2016 (the UPC Holding 8.0% Senior Notes) and (b) UPC Holding's €400.0 million ($484.0 million) principal amount of 9.75% senior notes due 2018 (the UPC Holding 9.75% Senior Notes). Our obligations with respect to the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes were legally discharged with the trustee on March 26, 2013 and March 27, 2013, respectively, in connection with the issuance of the UPC Holding 6.75% Senior Notes. The trustee, in turn, paid all amounts due to the holders of the UPC Holding 8.0% Senior Notes and UPC Holding 9.75% Senior Notes on April 25, 2013. We incurred aggregate debt extinguishment losses of $85.5 million during the first quarter of 2013, which includes (i) $35.6 million of redemption premium related to the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes, (ii) the write-off of $24.5 million of unamortized discount related to the UPC Holding 9.75% Senior Notes, (iii) the write-off of $19.0 million of deferred financing costs associated with the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes and (iv) $6.4 million of aggregate interest incurred on the UPC Holding 8.0% Senior Notes and the UPC Holding 9.75% Senior Notes between the respective dates that we and the trustee were legally discharged, as described above.

We collectively refer to the UPC Holding 6.75% Senior Notes, UPC Holding's €600.0 million ($726.0 million) principal amount of 6.375% senior notes due 2022 (the UPC Holding 6.375% Senior Notes) and UPC Holding's €640.0 million ($774.4 million) principal amount of 8.375% senior notes due 2020 (the UPC Holding 8.375% Senior Notes) as the "UPC Holding Senior Notes."

The details of the UPC Holding Senior Notes as of December 31, 2014 are summarized in the following table:

UPC Holding Senior Notes	Maturity	Outstanding principal amount		Estimated fair value	Carrying value (a)
		Borrowing currency	U.S. $ equivalent		
			in millions		
UPC Holding 8.375% Senior Notes	August 15, 2020	€ 640.0	$ 774.4	$ 833.4	$ 774.4
UPC Holding 6.375% Senior Notes	September 15, 2022	€ 600.0	726.0	786.8	720.6
UPC Holding 6.75% Euro Senior Notes	March 15, 2023	€ 450.0	544.5	597.3	544.5
UPC Holding 6.75% CHF Senior Notes	March 15, 2023	CHF 350.0	352.1	386.1	352.1
Total			$ 2,397.0	$ 2,603.6	$ 2,391.6

(a) Amounts include the impact of discounts, where applicable.

Each issue of the UPC Holding Senior Notes are senior obligations that rank equally with all of the existing and future senior debt and are senior to all existing and future subordinated debt of UPC Holding. The UPC Holding Senior Notes are secured (on a shared basis) by pledges of the shares of UPC Holding. The UPC Holding Senior Notes contain certain customary incurrence-based covenants. For example, the ability to raise certain additional debt and make certain distributions or loans to other subsidiaries of Liberty Global is subject to a consolidated leverage ratio test, as specified in the applicable indenture. In addition, the UPC Holding Senior Notes provide that any failure to pay principal prior to expiration of any applicable grace period, or any acceleration with respect to other indebtedness of €50.0 million ($60.5 million) or more in the aggregate of UPC Holding or its restricted subsidiaries (as specified in the applicable indenture), including UPC Broadband Holding, is an event of default under the UPC Holding Senior Notes.

At any time prior to August 15, 2015, in the case of the UPC Holding 8.375% Senior Notes, September 15, 2017, in the case of the UPC Holding 6.375% Senior Notes, and March 15, 2018, in the case of the UPC Holding 6.75% Senior Notes, UPC Holding may redeem some or all of such UPC Holding Senior Notes by paying a "make-whole" premium, which is the present value of all scheduled interest payments until August 15, 2015, September 15, 2017 or March 15, 2018 (as applicable) using the discount rate (as specified in the applicable indenture) as of the redemption date, plus 50 basis points.

UPC Holding may redeem some or all of the UPC Holding Senior Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing on August 15, in the case of the UPC Holding 8.375% Senior Notes, September 15, in the case of the UPC Holding 6.375% Senior Notes, and March 15, in the case of the UPC Holding 6.75% Senior Notes, of the years set forth below:

Year	Redemption Price		
	UPC Holding 8.375% Senior Notes	UPC Holding 6.375% Senior Notes	UPC Holding 6.75% Senior Notes
2015	104.188%	N.A.	N.A.
2016	102.792%	N.A.	N.A.
2017	101.396%	103.188%	N.A.
2018	100.000%	102.125%	103.375%
2019	100.000%	101.063%	102.250%
2020	100.000%	100.000%	101.125%
2021 and thereafter	N.A.	100.000%	100.000%

If all or substantially all of the assets of UPC Holding and certain of its subsidiaries are disposed of or any other change of control (as specified in the applicable indenture) is triggered, UPC Holding must offer to repurchase all of the relevant UPC Holding Senior Notes at a redemption price of 101% of the principal amount of such UPC Holding Senior Notes.

For information regarding certain financing transactions completed subsequent to December 31, 2014 that impact the UPC Holding Senior Notes, see note 20.

UPCB SPE Notes

UPCB Finance Limited (UPCB Finance I), UPCB Finance II Limited (UPCB Finance II), UPCB Finance III Limited (UPCB Finance III), UPCB Finance V Limited (UPCB Finance V) and UPCB Finance VI Limited (UPCB Finance VI and, together with UPCB Finance I, UPCB Finance II, UPCB Finance III and UPCB Finance V, the UPCB SPEs) are all special purpose financing entities that are owned 100% by charitable trusts. The UPCB SPEs were created for the primary purposes of facilitating the offerings of €500.0 million ($605.0 million) principal amount of 7.625% senior secured notes (the UPCB Finance I Notes), €750.0 million ($907.5 million) principal amount of 6.375% senior secured notes (the UPCB Finance II Notes), $1.0 billion principal amount of 6.625% senior secured notes (the UPCB Finance III Notes), $750.0 million principal amount of 7.25% senior secured notes (the UPCB Finance V Notes) and $750.0 million principal amount of 6.875% senior secured notes (the UPCB Finance VI Notes and, together with the UPCB Finance I Notes, the UPCB Finance II Notes, the UPCB Finance III Notes and the UPCB Finance V Notes, the UPCB SPE Notes), respectively. The UPCB Finance I Notes, the UPCB Finance II Notes, the UPCB Finance III Notes, the UPCB Finance V Notes and the UPCB Finance VI Notes were issued on January 20, 2010, January 31, 2011, February 16, 2011, November 16, 2011 and February 7, 2012, respectively.

The UPCB Finance I Notes were issued at an original issue discount of 0.862%, resulting in cash proceeds before commissions and fees of €495.7 million ($699.7 million at the transaction date). The UPCB Finance II Notes, UPCB Finance III Notes, UPCB Finance V Notes and UPCB Finance VI Notes were each issued at par. UPCB Finance I, UPCB Finance II, UPCB Finance III, UPCB Finance V and UPCB Finance VI used the proceeds from the (i) UPCB Finance I Notes and available cash, (ii) UPCB Finance II Notes, (iii) UPCB Finance III Notes, (iv) UPCB Finance V Notes and (v) UPCB Finance VI Notes to fund new additional Facilities V, Y, Z, AC and AD, respectively, (each, a UPCB SPE Funded Facility, and together, the Funded Facilities) under the UPC Broadband Holding Bank Facility, with UPC Financing Partnership (UPC Financing) as the borrower. The proceeds from the Funded Facilities generally were used to repay amounts outstanding under the UPC Broadband Holding Bank Facility.

Each UPCB SPE is dependent on payments from UPC Financing under the applicable UPCB SPE Funded Facility in order to service its payment obligations under each respective UPCB SPE Note. Although UPC Financing has no equity or voting interest in any of the UPCB SPEs, each of the UPCB SPE Funded Facility loans creates a variable interest in the respective UPCB SPE for which UPC Financing is the primary beneficiary, as contemplated by GAAP. As such, UPC Financing and its parent entities, including UPC Holding and Liberty Global, are required by the provisions of GAAP to consolidate the UPCB SPEs. As a result, the amounts outstanding under the Funded Facilities are eliminated in Liberty Global’s consolidated financial statements.

Pursuant to the respective indentures for the UPCB SPE Notes (the UPCB SPE Indentures) and the respective accession agreements for the Funded Facilities, the call provisions, maturity and applicable interest rate for each UPCB SPE Funded Facility are the same as those of the related UPCB SPE Notes. The UPCB SPEs, as lenders under the UPC Broadband Holding Bank Facility, are treated the same as the other lenders under the UPC Broadband Holding Bank Facility, with benefits, rights and protections similar to those afforded to the other lenders. Through the covenants in the applicable UPCB SPE Indentures and the applicable security interests over (i) all of the issued shares of the relevant UPCB SPE and (ii) the relevant UPCB SPE’s rights under the applicable UPCB SPE Funded Facility granted to secure the relevant UPCB SPE’s obligations under the relevant UPCB SPE Notes, the holders of the UPCB SPE Notes are provided indirectly with the benefits, rights, protections and covenants granted to the UPCB SPEs as lenders under the UPC Broadband Holding Bank Facility.

The UPCB SPEs are prohibited from incurring any additional indebtedness, subject to certain exceptions under the UPCB SPE Indentures.

The details of the UPCB SPE Notes as of December 31, 2014 are summarized in the following table:

UPCB SPEs	Maturity	Interest rate	Outstanding principal amount: Borrowing currency	Outstanding principal amount: U.S. $ equivalent	Estimated fair value	Carrying value (a)
				in millions		
UPCB Finance I Notes	January 15, 2020	7.625%	€ 500.0	$ 605.0	$ 631.9	$ 601.9
UPCB Finance II Notes	July 1, 2020	6.375%	€ 750.0	907.5	954.0	907.5
UPCB Finance III Notes	July 1, 2020	6.625%	$ 1,000.0	1,000.0	1,054.4	1,000.0
UPCB Finance V Notes	November 15, 2021	7.250%	$ 750.0	750.0	821.7	750.0
UPCB Finance VI Notes	January 15, 2022	6.875%	$ 750.0	750.0	817.0	750.0
Total				$ 4,012.5	$ 4,279.0	$ 4,009.4

(a) Amounts include the impact of discounts, where applicable.

Subject to the circumstances described below, the UPCB Finance I Notes are non-callable until January 15, 2015, the UPCB Finance II Notes and the UPCB Finance III Notes are non-callable until July 1, 2015, the UPCB Finance V Notes are non-callable until November 15, 2016 and the UPCB Finance VI Notes are non-callable until January 15, 2017 (each a UPCB SPE Notes Call Date). If, however, at any time prior to the applicable UPCB SPE Notes Call Date, all or a portion of the loans under the related UPCB SPE Funded Facility are voluntarily prepaid (an Early Redemption Event), then the applicable UPCB SPE will be required to redeem an aggregate principal amount of its UPCB SPE Notes equal to the aggregate principal amount of loans so prepaid under the related UPCB SPE Funded Facility. In general, the redemption price payable will equal the sum of (i) 100% of the principal amount of the applicable UPCB SPE Notes to be redeemed, (ii) the excess of (a) the present value at such redemption date of (1) the redemption price of such UPCB SPE Notes on the applicable UPCB SPE Notes Call Date, as determined in accordance with the table below, plus (2) all required remaining scheduled interest payments thereon due through the applicable UPCB SPE Notes Call Date (excluding accrued and unpaid interest to such redemption date), computed using the discount rate specified in the applicable UPCB SPE Indenture, over (b) the principal amount of such UPCB SPE Notes to be redeemed and (iii) accrued but unpaid interest thereon and additional amounts (as specified in the applicable UPCB SPE Indenture), if any, to the applicable redemption date (the Make-Whole Redemption Price). However, in the case of an Early Redemption Event with respect to Facility Z, AC or AD occurring prior to the applicable UPCB SPE Notes Call Date, the redemption price payable upon redemption of an aggregate principal amount of the relevant UPCB SPE Notes not exceeding 10% of the original aggregate principal amount of such UPCB SPE Notes during each twelve-month period commencing on February 16, 2011, in the case of Facility Z, November 16, 2011, in the case of Facility AC, or February 7, 2012, in the case of Facility AD, will equal 103% of the principal amount of the relevant UPCB SPE Notes redeemed plus accrued and unpaid interest thereon and additional amounts, if any, to the applicable redemption date. The redemption price payable for any principal amount of such UPCB SPE Notes redeemed in excess of the 10% limitation will be the Make-Whole Redemption Price.

Upon the occurrence of an Early Redemption Event on or after the applicable UPCB SPE Notes Call Date, the applicable UPCB SPE will redeem an aggregate principal amount of its UPCB SPE Notes equal to the principal amount of the related UPCB SPE Funded Facility prepaid at the following redemption prices (expressed as a percentage of the principal amount), plus accrued and unpaid interest and additional amounts, (as specified in the applicable UPCB SPE Indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing on January 15, in the case of the UPCB Finance I Notes and the UPCB Finance VI Notes, July 1, in the case of the UPCB Finance II Notes and the UPCB Finance III Notes, and November 15, in the case of the UPCB Finance V Notes, of the years set forth below:

	Redemption Price				
Year	**UPCB Finance I Notes**	**UPCB Finance II Notes**	**UPCB Finance III Notes**	**UPCB Finance V Notes**	**UPCB Finance VI Notes**
2015	103.813%	103.188%	103.313%	N.A.	N.A.
2016	102.542%	102.125%	102.208%	103.625%	N.A.
2017	101.271%	101.063%	101.104%	102.417%	103.438%
2018	100.000%	100.000%	100.000%	101.208%	102.292%
2019	100.000%	100.000%	100.000%	100.000%	101.146%
2020 and thereafter	100.000%	100.000%	100.000%	100.000%	100.000%

For information regarding certain financing transactions completed subsequent to December 31, 2014 that impact the UPCB SPE Notes, see note 20.

Unitymedia KabelBW Notes and KBW Notes

Unitymedia KabelBW Exchange, Special Optional Redemptions and KBW Fold-in. Prior to the exchange and redemption transactions described below, the KBW Notes consisted of (i) UPC Germany HoldCo 1 GmbH's €680.0 million ($822.8 million) principal amount of 9.5% senior notes due 2021 (the KBW Senior Notes) and (ii) the following notes issued by Kabel BW GmbH (KBW): (a) €800.0 million ($968.1 million) principal amount of 7.5% senior secured notes due 2019 (the KBW Euro Senior Secured Notes), (b) $500.0 million principal amount of 7.5% senior secured notes due 2019 (the KBW Dollar Senior Secured Notes and together with the KBW Euro Senior Secured Notes, the KBW Senior Secured Fixed-Rate Notes) and (c) €420.0 million ($508.2 million) principal amount of senior secured floating-rate notes due 2018 (the KBW Senior Secured Floating-Rate Notes and together with the KBW Senior Secured Fixed-Rate Notes, the KBW Senior Secured Notes).

In May 2012, Unitymedia KabelBW and certain of its subsidiaries completed (i) the exchange (the Unitymedia KabelBW Exchange) of (a) 90.9% of the outstanding principal amount of the KBW Senior Notes for an equal amount of UM Senior Exchange Notes (as defined and described below) and (b) 92.5% of the outstanding principal amount of the KBW Senior Secured Notes for an equal amount of UM Senior Secured Exchange Notes (as defined and described below), (ii) the redemption (the Special Optional Redemptions) of the remaining KBW Notes that were not exchanged pursuant to the Unitymedia KabelBW Exchange and (iii) a series of mergers and consolidations, pursuant to which an indirect parent company of KBW became a subsidiary of Unitymedia Hessen (the KBW Fold-in). The redemption price with respect to the Special Optional Redemptions was 101% of the applicable principal amount thereof, and such redemptions were initially funded with borrowings under the Unitymedia KabelBW Revolving Credit Facilities (as defined and described below). In connection with these transactions, we recognized aggregate losses on debt modification, extinguishment and conversion, net, of $7.0 million during 2012, which includes (i) $5.6 million of third-party costs and (ii) $1.4 million of redemption premium pursuant to the Special Optional Redemptions.

The details of (i) the Unitymedia KabelBW Exchange and (ii) the Special Optional Redemptions are as follows:

	Outstanding principal amount prior to the Unitymedia KabelBW Exchange				Principal amount exchanged pursuant to the Unitymedia KabelBW Exchange				Principal amount redeemed pursuant to the Special Optional Redemptions			
KBW Notes	**Borrowing currency**		**U.S. $ equivalent (a)**		**Borrowing currency**		**U.S. $ equivalent (a)**		**Borrowing currency**		**U.S. $ equivalent (a)**	
					in millions							
KBW Senior Notes (b)	€	680.0	$	890.0	€	618.0	$	808.8	€	62.0	$	81.2
KBW Euro Senior Secured Notes (c)	€	800.0		1,047.0	€	735.1		962.1	€	64.9		84.9
KBW Dollar Senior Secured Notes (d)	$	500.0		500.0	$	459.3		459.3	$	40.7		40.7
KBW Senior Secured Floating-Rate Notes (e)	€	420.0		549.7	€	395.9		518.2	€	24.1		31.5
Total			$	2,986.7			$	2,748.4			$	238.3

(a) Translations are calculated as of the May 4, 2012 transaction date.

(b) The KBW Senior Notes tendered for exchange were exchanged for an equal principal amount of 9.5% senior notes issued by Unitymedia KabelBW due March 15, 2021 (the UM Senior Exchange Notes).

(c) The KBW Euro Senior Secured Notes tendered for exchange were exchanged for an equal principal amount of 7.5% senior secured notes issued by Unitymedia Hessen and Unitymedia NRW GmbH (each, a subsidiary of Unitymedia KabelBW and, together, the UM Senior Secured Notes Issuers) due March 15, 2019 (the UM Euro Senior Secured Exchange Notes).

(d) The KBW Dollar Senior Secured Notes tendered for exchange were exchanged for an equal principal amount of 7.5% senior secured notes issued by the UM Senior Secured Notes Issuers due March 15, 2019 (the UM Dollar Senior Secured Exchange Notes and, together with the UM Euro Senior Secured Exchange Notes, the UM Senior Secured Fixed-Rate Exchange Notes). In December 31, 2014, the UM Senior Secured Fixed-Rate Exchange Notes were redeemed in full as described below.

(e) The KBW Senior Secured Floating-Rate Notes tendered for exchange were exchanged for an equal principal amount of senior secured floating-rate notes issued by the UM Senior Secured Notes Issuers due March 15, 2018 (the UM Senior Secured Floating-Rate Exchange Notes and, together with the UM Senior Secured Floating-Rate Exchange Notes, the UM Senior Secured Exchange Notes). The UM Senior Secured Floating-Rate Exchange Notes, prior to their redemption as described below, bore interest at a rate of EURIBOR plus 4.25%.

December 2014 UM Senior Secured Notes. On December 17, 2014, the UM Senior Secured Notes Issuers issued (i) €1,000.0 million ($1,210.1 million) principal amount of 4.0% senior secured notes due January 15, 2025 (the December 2014 UM Euro Senior Secured Notes) and (ii) $550.0 million principal amount of 5.0% senior secured notes due January 15, 2025 (the December 2014 UM Dollar Senior Secured Notes and, together with the December 2014 UM Euro Senior Secured Notes, the December 2014 UM Senior Secured Notes). A portion of the net proceeds from the December 2014 UM Senior Secured Notes were used to redeem in full the UM Senior Secured Fixed-Rate Exchange Notes. In connection with this transaction, we recognized a loss on debt extinguishment of $59.5 million, which includes (i) the payment of $70.1 million of redemption premium and (ii) the write-off of $10.6 million of unamortized premium.

October 2014 UM Senior Notes. On October 22, 2014, Unitymedia KabelBW issued $900.0 million principal amount of 6.125% senior notes due January 15, 2025 (the October 2014 UM Senior Notes). On November 7, 2014, the net proceeds from the October 2014 UM Senior Notes were used to fully redeem Unitymedia KabelBW's €665.0 million ($804.7 million) principal amount of 9.625% senior notes (the 2009 UM Senior Notes). In connection with this transaction, we recognized a loss on debt extinguishment of $71.3 million, which includes (i) the payment of $45.0 million of redemption premium, (ii) the write-off of $14.0 million of deferred financing costs and (iii) the write-off of $12.3 million of unamortized discount.

November 2013 UM Senior Secured Notes. On November 21, 2013, the UM Senior Secured Notes Issuers issued €475.0 million ($574.8 million) principal amount of 6.25% senior secured notes due January 15, 2029 (the November 2013 UM Senior Secured Notes). A portion of the net proceeds from the issuance of the November 2013 UM Senior Secured Notes were used to redeem all of the then outstanding 2009 UM Euro Senior Secured Notes (as defined and described below). In connection with this transaction, we recognized a loss on debt extinguishment of $41.4 million, which includes (i) the payment of $24.5 million of redemption premium and (ii) the write-off of $16.9 million associated with deferred financing costs and unamortized discount.

April 2013 UM Senior Secured Notes. On April 16, 2013, the UM Senior Secured Notes Issuers issued €350.0 million ($423.5 million) principal amount of 5.625% senior secured notes due April 15, 2023 (the April 2013 UM Senior Secured Notes).

January 2013 UM Senior Secured Notes. On January 21, 2013, the UM Senior Secured Notes Issuers issued €500.0 million ($605.0 million) principal amount of 5.125% senior secured notes due January 21, 2023 (the January 2013 UM Senior Secured Notes). The net proceeds from the issuance of the January 2013 UM Senior Secured Notes were used to redeem a portion of the €1,430.0 million ($1,730.4 million) principal amount of 8.125% senior secured notes (the 2009 UM Euro Senior Secured Notes). In connection with this transaction, we recognized a loss on debt extinguishment of $71.1 million, which includes (i) the payment of $50.5 million of redemption premium and (ii) the write-off of $20.6 million associated with deferred financing costs and unamortized discount.

December 2012 UM Senior Secured Notes. On December 14, 2012, the UM Senior Secured Notes Issuers issued $1.0 billion principal amount of 5.5% senior secured notes due January 15, 2023 (the December 2012 UM Dollar Senior Secured Notes) and €500.0 million ($605.0 million) principal amount of 5.75% senior secured notes due January 15, 2023 (the December 2012 UM Euro Senior Secured Notes and, together with the December 2012 UM Dollar Senior Secured Notes, the December 2012 UM Senior Secured Notes), each at par. The net proceeds from the issuance of the December 2012 UM Senior Secured Notes were used to purchase and redeem (i) all of the $845.0 million principal amount 8.125% senior secured notes (the 2009 UM Dollar Senior Secured Notes) and (ii) €524.0 million ($634.1 million) of the 2009 UM Euro Senior Secured Notes. In connection with these transactions, we recognized a loss on debt extinguishment of $175.8 million, which includes (i) the payment of $125.9 million of redemption premium and (ii) the write-off of $49.4 million associated with deferred financing costs and unamortized discount.

September 2012 UM Senior Secured Notes. On September 19, 2012, the UM Senior Secured Notes Issuers issued €650.0 million ($786.5 million) principal amount of 5.5% senior secured notes due September 15, 2022 (the September 2012 UM Senior Secured Notes). The net proceeds from the issuance of the September 2012 UM Senior Secured Notes were used to redeem in full the UM Senior Secured Floating-Rate Exchange Notes at a redemption price of 101%, with the remaining €241.8 million ($292.6 million) available for general corporate purposes. In connection with this transaction, we recognized a loss on debt extinguishment of $10.2 million representing the payment of redemption premium.

We refer to the UM Senior Exchange Notes, the September 2012 UM Senior Secured Notes, the December 2012 UM Senior Secured Notes, the January 2013 UM Senior Secured Notes, the April 2013 UM Senior Secured Notes, the November 2013 UM Senior Secured Notes, the October 2014 UM Senior Notes and the December 2014 UM Senior Secured Notes, collectively, as the “Unitymedia KabelBW Notes.”

The details of the Unitymedia KabelBW Notes as of December 31, 2014 are summarized in the following table:

Unitymedia KabelBW Notes	Maturity	Interest rate	Outstanding principal amount: Borrowing currency	Outstanding principal amount: U.S. $ equivalent	Estimated fair value	Carrying value (a)
				in millions		
UM Senior Exchange Notes	March 15, 2021	9.500%	€ 618.0	$ 747.7	$ 837.9	$ 746.1
September 2012 UM Senior Secured Notes	September 15, 2022	5.500%	€ 650.0	786.5	843.5	786.5
December 2012 UM Dollar Senior Secured Notes	January 15, 2023	5.500%	$ 1,000.0	1,000.0	1,046.3	1,000.0
December 2012 UM Euro Senior Secured Notes	January 15, 2023	5.750%	€ 500.0	605.0	657.9	605.0
January 2013 UM Senior Secured Notes	January 21, 2023	5.125%	€ 500.0	605.0	646.6	605.0
April 2013 UM Senior Secured Notes	April 15, 2023	5.625%	€ 350.0	423.5	461.1	423.5
November 2013 UM Senior Secured Notes	January 15, 2029	6.250%	€ 475.0	574.8	654.5	574.8
October 2014 UM Senior Notes	January 15, 2025	6.125%	$ 900.0	900.0	932.6	900.0
December 2014 UM Euro Senior Secured Notes	January 15, 2025	4.000%	€ 1,000.0	1,210.0	1,237.2	1,210.0
December 2014 UM Dollar Senior Secured Notes	January 15, 2025	5.000%	$ 550.0	550.0	551.7	550.0
Total				$ 7,402.5	$ 7,869.3	$ 7,400.9

(a) Amounts include the impact of discounts, where applicable.

The UM Senior Exchange Notes and the October 2014 UM Senior Notes are senior obligations of Unitymedia KabelBW that rank equally with all of the existing and future senior debt of Unitymedia KabelBW and are senior to all existing and future subordinated debt of Unitymedia KabelBW. The UM Senior Exchange Notes and the October 2014 UM Senior Notes are guaranteed on a senior subordinated basis by various subsidiaries of Unitymedia KabelBW and are secured by a first-ranking pledge over the shares of Unitymedia KabelBW and junior-priority share pledges and other asset security of certain subsidiaries of Unitymedia KabelBW.

The September 2012 UM Senior Secured Notes, the December 2012 UM Senior Secured Notes, the January 2013 UM Senior Secured Notes, the April 2013 UM Senior Secured Notes, the November 2013 UM Senior Secured Notes and the December 2014 UM Senior Secured Notes are (i) senior obligations of the UM Senior Secured Notes Issuers that rank equally with all of the existing and future senior debt of each UM Senior Secured Notes Issuer and are senior to all existing and future subordinated debt of each of the UM Senior Secured Notes Issuers and (ii) are secured by a first-ranking pledge over the shares of Unitymedia KabelBW and the UM Senior Secured Notes Issuers and certain other share and/or asset security of Unitymedia KabelBW and certain of its subsidiaries.

The Unitymedia KabelBW Notes contain certain customary incurrence-based covenants. For example, the ability to raise certain additional debt and make certain distributions or loans to other subsidiaries of Liberty Global is subject to a consolidated leverage ratio test, as specified in the applicable indenture. The Unitymedia KabelBW Notes provide that any failure to pay principal prior to expiration of any applicable grace period, or any acceleration with respect to other indebtedness of €25.0 million ($30.3 million) (or €75.0 million ($90.8 million) with respect to the October 2014 UM Senior Notes and the December 2014 UM Senior Secured Notes) or more in the aggregate of Unitymedia KabelBW or a UM Senior Secured Notes Issuer or any of the restricted subsidiaries (as specified in the applicable indenture) is an event of default under the Unitymedia KabelBW Notes.

Subject to the circumstances described below, the Unitymedia KabelBW Notes are non-callable prior to the applicable call date as presented in the below table. At any time prior to the respective call date, Unitymedia KabelBW or UM Senior Secured Notes Issuers may redeem some or all of the applicable notes by paying a “make-whole” premium, which is the present value of all remaining scheduled interest payments to the applicable call date using the discount rate (as specified in the applicable indenture) as of the redemption date plus 50 basis points.

Unitymedia KabelBW Notes	Call Date
UM Senior Exchange Notes	March 15, 2016
September 2012 UM Senior Secured Notes	September 15, 2017
December 2012 UM Senior Secured Notes	January 15, 2018
January 2013 UM Senior Secured Notes	January 21, 2018
April 2013 UM Senior Secured Notes	April 15, 2018
November 2013 UM Senior Secured Notes	January 15, 2021
October 2014 UM Senior Notes	January 15, 2020
December 2014 UM Senior Secured Notes	January 15, 2020

Unitymedia KabelBW or the UM Senior Secured Notes Issuers (as applicable) may redeem some or all of the Unitymedia KabelBW Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing on March 15, in the case of the UM Senior Exchange Notes, September 15, in the case of the September 2012 UM Senior Secured Notes, January 15, in the case of the December 2012 UM Senior Secured Notes, the November 2013 UM Senior Secured Notes, the October 2014 UM Senior Notes and the December 2014 UM Senior Secured Notes, January 21, in the case of the January 2013 UM Senior Secured Notes, or April 15, in the case of the April 2013 UM Senior Secured Notes, of the years set forth below:

	Redemption Price									
Year	UM Senior Exchange Notes	September 2012 UM Senior Secured Notes	December 2012 UM Dollar Senior Secured Notes	December 2012 UM Euro Senior Secured Notes	January 2013 UM Senior Secured Notes	April 2013 UM Senior Secured Notes	November 2013 UM Senior Secured Notes	October 2014 UM Senior Notes	December 2014 UM Euro Senior Secured Notes	December 2014 UM Dollar Senior Secured Notes
2016	104.750%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2017	103.167%	102.750%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2018	101.583%	101.833%	102.750%	102.875%	102.563%	102.813%	N.A.	N.A.	N.A.	N.A.
2019	100.000%	100.917%	101.833%	101.917%	101.708%	101.875%	N.A.	N.A.	N.A.	N.A.
2020	100.000%	100.000%	100.917%	100.958%	100.854%	100.938%	N.A.	103.063%	102.000%	102.500%
2021	N.A.	100.000%	100.000%	100.000%	100.000%	100.000%	103.125%	102.042%	101.333%	101.667%
2022	N.A.	N.A.	100.000%	100.000%	100.000%	100.000%	102.083%	101.021%	100.667%	100.833%
2023	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	101.042%	100.000%	100.000%	100.000%
2024 and thereafter	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	100.000%	100.000%	100.000%	100.000%

KBW and its immediate parent (collectively, the New UM Guarantors) have granted, in addition to guarantees provided by Unitymedia KabelBW and/or certain of its subsidiaries, a senior guarantee of the September 2012 UM Senior Secured Notes, the December 2012 UM Senior Secured Notes, the January 2013 UM Senior Secured Notes, the April 2013 UM Senior Secured Notes, the November 2013 UM Senior Secured Notes and the December 2014 UM Senior Secured Notes. The New UM Guarantors have also granted a senior subordinated guarantee of the UM Senior Exchange Notes and the October 2014 UM Senior Notes. In addition, the New UM Guarantors have provided certain share and asset security in favor of the September 2012 UM Senior Secured Notes, the December 2012 UM Senior Secured Notes, the January 2013 UM Senior Secured Notes, the April 2013 UM Senior Secured Notes, the November 2013 UM Senior Secured Notes and the December 2014 UM Senior Secured Notes.

If all or substantially all of the assets of (i) Unitymedia KabelBW and certain of its subsidiaries or (ii) the UM Senior Secured Notes Issuer and certain of their subsidiaries are disposed of or any other change of control (as specified in the relevant Unitymedia KabelBW Notes) is triggered, Unitymedia KabelBW or the UM Senior Secured Notes Issuers (as applicable) must offer to repurchase all of the relevant Unitymedia KabelBW Notes at a redemption price of 101% of the principal amount of such Unitymedia KabelBW Notes.

Unitymedia KabelBW Revolving Credit Facilities

During the third quarter of 2014, Unitymedia Hessen completed the refinancing of its then existing €337.5 million ($408.4 million) and €80.0 million ($96.8 million) revolving credit facilities (the Old Unitymedia KabelBW Revolving Credit Facilities). Pursuant to this refinancing, the respective commitments of the lenders under the Old Unitymedia KabelBW Revolving Credit Facilities were cancelled and Unitymedia Hessen entered into (i) a new €80.0 million ($96.8 million) super senior secured revolving credit facility agreement (the UM Super Senior Secured Facility) and (ii) a new €420.0 million ($508.2 million) senior secured revolving credit facility agreement (the UM Senior Secured Facility and, together with the UM Super Senior Secured Facility, the Unitymedia KabelBW Revolving Credit Facilities). At December 31, 2014, we had €280.0 million ($338.8 million) outstanding under the Unitymedia KabelBW Revolving Credit Facilities and our availability was limited to €15.1 million ($18.3 million). When the relevant December 31, 2014 compliance reporting requirements have been completed and assuming no changes from December 31, 2014 borrowing levels, we anticipate that our availability will be limited to €123.7 million ($149.7 million).

The UM Super Senior Secured Facility bears interest at EURIBOR plus a margin of 2.25%, matures in December 2020 and has a fee on unused commitments of 0.9% per year. The UM Senior Secured Facility bears interest at EURIBOR plus a margin of 2.75%, matures in December 2020 and has a fee on unused commitments of 1.1% per year. The UM Super Senior Secured Facility is senior with respect to the priority of proceeds received from the enforcement of shared collateral to (i) the Unitymedia KabelBW Notes and (ii) the UM Senior Secured Facility. The Unitymedia KabelBW Revolving Credit Facilities may be used for general corporate and working capital purposes.

In addition to customary restrictive covenants and events of default, the Unitymedia KabelBW Revolving Credit Facilities require compliance with a consolidated net leverage ratio, as specified in the applicable facility, in the event that the outstanding borrowings under either facility are more than 33.3% of the total commitments. The Unitymedia KabelBW Revolving Credit Facilities are secured by a pledge over the shares of the borrower and certain other asset security of certain subsidiaries of Unitymedia KabelBW. The Unitymedia KabelBW Revolving Credit Facilities permit Unitymedia KabelBW to transfer funds to its parent company (and indirectly to Liberty Global) through loans, dividends or other distributions provided that Unitymedia KabelBW maintains compliance with applicable covenants. If a change of control occurs, as specified in the Unitymedia KabelBW Revolving Credit Facilities, each lender may cancel its commitments and declare all outstanding amounts immediately due and payable.

Ziggo Credit Facility

On January 27, 2014, in connection with our then pending acquisition of Ziggo, Ziggo B.V. and certain of its subsidiaries entered into (i) a U.S. dollar-denominated term loan facility in an aggregate principal amount of $2,350.0 million (the Ziggo Dollar Facility), (ii) a euro-denominated term loan facility in an aggregate principal amount of €1,566.0 million ($1,895.0 million) (the Ziggo Euro Facility) and (iii) an aggregate €650.0 million ($786.5 million) in revolving credit facilities (the Ziggo Revolving Facilities, as further described below). The Ziggo Dollar Facility, the Ziggo Euro Facility and the Ziggo Revolving Facilities are collectively referred to as the “Ziggo Credit Facility.” Ziggo B.V. is a wholly-owned subsidiary of Ziggo Bond Company B.V. (Ziggo Bondco), which is a wholly-owned subsidiary of Ziggo.

Also on January 27, 2014, LGE HoldCo VII B.V., our wholly-owned subsidiary, entered into (i) a €434.0 million ($525.2 million) term loan facility (the Ziggo Acquisition Facility) and (ii) a euro-denominated revolving credit facility in an aggregate principal amount of €650.0 million ($786.5 million) (the Ziggo Acquisition Revolving Facility). Upon completion of the Ziggo Acquisition (a) the Ziggo Acquisition Facility was rolled into the Ziggo Euro Facility and (b) the Ziggo Acquisition Revolving Facility was cancelled.

The details of our borrowings under the Ziggo Credit Facility as of December 31, 2014 are summarized in the following table:

Facility	Maturity	Interest rate	Facility amount (in borrowing currency)	Unused borrowing capacity	Carrying value (a)
				in millions	
Ziggo Euro Facility	January 15, 2022	EURIBOR + 3.00%	€ 2,000.0	$ —	$ 2,395.5
Ziggo Dollar Facility	January 15, 2022	LIBOR + 2.75%	$ 2,350.0	—	2,315.3
Ziggo Revolving Facilities	June 30, 2020	(b)	€ 650.0	786.5	—
Total				$ 786.5	$ 4,710.8

(a) Amounts include the impact of discounts, where applicable.

(b) The Ziggo Revolving Facilities include (i) a €600.0 million ($726.0 million) facility that bears interest at EURIBOR plus a margin of 2.75% and has a fee on unused commitments of 1.1% per year and (ii) a €50.0 million ($60.5 million) facility that bears interest at EURIBOR plus a margin of 2.00% and has a fee on unused commitments of 0.8% per year.

The Ziggo Credit Facility requires that certain subsidiaries of Ziggo (as specified in the applicable indenture) that generate not less than 80% of such group's EBITDA (as specified in the Ziggo Credit Facility) in any financial year, guarantee the payment of all sums payable under the Ziggo Credit Facility and such group members are required to grant first-ranking security over all or substantially all of the assets to secure the payment of all sums payable. In addition, the holding company of each borrower must give a share pledge over its shares in such borrower and all rights under subordinated shareholder funding must be pledged.

In addition to mandatory prepayments which must be made for certain disposal proceeds (subject to certain de minimis thresholds), the facility agent may (if required by the majority lenders) cancel their commitments and declare the loans due and payable after 30 business days following the occurrence of a change of control.

The Ziggo Credit Facility contains certain customary events of default, the occurrence of which, subject to certain exceptions and materiality qualifications, would allow the lenders to (i) cancel the total commitments, (ii) accelerate all outstanding loans and terminate their commitments thereunder and/or (iii) declare that all or part of the loans be payable on demand. The Ziggo Credit Facility contains certain representations and warranties customary for facilities of this type, which are subject to exceptions and materiality qualifications.

The Ziggo Credit Facility restricts the ability of the borrowers to, among other things, (i) incur or guarantee certain financial indebtedness, (ii) make certain disposals, distributions and acquisitions and (iii) create certain security interests over their assets, in each case, subject to carve-outs from such limitations.

The Ziggo Credit Facility requires the borrowers to observe certain affirmative undertakings, which are subject to materiality and other customary and agreed exceptions. In addition, the Ziggo Credit Facility also requires compliance with certain financial covenants such as a senior net debt leverage ratio and a total net debt leverage ratio, as specified in the indenture.

The Ziggo Credit Facility permits certain members of the Ziggo borrowing group to make certain distributions and restricted payments to its parent company (and indirectly to Liberty Global) through loans, advances or dividends, subject to compliance with applicable covenants.

For information regarding certain financing transactions impacting the Ziggo borrowing group completed subsequent to December 31, 2014, see note 20.

Ziggo Notes

At December 31, 2014, the following senior notes of certain Ziggo subsidiaries were outstanding:

- €743.1 million ($899.2 million) principal amount of 7.125% senior notes due May 15, 2024 (the Ziggo 2024 Euro Senior Notes); and
- €71.7 million ($86.8 million) principal amount of 3.625% senior secured notes due March 27, 2020 (the Ziggo 2020 Euro Senior Secured Notes).

The Ziggo 2024 Euro Senior Notes and the Ziggo 2020 Euro Senior Secured Notes are collectively referred to as the "Ziggo Notes".

The details of the Ziggo Notes as of December 31, 2014 are summarized in the following table:

			Outstanding principal amount			
Ziggo Notes	**Maturity**	**Interest rate**	**Borrowing currency**	**U.S. $ equivalent**	**Estimated fair value**	**Carrying value (a)**
				in millions		
Ziggo 2020 Euro Senior Secured Notes	March 27, 2020	3.625%	€ 71.7	$ 86.8	$ 88.7	$ 89.3
Ziggo 2024 Euro Senior Notes	May 15, 2024	7.125%	€ 743.1	899.2	993.6	987.7
Total				$ 986.0	$ 1,082.3	$ 1,077.0

(a) Amounts include the impact of premiums, where applicable.

The Ziggo 2020 Euro Senior Secured Notes are senior secured obligations of Ziggo B.V. and are guaranteed on a senior secured basis by various subsidiaries of Ziggo B.V. The Ziggo 2020 Euro Senior Secured Notes are non-callable. At any time prior to maturity, Ziggo B.V. may redeem some or all of the Ziggo 2020 Euro Senior Secured Notes by paying a "make-whole" premium, which is the present value at such redemption date using the discount rate (as specified in the applicable indenture) as of the redemption date plus 50 basis points.

The Ziggo 2024 Euro Senior Notes are senior obligations of Ziggo Bondco and are secured by a pledge of the shares of Ziggo Bondco. The Ziggo 2024 Euro Senior Notes are non-callable until May 15, 2019. At any time prior to May 15, 2019, Ziggo Bondco may redeem some or all of the Ziggo 2024 Euro Senior Notes by paying a "make-whole" premium. Ziggo Bondco may redeem some or all of the Ziggo 2024 Euro Senior Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the redemption date, if redeemed during the twelve-month period commencing on May 15 of the years set forth below:

Year	**Redemption price**
2019	103.563%
2020	102.375%
2021	101.188%
2022 and thereafter	100.000%

The Ziggo 2024 Euro Senior Notes contain certain customary incurrence-based covenants that restrict the ability of Ziggo Bondco and certain subsidiaries to raise certain additional debt and make certain distributions or loans to other subsidiaries of Liberty Global.

If Ziggo B.V. or Ziggo Bondco sell certain assets or experience changes in control (as specified in the applicable indenture) Ziggo B.V. or Ziggo Bondco must offer to repurchase all of the relevant Ziggo Notes at a redemption price of 101%.

For information regarding certain financing transactions completed subsequent to December 31, 2014 that impact the Ziggo borrowing group, see note 20.

Telenet Credit Facility

The Telenet Credit Facility, as amended, is the senior secured credit facility of Telenet International. In addition to customary restrictive covenants, prepayment requirements and events of default, including defaults on other indebtedness of Telenet and its subsidiaries, the Telenet Credit Facility requires compliance with a net total debt to consolidated annualized EBITDA covenant and a consolidated EBITDA to total cash interest covenant, each as specified in the Telenet Credit Facility. Under the Telenet Credit Facility, members of the borrower group are permitted to make certain distributions and restricted payments to its shareholders subject to compliance with applicable covenants. The Telenet Credit Facility is secured by (i) pledges over the shares of Telenet NV and certain of its subsidiaries, (ii) pledges over certain intercompany and subordinated shareholder loans and (iii) pledges over certain receivables, real estate and other assets of Telenet NV, Telenet International and certain other Telenet subsidiaries. The agreement governing the Telenet Credit Facility contains covenants that limit, among other things, Telenet's ability to merge with or into another company, acquire other companies, incur additional debt, dispose of assets, make distributions or pay dividends, provide loans and guarantees and enter into hedging agreements. In addition to customary default provisions, including defaults on other indebtedness of Telenet and its subsidiaries, the Telenet Credit Facility provides that any event of default with respect to indebtedness of €50.0 million ($60.5 million) or more in the aggregate of Telenet and certain of its subsidiaries is an event of default under the Telenet Credit Facility. If a change of control occurs, as specified in the Telenet Credit Facility, the facility agent may (if required by the majority lenders) cancel the total commitments and declare all outstanding amounts immediately due and payable.

The details of our borrowings under the Telenet Credit Facility as of December 31, 2014 are summarized in the following table:

Facility	Maturity	Interest rate	Facility amount (in borrowing currency) (a)	Unused borrowing capacity (b)	Carrying value
				in millions	
M (c)	November 15, 2020	6.375%	€ 500.0	$ —	$ 605.0
O (c)	February 15, 2021	6.625%	€ 300.0	—	363.0
P (c)	June 15, 2021	EURIBOR + 3.875%	€ 400.0	—	484.0
S	December 31, 2016	EURIBOR + 2.75%	€ 36.9	44.7	—
U (c)	August 15, 2022	6.250%	€ 450.0	—	544.5
V (c)	August 15, 2024	6.750%	€ 250.0	—	302.5
W (d)	June 30, 2022	EURIBOR + 3.25%	€ 474.1	—	572.5
X	September 30, 2020	EURIBOR + 2.75%	€ 286.0	346.1	—
Y (d)	June 30, 2023	EURIBOR + 3.50%	€ 882.9	—	1,066.1
Elimination of Telenet Facilities M, O, P, U and V in consolidation (c)				—	(2,299.0)
Total				$ 390.8	$ 1,638.6

(a) Except as described in (c) below, amounts represent total third-party facility amounts at December 31, 2014.

(b) Telenet Facilities S and X each have a fee on unused commitments of 1.1% per year.

(c) As described below, the amounts outstanding under Telenet Facilities M, O, P, U and V are eliminated in Liberty Global's consolidated financial statements.

(d) The carrying values of Telenet Facilities W and Y include the impact of discounts.

Refinancing Transactions. In April 2014, Telenet entered into Telenet Facility W and Telenet Facility Y. The net proceeds from these issuances, along with available cash and cash equivalents, were used to (i) fully redeem the outstanding amounts under existing Facilities Q, R and T under the Telenet Credit Facility and (ii) fully repay the €100.0 million ($121.0 million) outstanding principal amount under Telenet Facility N to Telenet Finance Luxembourg II S.A. (Telenet Finance II) and, in turn, Telenet Finance II used the proceeds to fully redeem its 5.3% senior secured notes due November 2016 (the Telenet Finance II Notes). Telenet Finance II was a special purpose financing entity that, prior to the redemption of the Telenet Finance II Notes, was consolidated by Telenet. In addition, the commitments under Telenet's then existing revolving credit facility (Telenet Facility S) were reduced from €158.0 million ($191.2 million) to €36.9 million ($44.7 million) and Telenet entered into Telenet Facility X. In connection with these transactions, we recognized a loss on debt modification, extinguishment and conversion, net, of $11.9 million, which includes (a) the write-off of $7.1 million of deferred financing costs, (b) the payment of $3.6 million of redemption premium and (c) the write-off of $1.2 million of unamortized discount.

Telenet SPE Notes

Telenet Finance Luxembourg S.C.A. (Telenet Finance), Telenet Finance III Luxembourg S.C.A. (Telenet Finance III), Telenet Finance IV Luxembourg S.C.A. (Telenet Finance IV) and Telenet Finance V Luxembourg S.C.A. (Telenet Finance V and, together with Telenet Finance, Telenet Finance II, Telenet Finance III and Telenet Finance IV, the Telenet SPEs) are all special purpose financing entities that are owned 100% by certain third parties. The Telenet SPEs were created for the primary purposes of facilitating the offerings of €500.0 million ($605.0 million) principal amount of 6.375% senior secured notes (the Telenet Finance Notes), €300.0 million ($363.0 million) principal amount of 6.625% senior secured notes (the Telenet Finance III Notes), €400.0 million ($484.0 million) principal amount of floating-rate senior secured notes (the Telenet Finance IV Notes), €450.0 million ($544.5 million) principal amount of 6.25% senior secured notes (the 6.25% Telenet Finance V Notes) and €250.0 million ($302.5 million) principal amount of 6.75% senior secured notes (the 6.75% Telenet Finance V Notes and, together with the 6.25% Telenet Finance V Notes, the Telenet Finance V Notes). We refer to the Telenet Finance Notes, the Telenet Finance III Notes, the Telenet Finance IV Notes and the Telenet Finance V Notes collectively as the "Telenet SPE Notes."

On November 3, 2010, February 15, 2011 and June 15, 2011, the applicable Telenet SPE issued the Telenet Finance Notes, the Telenet Finance III Notes and the Telenet Finance IV Notes and, on August 13, 2012, Telenet Finance V issued the 6.75% Telenet Finance V Notes and the 6.25% Telenet Finance V Notes, respectively. The proceeds from these Telenet SPE Notes were used to fund the respective new Facilities M, O, P, U and V of the Telenet Credit Facility, the proceeds of which were in turn generally applied to repay amounts outstanding under the Telenet Credit Facility.

Each Telenet SPE is dependent on payments from Telenet International under the applicable facility (each, a Telenet SPE Funded Facility) of the Telenet Credit Facility in order to service its payment obligations under its Telenet SPE Notes. Although Telenet International has no equity or voting interest in any of the Telenet SPEs, each of the Telenet SPE Funded Facility loans creates a variable interest in the respective Telenet SPE for which Telenet International is the primary beneficiary, as contemplated by GAAP. As such, Telenet International and its parent entities, including Telenet and Liberty Global, are required by the provisions of GAAP to consolidate the Telenet SPEs. Accordingly, the amounts outstanding under Facilities M, O, P, U and V have been eliminated in Liberty Global's consolidated financial statements.

Pursuant to the respective indentures for the Telenet SPE Notes (the Telenet SPE Indentures) and the respective accession agreements for the Telenet SPE Funded Facilities, the call provisions, maturity and applicable interest rate for each Telenet SPE Funded Facility are the same as those of the related Telenet SPE Notes. The Telenet SPEs, as lenders under the Telenet Credit Facility, are treated the same as the other lenders under the Telenet Credit Facility, with benefits, rights and protections similar to those afforded to the other lenders. Through the covenants in the applicable Telenet SPE Indenture and the applicable security interests over (i) all of the issued shares of the relevant Telenet SPE and (ii) the relevant Telenet SPE's rights under the applicable Telenet SPE Funded Facility granted to secure the obligations of the relevant Telenet SPE under the relevant Telenet SPE Notes, the holders of the Telenet SPE Notes are provided indirectly with the benefits, rights, protections and covenants, granted to the Telenet SPEs as lenders under the Telenet Credit Facility.

The Telenet SPEs are prohibited from incurring any additional indebtedness, subject to certain exceptions, under the Telenet SPE Indentures.

Subject to the circumstances described below, the Telenet Finance Notes may not be redeemed prior to November 15, 2015, the Telenet Finance III Notes may not be redeemed prior to February 15, 2016, the Telenet Finance IV Notes may not be redeemed prior to June 15, 2014, the 6.25% Telenet Finance V Notes may not be redeemed prior to August 15, 2017 (except as described above) and the 6.75% Telenet Finance V Notes may not be redeemed prior to August 15, 2018 (each a Telenet SPE Notes Call Date). If, however, at any time prior to the applicable Telenet SPE Notes Call Date, a voluntary prepayment of all or a portion of the loans under the related Telenet SPE Funded Facility occurs, then the applicable Telenet SPE will be required to redeem an aggregate principal amount of its Telenet SPE Notes equal to the principal amount of the loans so prepaid under the related Telenet SPE Funded Facility. The redemption price payable will equal the sum of (i) 100% of the principal amount of the applicable Telenet SPE Notes to be redeemed, (ii) the excess of (a) the present value at such redemption date of (1) the redemption price of such Telenet SPE Notes on the applicable Telenet SPE Notes Call Date, as determined in accordance with the table below, plus (2) all required remaining scheduled interest payments thereon due through the applicable Telenet SPE Notes Call Date (excluding accrued and unpaid interest to such redemption date), computed using the discount rate specified in the applicable Telenet SPE Indenture, over (b) the principal amount of such Telenet SPE Notes to be redeemed and (iii) accrued and unpaid interest thereon and additional amounts (as specified in the applicable Telenet SPE Indenture), if any, to the applicable redemption date.

On or after (i) the applicable Telenet SPE Notes Call Date, upon the voluntary prepayment of all or a portion of the loans under the related Telenet SPE Funded Facility, the applicable Telenet SPE will redeem an aggregate principal amount of its Telenet SPE Notes equal to the principal amount of the loans so prepaid and (ii) in the case of the Telenet SPE Notes, additional amounts (as specified in the applicable Telenet SPE Indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing on (a) November 15 for the Telenet Finance Notes, (b) February 15 for the Telenet Finance III Notes, (c) June 15 for the Telenet Finance IV Notes and (d) August 15 for the Telenet Finance V Notes, of the years set forth below:

	Redemption Price				
Year	Telenet Finance Notes	Telenet Finance III Notes	Telenet Finance IV Notes	6.25% Telenet Finance V Notes	6.75% Telenet Finance V Notes
2015	103.188%	N.A.	101.000%	N.A.	N.A.
2016	102.125%	103.313%	100.000%	N.A.	N.A.
2017	101.063%	102.209%	100.000%	103.125%	N.A.
2018	100.000%	101.104%	100.000%	102.083%	103.375%
2019	100.000%	100.000%	100.000%	101.563%	102.531%
2020	100.000%	100.000%	100.000%	100.000%	101.688%
2021	N.A.	100.000%	100.000%	100.000%	100.844%
2022 and thereafter	N.A.	N.A.	N.A.	100.000%	100.000%

The details of the Telenet SPE Notes as of December 31, 2014 are summarized in the following table:

			Outstanding principal amount			
Telenet SPEs Notes	Maturity	Interest rate	Borrowing currency	U.S. $ equivalent	Estimated fair value	Carrying value
				in millions		
Telenet Finance Notes	November 15, 2020	6.375%	€ 500.0	$ 605.0	$ 639.8	$ 605.0
Telenet Finance III Notes	February 15, 2021	6.625%	€ 300.0	363.0	387.0	363.0
Telenet Finance IV Notes	June 15, 2021	EURIBOR + 3.875%	€ 400.0	484.0	487.0	484.0
6.25% Telenet Finance V Notes	August 15, 2022	6.250%	€ 450.0	544.5	595.9	544.5
6.75% Telenet Finance V Notes	August 15, 2024	6.750%	€ 250.0	302.5	340.7	302.5
Total				$ 2,299.0	$ 2,450.4	$ 2,299.0

VTR Finance Senior Secured Notes

On January 24, 2014, VTR Finance B.V. (VTR Finance) issued $1.4 billion principal amount of 6.875% senior secured notes due January 15, 2024 (the VTR Finance Senior Secured Notes) pursuant to an indenture dated January 24, 2014 (the VTR Indenture). The net proceeds from the issuance of the VTR Finance Senior Secured Notes were used, together with existing cash of our subsidiaries, to repay all of the outstanding indebtedness under Facilities R, S and AE of the UPC Broadband Holding Bank Facility in connection with the extraction of VTR Finance and its subsidiaries from the UPC Holding credit pool.

Taking into account the derivative contracts that we entered into in connection with the VTR Finance Senior Secured Notes, our effective borrowing cost for the VTR Finance Senior Secured Notes is 10.94%.

The VTR Finance Senior Secured Notes are senior obligations of VTR Finance and rank equally with all other existing and future debt of VTR Finance that is not subordinated in right of payment to the VTR Finance Senior Secured Notes and senior in right of payment to all existing and future subordinated debt of VTR Finance. The VTR Finance Senior Secured Notes are secured by a first-ranking pledge over all the shares of VTR Finance and VTR Finance's subsidiary, United Chile LLC.

At any time prior to January 15, 2019, VTR Finance may redeem some or all of the VTR Finance Senior Secured Notes by paying a "make-whole" premium, which is the present value of all remaining scheduled interest payments to January 15, 2019 using the discount rate (as specified in the VTR Indenture) as of the applicable redemption date plus 50 basis points.

At any time prior to January 15, 2019, VTR Finance may redeem during each twelve-month period commencing on January 24, 2014 up to 10% of the principal amount of the VTR Finance Senior Secured Notes at a redemption price equal to 103% of the principal amount thereof plus accrued and unpaid interest.

VTR Finance may redeem all or part of the VTR Finance Senior Secured Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the VTR Indenture), if any, to the applicable redemption date, if redeemed during the twelve-month period commencing January 15 of the years set forth below:

Year	Redemption price
2019	103.438%
2020	102.292%
2021	101.146%
2022 and thereafter	100.000%

VTR Credit Facility

The VTR Credit Facility is the senior secured credit facility of VTR and certain of its subsidiaries and consists of the VTR Dollar Credit Facility and the VTR CLP Credit Facility. The VTR Dollar Credit Facility and the VTR CLP Credit Facility have fees on unused commitments of 1.1% and 1.34% per year, respectively. The interest rate for the VTR Dollar Credit Facility is LIBOR plus a margin of 2.75%. The interest rate for the VTR CLP Credit Facility is the applicable interbank offered rate for Chilean pesos in the relevant interbank market plus a margin of 3.35%. Borrowings under the VTR Dollar Credit Facility and the VTR CLP Credit Facility mature in January 2020 and January 2019, respectively.

Liberty Puerto Rico Bank Facility

At December 31, 2014, the Liberty Puerto Rico Bank Facility consists of (i) a $530.0 million first lien term loan that matures on January 7, 2022 (the LPR Term Loan B), (ii) a $145.0 million second lien term loan that matures on July 7, 2023 (the LPR Term Loan C) and (iii) a $40.0 million revolving credit facility (the LPR Revolving Loan), which revolving facility was undrawn at December 31, 2014. The net proceeds from LPR Term Loan B and LPR Term Loan C were used to repay all amounts previously outstanding under the Liberty Puerto Rico Bank Facility. The LPR Term Loan B and LPR Term Loan C, each of which were issued at 99.5% of par, bear interest at LIBOR plus 3.50% and LIBOR plus 6.75%, respectively, and are subject to a LIBOR floor of 1.0%. The LPR Revolving Loan, which matures on July 7, 2020 and bears interest at LIBOR plus 3.50%, has a fee on unused commitments of 0.50% or 0.375% depending on the consolidated total net leverage ratio (as specified in the Liberty Puerto Rico Bank Facility).

In addition to customary restrictive covenants, prepayment requirements and events of default, including defaults on other indebtedness of Liberty Puerto Rico and its subsidiaries, the Liberty Puerto Rico Bank Facility requires compliance with the following financial covenants: (i) consolidated total net leverage ratio and (ii) consolidated first lien net leverage ratio, each as specified in the Liberty Puerto Rico Bank Facility. The Liberty Puerto Rico Bank Facility permits Liberty Puerto Rico to transfer funds to its parent company (and indirectly to Liberty Global) through loans, dividends or other distributions provided that Liberty Puerto Rico maintains compliance with applicable covenants.

The Liberty Puerto Rico Bank Facility is secured by pledges over (i) the Liberty Puerto Rico shares indirectly owned by our company and (ii) certain other assets owned by Liberty Puerto Rico.

In December 2014, we entered into additional facilities under the Liberty Puerto Rico Bank Facility in connection with our execution of the agreement to acquire Choice. These facilities provide for $257.5 million of aggregate borrowing availability subject to the completion of the Choice Acquisition. For additional information regarding the Choice Acquisition, see note 4.

Refinancing Transactions. During 2014 and 2012, we completed refinancing transactions that generally resulted in additional borrowings or extended maturities under the Liberty Puerto Rico Bank Facility. In connection with these transactions, we recognized losses on debt modification, extinguishment and conversion, net, of $9.8 million and $4.4 million during 2014 and 2012, respectively. These losses include (i) third-party costs of $7.1 million and $3.8 million, respectively, (ii) the write-offs of deferred financing costs of $3.6 million and $0.6 million, respectively and (iii) the write-offs of unamortized premiums of $0.9 million and nil, respectively.

Maturities of Debt and Capital Lease Obligations

Maturities of our debt and capital lease obligations as of December 31, 2014 are presented below for the named entity and its subsidiaries, unless otherwise noted. Amounts presented below represent U.S. dollar equivalents based on December 31, 2014 exchange rates:

Debt:

	Virgin Media	UPC Holding (a)	Unitymedia KabelBW	Ziggo	Telenet (b)	Other	Total
				in millions			
Year ending December 31:							
2015	$ 406.5	$ 436.0	$ 455.5	$ —	$ 9.0	$ 43.3	$ 1,350.3
2016	—	—	—	—	9.0	351.0	360.0
2017	—	—	—	—	9.0	908.1	917.1
2018	—	—	—	—	9.0	239.5	248.5
2019	584.3	—	—	—	20.5	—	604.8
Thereafter	12,262.7	9,595.4	7,402.5	5,755.9	4,040.2	2,074.8	41,131.5
Total debt maturities	13,253.5	10,031.4	7,858.0	5,755.9	4,096.7	3,616.7	44,612.2
Unamortized premium (discount)	19.8	(15.2)	(1.6)	31.9	(3.4)	(32.3)	(0.8)
Total debt	$ 13,273.3	$ 10,016.2	$ 7,856.4	$ 5,787.8	$ 4,093.3	$ 3,584.4	$ 44,611.4
Current portion (c)	$ 408.6	$ 436.0	$ 455.5	$ —	$ 9.0	$ 43.3	$ 1,352.4
Noncurrent portion	$ 12,864.7	$ 9,580.2	$ 7,400.9	$ 5,787.8	$ 4,084.3	$ 3,541.1	$ 43,259.0

(a) Amounts include the UPCB SPE Notes issued by the UPCB SPEs. As described above, the UPCB SPEs are consolidated by UPC Holding.

(b) Amounts include certain senior secured notes issued by special purpose financing entities that are consolidated by Telenet.

(c) Includes the $338.8 million principal amount outstanding under the revolving credit facilities of our subsidiaries.

Capital lease obligations:

	Unitymedia KabelBW	Telenet	Virgin Media	Other	Total
			in millions		
Year ending December 31:					
2015	$ 88.7	$ 66.7	$ 122.7	$ 22.3	$ 300.4
2016	88.7	65.2	69.5	20.1	243.5
2017	88.7	63.4	29.6	13.1	194.8
2018	88.7	60.0	6.6	5.8	161.1
2019	88.7	49.6	4.4	2.9	145.6
Thereafter	965.9	252.5	222.1	21.8	1,462.3
Total principal and interest payments	1,409.4	557.4	454.9	86.0	2,507.7
Amounts representing interest	(599.3)	(144.0)	(199.6)	(17.2)	(960.1)
Present value of net minimum lease payments	$ 810.1	$ 413.4	$ 255.3	$ 68.8	$ 1,547.6
Current portion	$ 27.1	$ 41.3	$ 111.6	$ 18.5	$ 198.5
Noncurrent portion	$ 783.0	$ 372.1	$ 143.7	$ 50.3	$ 1,349.1

Non-cash Refinancing Transactions

During 2014, 2013 and 2012, certain of our refinancing transactions included non-cash borrowings and repayments of debt aggregating $5,418.8 million, $5,061.5 million and $3,793.4 million, respectively. During 2013, we also recorded a $3,557.5 million non-cash increase to our debt as a result of certain financing transactions completed in contemplation of the execution of the Virgin Media Merger Agreement. For additional information, see note 4.

(11) Income Taxes

As a result of the Virgin Media Acquisition, pursuant to which Liberty Global became the publicly-held parent company of the successors by merger of LGI and Virgin Media, our statutory tax rate changed during 2013 from the U.S. federal income tax rate of 35.0% to the U.K. statutory income tax rate. The U.K. statutory income tax rate is currently 21.0%. Liberty Global has filed income tax returns in the U.K. and U.S. for 2014 and 2013, and LGI will continue to file consolidated income tax returns in the U.S. The income taxes of Liberty Global and its subsidiaries are presented on a separate return basis for each tax-paying entity or group.

The components of our loss from continuing operations before income taxes are as follows:

	Year ended December 31,		
	2014	2013	2012
	in millions		
U.S.	$ (1,105.6)	$ (306.3)	$ (73.3)
The Netherlands	(644.5) —	799.9 —	(152.3)
U.K.	585.7	(976.0)	(11.6)
Switzerland	326.1	284.3	274.8
Germany	(294.7) —	(355.8) —	(498.4)
Belgium	21.5 —	89.5 —	96.9
Other	55.6	(62.1)	(145.0)
Total	$ (1,055.9)	$ (526.5)	$ (508.9)

Income tax benefit (expense) consists of:

	Current	Deferred	Total
		in millions	
Year ended December 31, 2014:			
Continuing operations:			
U.K.	$ (2.1)	$ 113.4	$ 111.3
U.S. (a)	(22.5)	129.6	107.1
Belgium	(138.7)	31.7	(107.0)
Switzerland	(76.8)	3.1	(73.7)
The Netherlands	11.1	42.5	53.6
Germany	(22.6)	37.0	14.4
Other	(24.0)	(6.7)	(30.7)
Total — continuing operations	$ (275.6)	$ 350.6	$ 75.0
Discontinued operations	$ —	$ (0.1)	$ (0.1)
Year ended December 31, 2013:			
Continuing operations:			
U.K	$ (2.4)	$ (245.2)	$ (247.6)
Belgium	(97.1)	(16.2)	(113.3)
The Netherlands	0.5	97.3	97.8
Switzerland	(53.6)	(4.4)	(58.0)
Germany	(13.2)	(38.1)	(51.3)
U.S. (a)	(106.0)	104.9	(1.1)
Other	(65.1)	83.1	18.0
Total — continuing operations	$ (336.9)	$ (18.6)	$ (355.5)
Discontinued operations	$ (20.5)	$ (2.2)	$ (22.7)
Year ended December 31, 2012:			
Continuing operations:			
Germany	$ 4.0	$ 119.6	$ 123.6
The Netherlands	(8.2)	(67.6)	(75.8)
Switzerland	(8.7)	(63.7)	(72.4)
Belgium	(1.5)	(54.5)	(56.0)
U.S. (a)	38.2	(44.6)	(6.4)
U.K.	(0.1)	(0.7)	(0.8)
Other	(62.7)	75.5	12.8
Total — continuing operations	$ (39.0)	$ (36.0)	$ (75.0)
Discontinued operations	$ (14.8)	$ (13.3)	$ (28.1)

(a) Includes federal and state income taxes. Our U.S. state income taxes were not material during any of the years presented.

Income tax benefit (expense) attributable to our loss from continuing operations before income taxes differs from the amounts computed using the applicable income tax rate as a result of the following factors:

	Year ended December 31,		
	2014	**2013**	**2012**
		in millions	
Computed “expected” tax benefit (a)	$ 221.7	$ 121.1	$ 178.1
Change in valuation allowances (b):			
Decrease	(373.1)	(112.6)	(148.3)
Increase	11.9	31.7	25.6
International rate differences (b) (c):			
Increase	266.4	148.2	60.6
Decrease	(27.6)	(50.8)	(81.8)
Non-deductible or non-taxable interest and other expenses (b):			
Decrease	(236.5)	(133.5)	(84.7)
Increase	58.0	85.2	2.4
Tax effect of intercompany financing	166.9	82.7	—
Basis and other differences in the treatment of items associated with investments in subsidiaries and affiliates	(135.4)	(4.0)	(24.6)
Non-deductible or non-taxable foreign currency exchange results (b):			
Increase	71.9	0.5	—
Decrease	(16.3)	(56.1)	(10.4)
Recognition of previously unrecognized tax benefits	29.5	—	—
Enacted tax law and rate changes (d)	23.9	(377.8)	12.3
Change in subsidiary tax attributes due to a deemed change in control	—	(88.0)	—
Other, net	13.7	(2.1)	(4.2)
Total income tax benefit (expense)	$ 75.0	$ (355.5)	$ (75.0)

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(a) The statutory or “expected” tax rates are the U.K. rate of 21.0%, the U.K. rate of 23.0% and the U.S. rate of 35.0% for 2014, 2013 and 2012, respectively.

(b) Country jurisdictions giving rise to increases are grouped together and shown separately from country jurisdictions giving rise to decreases.

(c) Amounts reflect adjustments (either an increase or a decrease) to “expected” tax benefit for statutory rates in jurisdictions in which we operate outside of the U.K. for 2014 and 2013 and outside of the U.S. for 2012.

(d) In April 2014, the U.K. corporate income tax rate decreased from 23.0% to 21.0%, with a further decline to 20.0% scheduled for April 2015. Substantially all of the impact of these rate changes on our deferred tax balances was recorded in the third quarter of 2013.

The current and non-current components of our deferred tax assets are as follows:

	December 31, 2014	December 31, 2013
	in millions	
Current deferred tax assets	$ 290.3	$ 226.1
Non-current deferred tax assets (a)	2,587.0	2,641.8
Current deferred tax liabilities (a)	(0.6)	(1.5)
Non-current deferred tax liabilities (a)	(2,369.4)	(1,554.2)
Net deferred tax asset	$ 507.3	$ 1,312.2

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(a) Our current deferred tax liabilities are included in other accrued and current liabilities, and our non-current deferred tax assets and liabilities are included in other assets, net, and other long-term liabilities, respectively, in our consolidated balance sheets.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

	December 31, 2014	December 31, 2013
	in millions	
Deferred tax assets:		
Net operating loss and other carryforwards	$ 6,637.9	$ 7,286.1
Property and equipment, net	3,469.2	3,470.7
Debt	1,189.0	837.7
Derivative instruments	345.9	518.4
Intangible assets	149.6	187.5
Other future deductible amounts	265.3	265.0
Deferred tax assets	12,056.9	12,565.4
Valuation allowance	(6,679.4)	(7,052.8)
Deferred tax assets, net of valuation allowance	5,377.5	5,512.6
Deferred tax liabilities:		
Intangible assets	(2,338.2)	(1,471.1)
Property and equipment, net	(1,861.4)	(1,945.3)
Investments	(367.6)	(400.7)
Derivative instruments	(142.7)	(129.5)
Other future taxable amounts	(160.3)	(253.8)
Deferred tax liabilities	(4,870.2)	(4,200.4)
Net deferred tax asset	$ 507.3	$ 1,312.2

Our deferred income tax valuation allowance decreased $373.4 million in 2014. This decrease reflects the net effect of (i) foreign currency translation adjustments, (ii) the net tax expense related to our continuing operations of $361.2 million, (iii) acquisitions, (iv) expiration of net operating losses and (v) other individually insignificant items.

Virgin Media had property and equipment on which future U.K. tax deductions can be claimed of $21.6 billion and $22.2 billion at December 31, 2014 and 2013, respectively. The maximum amount of these “capital allowances” that can be claimed in any one year is 18% of the remaining balance, after additions, disposals and prior claims. The tax effects of these capital allowances are included in the 2014 and 2013 deferred tax assets related to property and equipment, net, in the above table.

At December 31, 2014, our unrecognized excess tax benefits aggregated $141.7 million. These excess tax benefits, which represent tax deductions in excess of the financial reporting expense for share-based compensation, will not be recognized for financial reporting purposes until such time as these tax benefits can be realized as a reduction of income taxes payable. The tax effects of these unrecognized excess tax benefits are not included in the above table.

The significant components of our tax loss carryforwards and related tax assets at December 31, 2014 are as follows:

Country	Tax loss carryforward	Related tax asset	Expiration date
	in millions		
U.K.	$ 21,119.2	$ 4,223.8	Indefinite
The Netherlands	3,025.8	756.4	2015-2023
Germany	2,670.1	424.8	Indefinite
U.S.	1,550.3	405.1	2019-2034
Luxembourg	1,030.7	301.2	Indefinite
France	585.1	201.4	Indefinite
Belgium	506.3	172.1	Indefinite
Ireland	466.0	58.2	Indefinite
Hungary	209.8	39.9	2025
Other	240.7	55.0	Various
Total	$ 31,404.0	$ 6,637.9	

Our tax loss carryforwards within each jurisdiction combine all companies' tax losses (both capital and ordinary losses) in that jurisdiction, however, certain tax jurisdictions limit the ability to offset taxable income of a separate company or different tax group with the tax losses associated with another separate company or group. The majority of the tax losses shown in the above table are not expected to be realized, including certain losses that are limited in use due to change in control or same business tests.

We intend to indefinitely reinvest earnings from certain non-U.S. operations except to the extent the earnings are subject to current income taxes. At December 31, 2014, income and withholding taxes for which a net deferred tax liability might otherwise be required have not been provided on an estimated $11.1 billion of cumulative temporary differences (including, for this purpose, any difference between the aggregate tax basis in stock of a consolidated subsidiary and the corresponding amount of the subsidiary's net equity determined for financial reporting purposes) on non-U.S. entities. The determination of the additional withholding tax that would arise upon a reversal of temporary differences is impractical to estimate as it is subject to offset by available foreign tax credits and subject to certain limitations.

In general, a U.K. or U.S. corporation may claim a foreign tax credit against its income tax expense for foreign income taxes paid or accrued. A U.S. corporation may also claim a credit for foreign income taxes paid or accrued on the earnings of a foreign corporation paid to the U.S. corporation as a dividend.

Our ability to claim a foreign tax credit for dividends received from our foreign subsidiaries or foreign taxes paid or accrued is subject to various significant limitations under U.S. tax laws including a limited carry back and carry forward period. Some of our operating companies are located in countries with which the U.K. or U.S. does not have income tax treaties. Because we lack treaty protection in these countries, we may be subject to high rates of withholding taxes on distributions and other payments from these operating companies and may be subject to double taxation on our income. Limitations on the ability to claim a foreign tax credit, lack of treaty protection in some countries, and the inability to offset losses in one jurisdiction against income earned in another jurisdiction could result in a high effective tax rate on our earnings. Since a significant portion of our revenue is generated outside of the U.K. and substantially all of our revenue is generated outside the U.S., including in jurisdictions that do not have tax treaties with the U.K. or U.S., these risks are greater for us than for companies that generate most of their revenue in the U.K. or U.S. or in jurisdictions that have these treaties.

Through our subsidiaries, we maintain a presence in many countries. Many of these countries maintain highly complex tax regimes that differ significantly from the system of income taxation used in the U.K. and the U.S. We have accounted for the effect of these taxes based on what we believe is reasonably expected to apply to us and our subsidiaries based on tax laws currently in effect and reasonable interpretations of these laws. Because some jurisdictions do not have systems of taxation that are as well established as the system of income taxation used in the U.K., U.S. or tax regimes used in other major industrialized countries, it may be difficult to anticipate how other jurisdictions will tax our and our subsidiaries' current and future operations.

Although we intend to take reasonable tax planning measures to limit our tax exposures, no assurance can be given that we will be able to do so.

We and our subsidiaries file consolidated and standalone income tax returns in various jurisdictions. In the normal course of business, our income tax filings are subject to review by various taxing authorities. In connection with such reviews, disputes could arise with the taxing authorities over the interpretation or application of certain income tax rules related to our business in that tax jurisdiction. Such disputes may result in future tax and interest and penalty assessments by these taxing authorities. The ultimate resolution of tax contingencies will take place upon the earlier of (i) the settlement date with the applicable taxing authorities in either cash or agreement of income tax positions or (ii) the date when the tax authorities are statutorily prohibited from adjusting the company's tax computations.

In general, tax returns filed by our company or our subsidiaries for years prior to 2008 are no longer subject to examination by tax authorities. Certain of our subsidiaries are currently involved in income tax examinations in various jurisdictions in which we operate, including Germany (2008 through 2010), the Netherlands (2011 through 2014), Slovakia (2011), Switzerland (2011 through 2012) and the U.S. (2009 through 2014). Except as noted below, any adjustments that might arise from the foregoing examinations are not expected to have a material impact on our consolidated financial position or results of operations. In the U.S., the consolidated income tax returns of LGI for 2009 through 2014 are under examination and, during the fourth quarter of 2013, we received two notifications from the Internal Revenue Service (IRS) regarding proposed adjustments to the 2010 and 2009 taxable income of LGI. We are in discussions with the IRS with respect to these proposed adjustments. While we believe that the resolution of these proposed adjustments will not have a material impact on our consolidated financial position, results of operations or cash flows, no assurance can be given that this will be the case given the amounts involved and the complex nature of the related issues.

The changes in our unrecognized tax benefits are summarized below:

	2014	2013	2012
		in millions	
Balance at January 1	$ 490.9	$ 359.7	$ 400.6
Additions for tax positions of prior years	64.5	41.5	5.5
Reductions for tax positions of prior years	(50.2)	(14.2)	(124.2)
Additions based on tax positions related to the current year	38.2	102.3	89.9
Foreign currency translation	(27.0)	7.9	2.9
Lapse of statute of limitations	(1.9)	(6.3)	(15.0)
Settlements with tax authorities	(1.0)	—	—
Balance at December 31	$ 513.5	$ 490.9	$ 359.7

No assurance can be given that any of these tax benefits will be recognized or realized.

As of December 31, 2014, our unrecognized tax benefits included $332.9 million of tax benefits that would have a favorable impact on our effective income tax rate if ultimately recognized, after considering amounts that we would expect to be offset by valuation allowances and other factors.

During 2015, it is reasonably possible that the resolution of ongoing examinations by tax authorities as well as expiration of statutes of limitation could result in significant reductions to our unrecognized tax benefits related to tax positions taken as of December 31, 2014. The amount of any such reductions could range up to $230 million. Other than the potential impacts of these ongoing examinations and the expected expiration of certain statutes of limitation, we do not expect any material changes to our unrecognized tax benefits during 2015. No assurance can be given as to the nature or impact of any changes in our unrecognized tax positions during 2015.

During 2014, 2013 and 2012, the income tax benefit (expense) of our continuing operations includes net income tax expense of $10.9 million, $14.0 million and $7.7 million, respectively, representing the net accrual of interest and penalties during the period. Our other long-term liabilities include accrued interest and penalties of $51.7 million at December 31, 2014.

(12) Equity

Capitalization

Our authorized share capital consists of an aggregate nominal amount of $20.0 million, consisting of any of the following: (i) Liberty Global Class A ordinary shares, Liberty Global Class B ordinary shares and Liberty Global Class C ordinary shares, each with a nominal value of $0.01 per share, (ii) Liberty Global preferred shares, with a nominal value of $0.01 per share, the issuance of one or more classes or series of which as may be authorized by the board of directors, and (iii) any other shares of one or more classes as may be determined by the board of directors or by the shareholders of Liberty Global.

Under Liberty Global's Articles of Association, holders of Liberty Global Class A ordinary shares are entitled to one vote for each such share held, and holders of Liberty Global Class B ordinary shares are entitled to 10 votes for each such share held, on all matters submitted to a vote of Liberty Global shareholders at any general meeting (annual or special). Holders of Liberty Global Class C ordinary shares are not entitled to any voting powers.

Each Liberty Global Class B ordinary share is convertible into one Liberty Global Class A ordinary share at the option of the holder. One Liberty Global Class A ordinary share is reserved for issuance for each Liberty Global Class B ordinary share that is issued (10,139,184 shares issued as of December 31, 2014). At December 31, 2014, there were (i) 1,726,259 and 3,946,192 Liberty Global Class A and Class C ordinary shares, respectively, reserved for issuance pursuant to outstanding stock options, (ii) 8,396,737 and 23,055,293 Liberty Global Class A and Class C ordinary shares, respectively, reserved for issuance pursuant to outstanding SARs and PSARs, and (iii) 2,554,963, 1,000,000 and 3,829,770 Liberty Global Class A, Class B and Class C ordinary shares, respectively, reserved for issuance pursuant to outstanding PSUs, PGUs and RSUs.

Subject to any preferential rights of any outstanding class of our preferred shares, the holders of Liberty Global Class A, Class B and Class C ordinary shares will be entitled to such dividends as may be declared from time to time by our board of directors from funds available therefor. Except with respect to certain share distributions, whenever a dividend is paid to the holder of one class of our ordinary shares, we shall also pay to the holders of the other classes of our ordinary shares an equal per share dividend. There are currently no contractual restrictions on our ability to pay dividends in cash or shares.

In the event of our liquidation, dissolution and winding up, after payment or provision for payment of our debts and liabilities and subject to the prior payment in full of any preferential amounts to which our preferred shareholders may be entitled, the holders of Liberty Global Class A, Class B and Class C ordinary shares will share equally, on a share for share basis, in our assets remaining for distribution to the holders of Liberty Global ordinary shares.

Acquisition of Interests in VTR and VTR Wireless

On March 14, 2014, a subsidiary of VTR Finance acquired each of the 20.0% noncontrolling ownership interests in VTR and VTR Wireless SpA (VTR Wireless) from Inversiones Corp Comm 2 SpA (the VTR NCI Acquisition), formerly known as Corp Comm S.A. (the VTR NCI Owner). VTR Wireless was an indirect subsidiary of Liberty Global that was merged with a subsidiary of VTR in December 2014. The consideration for the VTR NCI Acquisition was satisfied by the allotment and issuance of 10,091,178 Liberty Global Class C ordinary shares to the VTR NCI Owner. The VTR NCI Acquisition has been accounted for as an equity transaction, the net effect of which was to record the issued Liberty Global Class C shares at the $185.4 million carrying value of the acquired noncontrolling interests.

Share Repurchases

During 2014, 2013 and 2012, our board of directors authorized various share repurchase programs, the most recent of which provides for the repurchase of up to $4.5 billion (before direct acquisition costs) of Liberty Global Class A and/or Class C ordinary shares. Under these plans, we receive authorization to acquire up to the specified amount of Liberty Global Class A and Class C ordinary shares or other authorized securities from time to time through open market or privately negotiated transactions, which may include derivative transactions. The timing of the repurchase of shares or other securities pursuant to our equity repurchase programs, which may be suspended or discontinued at any time, is dependent on a variety of factors, including market conditions. As of December 31, 2014, the remaining amount authorized for share repurchases was $1,933.7 million. Subsequent to December 31, 2014, our board of directors authorized an additional $2.0 billion of availability for share repurchases.

As a U.K. incorporated company, we may only elect to repurchase shares or pay dividends to the extent of our “Distributable Reserves.” Distributable Reserves, which are not linked to a GAAP reported amount, may be created through the earnings of the U.K. parent company and, amongst other methods, through a reduction in share premium approved by the English Companies Court. Based on the amounts set forth in our 2013 U.K. Companies Act Report that was filed with the U.K. Companies House on May, 7, 2014, which are our most recent “Relevant Accounts” for the purposes of determining our Distributable Reserves under U.K. law, our Distributable Reserves are $28.7 billion. This amount does not reflect earnings, share repurchases, dividends or other activity that occurred in 2014, each of which impacts the amount of our Distributable Reserves.

The following table provides details of our share repurchases during 2014, 2013 and 2012:

	Liberty Global Class A ordinary shares or LGI Series A common stock		Liberty Global Class C ordinary shares or LGI Series C common stock		
Purchase date	**Shares purchased**	**Average price paid per share (a)**	**Shares purchased**	**Average price paid per share (a)**	**Total cost (a)**
					in millions
Shares purchased pursuant to repurchase programs during:					
2014	8,062,792	$ 42.19	28,401,019	$ 44.25	$ 1,596.9
2013	6,550,197	$ 37.70	24,761,397	$ 36.55	$ 1,151.9
2012	5,611,380	$ 27.30	32,782,838	$ 25.24	$ 980.7

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(a) Includes direct acquisition costs and the effects of derivative instruments, where applicable.

Call Option Contracts

From time to time, we enter into call option contracts pursuant to which we contemporaneously (i) sell call options on shares of Liberty Global ordinary shares and (ii) purchase call options on an equivalent number of shares of Liberty Global ordinary shares with an exercise price of zero. These contracts can result in the receipt of cash and shares of Liberty Global ordinary shares. Shares acquired through the exercise of the call options are included in our share repurchases and the net gain on cash settled contracts is recorded as an increase to additional paid-in capital in our consolidated statements of equity.

Other

Telenet Tender. On December 17, 2012, Binan Investments B.V. (Binan), our wholly-owned subsidiary, launched a voluntary and conditional cash public offer (the Telenet Tender) for (i) all of Telenet’s issued shares that Binan did not already own or that were not held by Telenet (the Telenet Bid Shares) and (ii) certain outstanding vested and unvested employee warrants (the Telenet Bid Warrants). The offer price for the Telenet Bid Shares was €35.00 ($42.35) per share. The offer prices for the Telenet Bid Warrants, which were calculated using the Black Scholes option pricing model and a price of €35.00 for each of the Telenet Bid Shares, ranged from €13.48 ($16.31) per share to €25.47 ($30.82) per share.

Pursuant to the Telenet Tender, which was completed on February 1, 2013, we paid aggregate consideration of €332.5 million ($454.6 million at the transaction date) to acquire (i) 9,497,637 of the Telenet Bid Shares, increasing our ownership interest in Telenet's issued and outstanding shares at such date to 58.4%, and (ii) 3,000 of the Telenet Bid Warrants. As we owned a controlling financial interest in Telenet prior to the launch of the Telenet Tender, we accounted for the impact of the acquisition of the additional Telenet shares as an equity transaction.

Telenet Share Repurchases. From time to time, Telenet's shareholders approve share repurchase programs. Under these programs, Telenet is able to acquire outstanding shares of up to a certain maximum threshold within a given period of time following the approval date.

Subsidiary Distributions. During 2013 and 2012, Telenet and VTR made certain cash distributions to their respective shareholders. Our share of these distributions was eliminated in consolidation and the noncontrolling interest owners' share of these distributions was reflected as a charge against noncontrolling interests in our consolidated statements of equity.

Restricted Net Assets

The ability of certain of our subsidiaries to distribute or loan all or a portion of their net assets to our company is limited by the terms of applicable debt facilities. At December 31, 2014, substantially all of our net assets represented net assets of our subsidiaries that were subject to such limitations.

(13) Share-based Compensation

Our share-based compensation expense is based on the share-based incentive awards held by our and our subsidiaries' employees, including share-based incentive awards related to Liberty Global shares and the shares of certain of our subsidiaries. The following table summarizes our share-based compensation expense:

	Year ended December 31,		
	2014	2013	2012
	in millions		
Liberty Global shares:			
Performance-based incentive awards (a)	$ 129.9	$ 58.6	$ 33.0
Other share-based incentive awards	99.7	182.9	46.0
Total Liberty Global shares (b)	229.6	241.5	79.0
Telenet share-based incentive awards (c)	14.6	56.5	31.2
Other	13.0	4.5	2.2
Total	$ 257.2	$ 302.5	$ 112.4
Included in:			
Continuing operations:			
Operating expense	$ 7.6	$ 12.1	$ 8.5
SG&A expense	249.6	288.6	101.6
Total - continuing operations	257.2	300.7	110.1
Discontinued operations (d)	—	1.8	2.3
Total	$ 257.2	$ 302.5	$ 112.4

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(a) Includes share-based compensation expense related to (i) Liberty Global PSUs for all periods presented, (ii) a challenge performance award plan issued on June 24, 2013 for certain executive officers and key employees (the Challenge Performance Awards) and (iii) for 2014, the Performance Grant Units (PGUs), as described below. The Challenge Performance Awards include performance-based share appreciation rights (PSARs) and PSUs.

(b) In connection with the Virgin Media Acquisition, we issued Liberty Global share-based incentive awards (Virgin Media Replacement Awards) to employees and former directors of Virgin Media in exchange for corresponding Virgin Media awards. Virgin Media recorded share-based compensation expense of $55.8 million during 2014, including compensation expense related to the Virgin Media Replacement Awards and new awards that were granted after the Virgin Media Replacement Awards were issued. During 2013, Virgin Media recorded share-based compensation expense of $134.3 million, primarily related to the Virgin Media Replacement Awards, including $80.1 million that was charged to expense in recognition of the Virgin Media Replacement Awards that were fully vested on June 7, 2013 or for which vesting was accelerated pursuant to the terms of the Virgin Media Merger Agreement on or prior to December 31, 2013.

(c) Represents the share-based compensation expense associated with Telenet's share-based incentive awards, including (i) warrants and employee stock options with 1,082,322 awards outstanding as of December 31, 2014 at a weighted average exercise price of €27.17 ($32.88), (ii) an employee share purchase plan, (iii) performance-based specific stock option plans for the Chief Executive Officer with 565,000 awards outstanding as of December 31, 2014 at a weighted average exercise price of €37.43 ($45.29) and (iv) performance-based stock options with 87,529 awards outstanding as of December 31, 2014. During 2013 and 2012, Telenet modified the terms of certain of its share-based incentive plans to provide for anti-dilution adjustments in connection with its shareholder returns. In connection with these anti-dilution adjustments, Telenet recognized share-based compensation expense of $32.7 million and $12.6 million, respectively, and continues to recognize additional share-based compensation expense as the underlying options vest. In addition, during 2013, Telenet recognized expense of $6.2 million related to the accelerated vesting of certain options.

(d) Amounts relate to the share-based compensation expense associated with the Liberty Global share-based incentive awards held by certain employees of the Chellomedia Disposal Group.

The following table provides certain information related to share-based compensation not yet recognized for share-based incentive awards related to Liberty Global ordinary shares as of December 31, 2014:

	Liberty Global ordinary shares (a)	Liberty Global performance-based awards (b)
Total compensation expense not yet recognized (in millions)	$ 132.7	$ 162.5
Weighted average period remaining for expense recognition (in years)	2.6	1.3

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(a) Amounts relate to awards granted or assumed by Liberty Global under (i) the Liberty Global 2014 Incentive Plan, (ii) the Liberty Global 2014 Nonemployee Director Incentive Plan, (iii) the Liberty Global, Inc. 2005 Incentive Plan (as amended and restated effective June 7, 2013) (the Liberty Global 2005 Incentive Plan), (iv) the Liberty Global, Inc. 2005 Nonemployee Director Incentive Plan (as amended and restated effective June 7, 2013) (the Liberty Global 2005 Director Incentive Plan) and (v) certain other incentive plans of Virgin Media, including Virgin Media's 2010 stock incentive plan (the VM Incentive Plan). All new awards are granted under the Liberty Global 2014 Incentive Plan or the Liberty Global 2014 Nonemployee Director Incentive Plan. The Liberty Global 2014 Incentive Plan, the Liberty Global 2014 Nonemployee Director Incentive Plan, the Liberty Global 2005 Incentive Plan, the Liberty Global 2005 Director Incentive Plan and the VM Incentive Plan are described below.

(b) Amounts relate to (i) the Challenge Performance Awards, (ii) PSUs and (iii) the PGUs, as defined and described below.

The following table summarizes certain information related to the incentive awards granted and exercised with respect to Liberty Global ordinary shares:

	Year ended December 31,		
	2014	2013	2012
Assumptions used to estimate fair value of options, SARs and PSARs granted:			
Risk-free interest rate	0.81 - 1.77%	0.36 - 1.27%	0.37 - 1.68%
Expected life (a)	3.1 - 5.1 years	3.2 - 7.1 years	3.3 - 7.9 years
Expected volatility (a)	25.1 - 28.7%	26.5 - 35.8%	28.0 - 40.4%
Expected dividend yield	none	none	none
Weighted average grant-date fair value per share of awards granted:			
Options	$ 11.40	$ 11.09	$ 10.00
SARs	$ 8.93	$ 8.36	$ 7.18
PSARs	$ 8.15	$ 8.31	$ —
RSUs	$ 40.68	$ 35.74	$ 24.57
PSUs and PGUs	$ 42.47	$ 34.94	$ 25.09
Total intrinsic value of awards exercised (in millions):			
Options	$ 126.6	$ 175.0	$ 43.9
SARs	$ 48.7	$ 73.2	$ 52.0
PSARs	$ 0.4	$ —	$ —
Cash received from exercise of options (in millions)	$ 54.8	$ 81.0	$ 25.6
Income tax benefit related to share-based compensation (in millions)	$ 54.6	$ 48.0	$ 16.1

(a) The 2013 ranges shown for these assumptions exclude the awards for certain former employees of Virgin Media who were expected to exercise their awards immediately or soon after the Virgin Media Acquisition. For these awards, the assumptions used for expected life and volatility were essentially nil.

Share Incentive Plans — Liberty Global Ordinary Shares

Incentive Plans

As of December 31, 2014, we are authorized to grant incentive awards under the Liberty Global 2014 Incentive Plan and the Liberty Global 2014 Nonemployee Director Incentive Plan. Generally, we may grant non-qualified share options, SARs, restricted shares, RSUs, cash awards, performance awards or any combination of the foregoing under any of these incentive plans (collectively, awards). Ordinary shares issuable pursuant to awards made under these incentive plans will be made available from either authorized but unissued shares or shares that have been issued but reacquired by our company. Awards may be granted at or above fair value in any class of ordinary shares. The maximum number of Liberty Global shares with respect to which awards may be issued under the Liberty Global 2014 Incentive Plan and the Liberty Global 2014 Nonemployee Director Incentive Plan is 100 million (of which no more than 50 million shares may consist of Class B ordinary shares) and 10 million, respectively, in each case, subject to anti-dilution and other adjustment provisions in the respective plan. As of December 31, 2014, the Liberty Global 2014 Incentive Plan and the Liberty Global 2014 Nonemployee Director Incentive Plan had 89,582,279 and 9,745,984 ordinary shares available for grant, respectively.

Awards under the Liberty Global 2005 Incentive Plan and the Liberty Global 2005 Director Incentive Plan issued prior to June 2005 are fully vested and expire 10 years after the grant date. In connection with the Virgin Media Acquisition, we assumed the VM Incentive Plan. Awards under the VM Incentive Plan issued prior to June 7, 2013 have a 10-year term and become fully exercisable within five years of continued employment. Certain performance-based awards that were granted during the first quarter of 2013 were canceled upon completion of the Virgin Media Acquisition. These canceled awards were subsequently replaced by PSUs that were granted under the VM Incentive Plan on June 24, 2013. For the remaining performance-based awards that were outstanding prior to June 7, 2013, the performance objectives lapsed upon the completion of the Virgin Media Acquisition and such awards vest on the third anniversary of the grant date. No further awards will be granted under the Liberty Global 2005 Incentive Plan, the Liberty Global 2005 Director Incentive Plan or the VM Incentive Plan.

Awards (other than performance-based awards) under the Liberty Global 2005 Incentive Plan issued after June 2005 and under the VM Incentive Plan after June 7, 2013 generally (i) vest 12.5% on the six month anniversary of the grant date and then vest at a rate of 6.25% each quarter thereafter and (ii) expire seven years after the grant date. Awards (other than RSUs) issued after June 2005 under the Liberty Global 2005 Director Incentive Plan generally vest in three equal annual installments, provided the director continues to serve as director immediately prior to the vesting date, and expire 10 years after the grant date. RSUs vest on the date of the first annual general meeting of shareholders following the grant date. These awards may be granted at or above fair value in any class of ordinary shares.

Awards (other than performance-based awards) under the Liberty Global 2014 Incentive Plan generally (i) vest 12.5% on the six month anniversary of the grant date and then vest at a rate of 6.25% each quarter thereafter and (ii) expire seven years after the grant date. Awards (other than RSUs) issued under the Liberty Global 2014 Nonemployee Director Incentive Plan generally vest in three equal annual installments, provided the director continues to serve as director immediately prior to the vesting date, and expire seven years after the grant date. RSUs vest on the date of the first annual general meeting of shareholders following the grant date. These awards may be granted at or above fair value in any class of ordinary shares.

Performance Awards

The following is a summary of the material terms and conditions with respect to our performance-based awards for certain executive officers and key employees. These awards were granted under the Liberty Global 2014 Incentive Plan, the Liberty Global 2005 Incentive Plan and the VM Incentive Plan.

Liberty Global PSUs. PSUs are granted to executive officers and key employees annually based on a target annual equity value for each executive and key employee, of which approximately two-thirds would be delivered in the form of an annual award of PSUs and approximately one-third in the form of an annual award of SARs. Each PSU represents the right to receive one Class A or Class C ordinary share, as applicable, subject to performance and vesting. Generally, the performance period for the PSUs covers a two-year period and the performance target is based on the achievement of a specified compound annual growth rate (CAGR) in a consolidated operating cash flow metric (as defined in the applicable underlying agreement), adjusted for events such as acquisitions, dispositions and changes in foreign currency exchange rates that affect comparability (OCF CAGR), and the participant's annual performance ratings during the two-year performance period. A performance range of 75% to 125% of the target OCF CAGR generally results in award recipients earning 50% to 150% of their respective PSUs, subject to reduction or forfeiture based on individual performance. The PSUs generally vest 50% on each of March 31 and September 30 of the year following the end of the performance period.

Liberty Global Challenge Performance Awards. Effective June 24, 2013, our compensation committee approved the Challenge Performance Awards, which consisted solely of PSARs for our senior executive officers and a combination of PSARs and PSUs for our other executive officers and key employees. Each PSU represents the right to receive one Class A ordinary share or one Class C ordinary share, as applicable, subject to performance and vesting. The performance criteria for the Challenge Performance Awards will be based on the participant's performance and achievement of individual goals in each of the years 2013, 2014 and 2015. Subject to forfeitures and the satisfaction of performance conditions, 100% of each participant's Challenge Performance Awards will vest on June 24, 2016. The PSARs have a term of seven years and base prices equal to the respective market closing prices of the applicable class on the grant date.

Liberty Global Performance Grant Award. Effective May 1, 2014, our compensation committee authorized the grant of PGUs to our Chief Executive Officer, comprising a total of one million Class A PSUs and one million Class B PSUs. The PGUs, which were subject to a performance condition that was achieved in 2014, will vest in three equal annual installments commencing on March 15, 2015.

Share-based Award Activity - Liberty Global Ordinary Shares

The following tables summarize the share-based award activity during 2014 with respect to Liberty Global ordinary shares:

Options — Class A ordinary shares	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2014	2,708,445	$ 16.12		
Granted	78,677	$ 42.54		
Cancelled	(51,826)	$ 22.49		
Exercised	(1,009,037)	$ 14.61		
Outstanding at December 31, 2014	1,726,259	$ 18.01	5.4	$ 55.6
Exercisable at December 31, 2014	1,125,619	$ 13.84	4.5	$ 40.9

Options — Class C ordinary shares	Number of shares	Weighted average exercise price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2014	7,031,369	$ 14.95		
Granted	157,346	$ 40.86		
Cancelled	(128,419)	$ 21.13		
Exercised	(3,114,104)	$ 12.54		
Outstanding at December 31, 2014	3,946,192	$ 17.67	5.7	$ 120.9
Exercisable at December 31, 2014	2,452,721	$ 13.72	4.8	$ 84.8

SARs — Class A ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2014	4,168,758	$ 24.78		
Granted	2,192,672	$ 40.90		
Forfeited	(203,409)	$ 32.22		
Exercised	(550,033)	$ 21.97		
Outstanding at December 31, 2014	5,607,988	$ 31.07	4.8	$ 107.3
Exercisable at December 31, 2014	2,527,237	$ 23.25	3.6	$ 68.1

SARs — Class C ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2014	12,437,530	$ 23.87		
Granted	4,408,368	$ 39.07		
Forfeited	(566,688)	$ 22.52		
Exercised	(1,590,165)	$ 20.92		
Outstanding at December 31, 2014	14,689,045	$ 28.49	4.5	$ 291.2
Exercisable at December 31, 2014	7,308,864	$ 21.95	3.5	$ 192.7

PSARs — Class A ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2014	2,817,498	$ 35.07		
Granted	10,000	$ 43.58		
Forfeited	(29,376)	$ 35.03		
Exercised	(9,373)	$ 35.03		
Outstanding at December 31, 2014	2,788,749	$ 35.10	5.5	$ 42.1
Exercisable at December 31, 2014	7,499	$ 35.03	1.8	$ 0.1

PSARs — Class C ordinary shares	Number of shares	Weighted average base price	Weighted average remaining contractual term	Aggregate intrinsic value
			in years	in millions
Outstanding at January 1, 2014	8,452,494	$ 33.44		
Granted	30,000	$ 43.03		
Forfeited	(88,127)	$ 33.41		
Exercised	(28,119)	$ 33.41		
Outstanding at December 31, 2014	8,366,248	$ 33.48	5.5	$ 124.1
Exercisable at December 31, 2014	22,498	$ 33.41	1.8	$ 0.3

RSUs — Class A ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	725,676	$ 35.48	
Granted	226,069	$ 41.77	
Forfeited	(44,428)	$ 33.32	
Released from restrictions	(342,047)	$ 35.07	
Outstanding at December 31, 2014	565,270	$ 38.27	4.6

RSUs — Class C ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	1,944,468	$ 32.79	
Granted	460,866	$ 40.14	
Forfeited	(122,418)	$ 30.93	
Released from restrictions	(895,913)	$ 32.36	
Outstanding at December 31, 2014	1,387,003	$ 35.59	4.5

PSUs and PGUs — Class A ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	924,648	$ 32.05	
Granted	1,518,276	$ 42.74	
Performance adjustment (a)	(138,668)	$ 26.17	
Forfeited	(40,627)	$ 35.77	
Released from restrictions	(273,936)	$ 26.24	
Outstanding at December 31, 2014	1,989,693	$ 41.34	1.8

PGUs — Class B ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	—	$ —	
Granted	1,000,000	$ 44.55	
Outstanding at December 31, 2014	1,000,000	$ 44.55	2.2

PSUs — Class C ordinary shares	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2014	2,744,452	$ 29.99	
Granted	1,048,614	$ 39.83	
Performance adjustment (a)	(416,004)	$ 24.73	
Forfeited	(112,487)	$ 33.15	
Released from restrictions	(821,808)	$ 24.79	
Outstanding at December 31, 2014	2,442,767	$ 36.71	1.3

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(a) Represents the reduction in PSUs associated with the first quarter 2014 determination that 66.3% of the PSUs that were granted in 2012 (the 2012 PSUs) had been earned. As of December 31, 2014, all of the earned 2012 PSUs have been released from restrictions.

(14) Restructuring Liabilities

A summary of changes in our restructuring liabilities during 2014 is set forth in the table below:

	Employee severance and termination	Office closures	Contract termination and other	Total
	in millions			
Restructuring liability as of January 1, 2014	$ 26.6	$ 14.9	$ 72.0	$ 113.5
Restructuring charges	60.4	9.5	97.0	166.9
Cash paid	(66.3)	(10.8)	(34.4)	(111.5)
Ziggo liability at acquisition date	8.2	—	—	8.2
Foreign currency translation adjustments and other	(1.3)	(1.1)	(18.6)	(21.0)
Restructuring liability as of December 31, 2014	$ 27.6	$ 12.5	$ 116.0	$ 156.1
Current portion	$ 27.5	$ 4.4	$ 20.4	$ 52.3
Noncurrent portion	0.1	8.1	95.6	103.8
Total	$ 27.6	$ 12.5	$ 116.0	$ 156.1

Prior to March 31, 2014, Telenet operated a digital terrestrial television (DTT) business that served a limited number of subscribers. The DTT network was accessed by Telenet pursuant to third-party capacity contracts that were accounted for as operating agreements. On March 31, 2014, Telenet discontinued the provision of DTT services and, accordingly, recorded an $86.1 million restructuring charge during the three months ended March 31, 2014. This charge was equal to the then fair value of the remaining payments due under the DTT capacity contracts.

Our restructuring charges during 2014 include $17.5 million, $11.2 million, $10.7 million, $10.1 million and $9.8 million of employee severance and termination costs related to reorganization and integration activities, primarily in the U.K., the Netherlands, Germany, Chile and the European Operations Division’s central operations, respectively.

A summary of changes in our restructuring liabilities during 2013 is set forth in the table below:

	Employee severance and termination	Office closures	Contract termination	Total
	in millions			
Restructuring liability as of January 1, 2013	$ 39.7	$ 4.0	$ 13.1	$ 56.8
Restructuring charges	77.9	(0.1)	100.9	178.7
Cash paid	(91.5)	(14.1)	(17.6)	(123.2)
Virgin Media liability at acquisition date	0.1	23.3	—	23.4
Foreign currency translation adjustments and other	1.2	1.8	(11.4)	(8.4)
Reclassification of Chellomedia Disposal Group to discontinued operations	(0.8)	—	(13.0)	(13.8)
Restructuring liability as of December 31, 2013	$ 26.6	$ 14.9	$ 72.0	$ 113.5
Current portion	$ 26.5	$ 13.2	$ 25.8	$ 65.5
Noncurrent portion	0.1	1.7	46.2	48.0
Total	$ 26.6	$ 14.9	$ 72.0	$ 113.5

As further described in note 9, we recorded restructuring charges totaling $84.9 million during the third and fourth quarters of 2013 as a result of VTR's decision to cease commercial use of its mobile network. These restructuring charges include the fair value of (i) the then remaining payments due under VTR's tower and real estate operating leases of $71.5 million and (ii) certain other required payments associated with VTR's mobile network. In addition, our restructuring charges during 2013 include $46.1 million, $14.1 million and $8.1 million of employee severance and termination costs related to reorganization and integration activities in the U.K., Germany and Chile, respectively.

(15) Defined Benefit Plans

Certain of our subsidiaries in Europe maintain various funded and unfunded defined benefit plans for their employees. Annual service cost for these employee benefit plans is determined using the projected unit credit actuarial method. The subsidiaries that maintain funded plans have established investment policies for plan assets. The investment strategies are long-term in nature and designed to meet the following objectives:

- Ensure that funds are available to pay benefits as they become due;
- Maximize the total returns on plan assets subject to prudent risk taking; and
- Preserve or improve the funded status of the trusts over time.

Our subsidiaries review the asset allocation within their respective portfolios on a regular basis. Generally, the portfolios will be rebalanced to a target allocation when an individual asset class approaches its minimum or maximum targeted level. Allocations to real estate occur over multiple time periods. Assets targeted to real estate, but not yet allocated, are invested in fixed income securities with corresponding adjustments to fixed income rebalancing guidelines.

The following is a summary of the funded status of our defined benefit plans:

	Year ended December 31, 2014	Year ended December 31, 2013
	in millions	
Projected benefit obligation at beginning of period	$ 1,163.0	$ 384.6
Acquisition (a)	—	687.1
Service cost	22.3	25.8
Prior service cost	0.8	—
Interest cost	42.9	26.8
Actuarial loss (gain)	149.7	(4.8)
Participants' contributions	11.9	11.8
Benefits paid	(38.7)	(28.1)
Effect of changes in exchange rates	(104.3)	59.8
Projected benefit obligation at end of period	$ 1,247.6	$ 1,163.0
Accumulated benefit obligation at end of period	$ 1,226.1	$ 1,144.7
Fair value of plan assets at beginning of period	$ 1,057.0	$ 310.9
Acquisition (a)	—	626.0
Actual earnings of plan assets	114.6	37.0
Group contributions	68.2	44.6
Participants' contributions	11.9	11.8
Benefits paid	(37.9)	(27.6)
Effect of changes in exchange rates	(91.1)	54.3
Fair value of plan assets at end of period	$ 1,122.7	$ 1,057.0
Net liability (b)	$ 124.9	$ 106.0

(a) The 2013 amount relates to the Virgin Media Acquisition.

(b) The net liability related to our defined benefit plans is included in other long-term liabilities in our consolidated balance sheets.

The change in the amount of net actuarial gain (loss) not yet recognized as a component of net periodic pension costs in our consolidated statements of operations is as follows:

	Pre-tax amount	Tax benefit (expense)	Net-of-tax amount
		in millions	
Balance of net actuarial loss at January 1, 2013	$ (5.2)	$ 1.6	$ (3.6)
Net actuarial gain	12.7	(1.4)	11.3
Amount recognized as a component of net loss attributable to Liberty Global shareholders	(0.8)	0.1	(0.7)
Changes in ownership and other	(0.6)	0.2	(0.4)
Balance of net actuarial gain at December 31, 2013	6.1	0.5	6.6
Net actuarial loss	(87.6)	16.7	(70.9)
Amount recognized as a component of net loss attributable to Liberty Global shareholders	(1.7)	0.3	(1.4)
Changes in ownership and other	0.2	—	0.2
Balance of net actuarial loss at December 31, 2014	$ (83.0)	$ 17.5	$ (65.5)

We expect that the amount of net actuarial gain or loss to be recognized in our 2015 consolidated statement of operations will not be significant.

The measurement dates used to determine our defined benefit plan assumptions were December 31, 2014 and December 31, 2013. The actuarial assumptions used to compute the net periodic pension cost are based on information available as of the beginning of the period, specifically market interest rates, past experience and management’s best estimate of future economic conditions. Changes in these assumptions may impact future benefit costs and obligations. In computing future costs and obligations, the subsidiaries must make assumptions about such items as employee mortality and turnover, expected salary and wage increases, discount rate, expected long-term rate of return on plan assets and expected future cost increases.

The expected rates of return on the assets of the funded plans are the long-term rates of return the subsidiaries expect to earn on their trust assets. The rates of return are determined by the investment composition of the plan assets and the long-term risk and return forecast for each asset category. The forecasts for each asset class are generated using historical information as well as an analysis of current and expected market conditions. The expected risk and return characteristics for each asset class are reviewed annually and revised, as necessary, to reflect changes in the financial markets. To compute the expected return on plan assets, the subsidiaries apply an expected rate of return to the fair value of the plan assets.

The weighted average assumptions used in determining benefit obligations and net periodic pension cost are as follows:

	December 31,	
	2014	2013
Expected rate of salary increase	2.6%	3.1%
Discount rate	2.6%	3.8%
Expected rate of return on plan assets	4.0%	5.1%

The components of net periodic pension cost recorded in our consolidated statements of operations are as follows:

	Year ended December 31,	
	2014	2013
	in millions	
Service cost	$ 22.3	$ 25.8
Interest cost	42.9	26.8
Expected return on plan assets	(53.7)	(30.0)
Other	(1.9)	(1.1)
Net periodic pension cost	$ 9.6	$ 21.5

The asset allocation by asset category and by fair value hierarchy level (as further described in note 8) of our plan assets is as follows:

	December 31, 2014			
	Total	Level 1	Level 2	Level 3
	in millions			
Equity securities	$ 353.8	$ 353.8	$ —	$ —
Debt securities	318.8	318.8	—	—
Insurance contract (a)	158.0	—	—	158.0
Hedge funds	136.5	120.1	16.4	—
Guarantee investment contracts	86.0	86.0	—	—
Real estate	39.9	32.9	—	7.0
Other	29.7	29.7	—	—
Total	$ 1,122.7	$ 941.3	$ 16.4	$ 165.0

	December 31, 2013			
	Total	Level 1	Level 2	Level 3
	in millions			
Equity securities	$ 344.3	$ 344.3	$ —	$ —
Debt securities	275.5	275.5	—	—
Insurance contract (a)	153.4	—	—	153.4
Hedge funds	133.1	117.8	15.3	—
Guarantee investment contracts	83.0	83.0	—	—
Real estate	36.7	28.9	—	7.8
Other	31.0	31.0	—	—
Total	$ 1,057.0	$ 880.5	$ 15.3	$ 161.2

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(a) Relates to the purchase of an insurance contract authorized by the trustee of one of our defined benefit plans. The insurance contract will pay an income stream to the plan that is expected to match all future cash outflows with respect to certain liabilities. The fair value of this insurance contract is presented as an asset of the plan and is measured based on the future cash flows to be received under the contract discounted using the same discount rate used to measure the associated liabilities.

A reconciliation of the beginning and ending balances of our plan assets measured at fair value using Level 3 inputs is as follows (in millions):

Balance at January 1, 2014	$	161.2
Actual return on plan assets:		
Gains relating to assets still held at year-end		14.6
Purchases, sales and settlements of investments, net		(1.2)
Foreign currency translation adjustments		(9.6)
Balance at December 31, 2014	$	165.0

The trustees of the defined benefit pension plans have in place weighted average target asset allocations of 27% equities, 26% bonds, 20% insurance contracts, 11% hedge funds, 8% guarantee investment contracts, 5% real estate and 3% other at December 31, 2014. As markets move relative to each other, the asset allocation may move away from the target investment strategy. Rebalancing of the assets may be carried out from time to time by the trustees.

Based on December 31, 2014 exchange rates and information available as of that date, our subsidiaries' contributions to their respective defined benefit plans in 2015 are expected to aggregate $58.5 million.

As of December 31, 2014, the benefits that we currently expect to pay during the next ten years with respect to our defined benefit plans are as follows (in millions):

2015	$	33.2
2016	$	31.2
2017	$	32.5
2018	$	31.9
2019	$	32.2
2020 through 2024	$	176.5

(16) Accumulated Other Comprehensive Earnings

Accumulated other comprehensive earnings included in our consolidated balance sheets and statements of equity reflect the aggregate impact of foreign currency translation adjustments, unrealized gains and losses on cash flow hedges and pension-related adjustments. The changes in the components of accumulated other comprehensive earnings, net of taxes, are summarized as follows:

	Liberty Global shareholders					
	Foreign currency translation adjustments	**Unrealized gains (losses) on cash flow hedges**	**Pension-related adjustments**	**Accumulated other comprehensive earnings**	**Non-controlling interests**	**Total accumulated other comprehensive earnings**
	in millions					
Balance at January 1, 2012	$ 1,529.7	$ (10.5)	$ (9.7)	$ 1,509.5	$ (23.1)	$ 1,486.4
Sale of Austar	—	—	—	—	60.1	60.1
Other comprehensive earnings	74.4	10.5	6.1	91.0	0.3	91.3
Balance at December 31, 2012	1,604.1	—	(3.6)	1,600.5	37.3	1,637.8
Other comprehensive earnings	918.1	—	10.2	928.3	(16.9)	911.4
Balance at December 31, 2013	2,522.2	—	6.6	2,528.8	20.4	2,549.2
Other comprehensive loss	(810.1)	—	(72.1)	(882.2)	(0.5)	(882.7)
Balance at December 31, 2014	$ 1,712.1	$ —	$ (65.5)	$ 1,646.6	$ 19.9	$ 1,666.5

The components of other comprehensive earnings, net of taxes, are reflected in our consolidated statements of comprehensive earnings (loss). The following table summarizes the tax effects related to each component of other comprehensive earnings, net of amounts reclassified to our consolidated statements of operations:

	Pre-tax amount	Tax benefit (expense)	Net-of-tax amount
		in millions	
Year ended December 31, 2014:			
Foreign currency translation adjustments	$ (816.4)	$ 6.3	$ (810.1)
Pension-related adjustments	(89.9)	17.3	(72.6)
Other comprehensive loss	(906.3)	23.6	(882.7)
Other comprehensive earnings attributable to noncontrolling interests (a)	0.8	(0.3)	0.5
Other comprehensive loss attributable to Liberty Global shareholders	$ (905.5)	$ 23.3	$ (882.2)
Year ended December 31, 2013:			
Foreign currency translation adjustments	$ 896.4	$ 4.4	$ 900.8
Pension-related adjustments	12.1	(1.5)	10.6
Other comprehensive earnings	908.5	2.9	911.4
Other comprehensive earnings attributable to noncontrolling interests (b)	17.3	(0.4)	16.9
Other comprehensive earnings attributable to Liberty Global shareholders	$ 925.8	$ 2.5	$ 928.3
Year ended December 31, 2012:			
Foreign currency translation adjustments	$ 76.0	$ (0.6)	$ 75.4
Cash flow hedges	15.1	(4.6)	10.5
Pension-related adjustments	6.0	(0.6)	5.4
Other comprehensive earnings	97.1	(5.8)	91.3
Other comprehensive loss attributable to noncontrolling interests (b)	0.1	(0.4)	(0.3)
Other comprehensive earnings attributable to Liberty Global shareholders	$ 97.2	$ (6.2)	$ 91.0

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(a) Amounts represent the noncontrolling interest owners’ share of our pension-related adjustments.

(b) Amounts represent the noncontrolling interest owners’ share of our foreign currency translation adjustments and pension-related adjustments.

(17) Commitments and Contingencies

Commitments

In the normal course of business, we have entered into agreements that commit our company to make cash payments in future periods with respect to programming contracts, network and connectivity commitments, purchases of customer premises and other equipment, non-cancelable operating leases and other items. The U.S. dollar equivalents of such commitments as of December 31, 2014 are presented below:

	Payments due during:						
	2015	**2016**	**2017**	**2018**	**2019**	**Thereafter**	**Total**
				in millions			
Continuing operations:							
Programming commitments	$ 863.9	$ 785.4	$ 612.7	$ 528.0	$ 231.4	$ 2.0	$ 3,023.4
Network and connectivity commitments	359.9	261.5	240.2	127.1	90.2	1,048.5	2,127.4
Purchase commitments	827.8	119.4	62.9	10.1	4.0	—	1,024.2
Operating leases	174.0	141.5	117.3	98.1	75.4	279.3	885.6
Other commitments	350.2	198.7	150.1	90.0	39.2	48.2	876.4
Total (a)	$ 2,575.8	$ 1,506.5	$ 1,183.2	$ 853.3	$ 440.2	$ 1,378.0	$ 7,937.0

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(a) The commitments reflected in this table do not reflect any liabilities that are included in our December 31, 2014 consolidated balance sheet.

Programming commitments consist of obligations associated with certain of our programming, studio output and sports rights contracts that are enforceable and legally binding on us in that we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services, (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems or (iii) whether we discontinue our premium film or sports services. In addition, programming commitments do not include increases in future periods associated with contractual inflation or other price adjustments that are not fixed. Accordingly, the amounts reflected in the above table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Payments to programming vendors have in the past represented, and are expected to continue to represent in the future, a significant portion of our operating costs. In this regard, during 2014, 2013 and 2012, the third-party programming and copyright costs incurred by our broadband communications and DTH operations aggregated $2,145.0 million, $1,612.5 million and $978.4 million, respectively. The ultimate amount payable in excess of the contractual minimums of our studio output contracts, which expire at various dates through 2019, is dependent upon the number of subscribers to our premium movie service and the theatrical success of the films that we exhibit.

Network and connectivity commitments include (i) Telenet's commitments for certain operating costs associated with its leased network, (ii) commitments associated with our MVNO agreements and (iii) certain repair and maintenance, fiber capacity and energy commitments of Unitymedia KabelBW. Subsequent to October 1, 2015, Telenet's commitments for certain operating costs will be subject to adjustment based on changes in the network operating costs incurred by Telenet with respect to its own networks. These potential adjustments are not subject to reasonable estimation and, therefore, are not included in the above table. The amounts reflected in the table with respect to certain of our MVNO commitments represent fixed minimum amounts payable under these agreements and, therefore, may be significantly less than the actual amounts we ultimately pay in these periods.

Purchase commitments include unconditional purchase obligations associated with commitments to purchase customer premises and other equipment that are enforceable and legally binding on us.

Commitments arising from acquisition agreements are not reflected in the above table. In addition, the table does not include our commitments with respect to the amounts we have agreed to pay to settle the FCO Appeals, as defined and described below.

In addition to the commitments set forth in the table above, we have significant commitments under (i) derivative instruments and (ii) defined benefit plans and similar agreements, pursuant to which we expect to make payments in future periods. For information regarding our derivative instruments, including the net cash paid or received in connection with these instruments during 2014, 2013 and 2012, see note 7. For information regarding our defined benefit plans, see note 15.

We also have commitments pursuant to agreements with, and obligations imposed by, franchise authorities and municipalities, which may include obligations in certain markets to move aerial cable to underground ducts or to upgrade, rebuild or extend portions of our broadband communication systems. Such amounts are not included in the above table because they are not fixed or determinable.

Rental expense of our continuing operations under non-cancelable operating lease arrangements amounted to $268.3 million, $238.6 million and $197.4 million during 2014, 2013 and 2012, respectively. It is expected that in the normal course of business, operating leases that expire generally will be renewed or replaced by similar leases.

We have established various defined contribution benefit plans for our and our subsidiaries' employees. The aggregate expense of our continuing operations for matching contributions under the various defined contribution employee benefit plans was $63.2 million, $48.2 million and $26.4 million during 2014, 2013 and 2012, respectively.

Guarantees and Other Credit Enhancements

In the ordinary course of business, we may provide indemnifications to our lenders, our vendors and certain other parties and performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in our company making any material payments and we do not believe that they will result in material payments in the future.

Legal and Regulatory Proceedings and Other Contingencies

Interkabel Acquisition. On November 26, 2007, Telenet and the PICs announced a non-binding agreement-in-principle to transfer the analog and digital television activities of the PICs, including all existing subscribers to Telenet. Subsequently, Telenet and the PICs entered into a binding agreement (the 2008 PICs Agreement), which closed effective October 1, 2008. Beginning in December 2007, Belgacom NV/SA (Belgacom), the incumbent telecommunications operator in Belgium, instituted several proceedings seeking to block implementation of these agreements. It lodged summary proceedings with the President of the Court of First Instance of Antwerp to obtain a provisional injunction preventing the PICs from effecting the agreement-in-principle and initiated a civil procedure on the merits claiming the annulment of the agreement-in-principle. In March 2008, the President of the Court of First Instance of Antwerp ruled in favor of Belgacom in the summary proceedings, which ruling was overturned by the Court of Appeal of Antwerp in June 2008. Belgacom brought this appeal judgment before the Cour de Cassation (the Belgian Supreme Court), which confirmed the appeal judgment in September 2010. On April 6, 2009, the Court of First Instance of Antwerp ruled in favor of the PICs and Telenet in the civil procedure on the merits, dismissing Belgacom's request for the rescission of the agreement-in-principle and the 2008 PICs Agreement. On June 12, 2009, Belgacom appealed this judgment with the Court of Appeal of Antwerp. In this appeal, Belgacom is now also seeking compensation for damages should the 2008 PICs Agreement not be rescinded. However, the claim for compensation has not yet been quantified. At the introductory hearing, which was held on September 8, 2009, the proceedings on appeal were postponed indefinitely at the request of Belgacom.

In parallel with the above proceedings, Belgacom filed a complaint with the Government Commissioner seeking suspension of the approval by the PICs' board of directors of the agreement-in-principle and initiated suspension and annulment procedures before the Belgian Council of State against these approvals and subsequently against the board resolutions of the PICs approving the 2008 PICs Agreement. In this complaint, Belgacom's primary argument was that the PICs should have organized a public market consultation before entering into the agreement-in-principal and the 2008 PICs Agreement. Belgacom's efforts to suspend approval of these agreements were unsuccessful. In the annulment cases, the Belgian Council of State decided on May 2, 2012 to refer a number of questions of interpretation of European Union (EU) law for preliminary ruling to the European Court of Justice. On November 14, 2013, the European Court of Justice ruled that a majority of the reasons invoked by the PICs not to organize a market consultation were not overriding reasons of public interest to justify abolishing the PICs' duty to organize such consultation. The annulment case was subsequently resumed with the Belgian Council of State, which was required to follow the interpretation given by the European Court of Justice with respect to the points of EU law. On January 16, 2014, the Advocate General with the Council of State recommended that the decisions of the board of the PICs not to organize a public market consultation be annulled, and on May 27, 2014, the Belgian Council of State ruled in favor of Belgacom and annulled (i) the decision of the PICs not to organize a public market consultation and (ii) the decision from the PICs' board of directors to approve the 2008 PICs Agreement.

The Belgian Council of State ruling did not annul the 2008 PICs Agreement itself. Belgacom may now resume the civil proceedings that are still pending with the Court of Appeal of Antwerp in order to have the 2008 PICs Agreement annulled and claim damages.

It is possible that Belgacom or another third party or public authority will initiate further legal proceedings in an attempt to annul the 2008 PICs Agreement. No assurance can be given as to the outcome of these or other proceedings. However, an unfavorable outcome of existing or future proceedings could potentially lead to the annulment of the 2008 PICs Agreement and/or to an obligation of Telenet to pay compensation for damages, subject to the relevant provisions of the 2008 PICs Agreement, which stipulate that Telenet is only responsible for damages in excess of €20.0 million ($24.2 million). In light of the fact that Belgacom has not quantified the amount of damages that it is seeking and we have no basis for assessing the amount of losses we would incur in the unlikely event that the 2008 PICs Agreement were to be annulled, we cannot provide a reasonable estimate of the range of loss that would be incurred in the event the ultimate resolution of this matter were to be unfavorable to Telenet. However, we do not expect the ultimate resolution of this matter to have a material impact on our results of operations, cash flows or financial position.

Deutsche Telekom Litigation. On December 28, 2012, Unitymedia KabelBW filed a lawsuit against Deutsche Telekom in which Unitymedia KabelBW asserts that it pays excessive prices for the co-use of Deutsche Telekom's cable ducts in Unitymedia KabelBW's footprint. The Federal Network Agency approved rates for the co-use of certain ducts of Deutsche Telekom in March 2011. Based in part on these approved rates, Unitymedia KabelBW is seeking a reduction of the annual lease fees (approximately €76 million ($92 million) for 2012) by approximately two-thirds and the return of similarly calculated overpayments from 2009 through the ultimate settlement date, plus accrued interest. While we expect a decision by the court of first instance during the first half of 2015, the resolution of this matter may take several years and no assurance can be given that Unitymedia KabelBW's claims will be successful. Any recovery by Unitymedia KabelBW will not be reflected in our consolidated financial statements until such time as the final disposition of this matter has been reached.

Vivendi Litigation. A wholly-owned subsidiary of our company is a plaintiff in certain litigation titled Liberty Media Corporation, et. al. v. Vivendi S.A. and Universal Studio. A predecessor of Liberty Global was a subsidiary of Liberty Media Corporation (Liberty Media) through June 6, 2004. In connection with Liberty Media's prosecution of the action, our subsidiary assigned its rights to Liberty Media in exchange for a contingent payout in the event Liberty Media recovered any amounts as a result of the action. Our subsidiary's interest in any such recovery will be equal to 10% of the recovery amount, including any interest awarded, less the amount to be retained by Liberty Media for (i) all fees and expenses incurred by Liberty Media in connection with the action (including expenses to be incurred in connection with any appeals and the payment of certain deferred legal fees) and (ii) agreed upon interest on such fees and expenses. On January 17, 2013, following a jury trial, the court entered a final judgment in favor of the plaintiffs in the amount of €944 million ($1,142 million), including prejudgment interest. Vivendi S.A. and Universal Studios have filed a notice of appeal of the court's final judgment to the Second Circuit Court of Appeals. As a result, the amount that our subsidiary may ultimately recover in connection with the final resolution of the action, if any, is uncertain. Any recovery by our company will not be reflected in our consolidated financial statements until such time as the final disposition of this matter has been reached.

Liberty Puerto Rico Matter. Liberty Puerto Rico, as the surviving entity in the Puerto Rico Transaction, is a party to certain claims previously asserted by the incumbent telephone operator against OneLink based on alleged conduct of OneLink that occurred prior to the acquisition of OneLink (the PRTC Claim). This claim included an allegation that OneLink acted in an anticompetitive manner in connection with a series of legal and regulatory proceedings it initiated against the incumbent telephone operator in Puerto Rico beginning in 2009. In March 2014, a separate class action claim was filed in Puerto Rico (the Class Action Claim) containing allegations substantially similar to those asserted in the PRTC Claim, but alleging ongoing injury on behalf of a consumer class (as opposed to harm to a competitor). The former owners of OneLink have partially indemnified us for any losses we may incur in connection with the PRTC Claim up to a specified maximum amount. However, the indemnity does not cover any potential losses resulting from the Class Action Claim. Liberty Puerto Rico has recorded a provision and a related indemnification asset representing its best estimate of the net loss that it may incur upon the ultimate resolution of the PRTC Claim. While Liberty Puerto Rico expects that the net amount required to satisfy these contingencies will not materially differ from the estimated amount it has accrued, no assurance can be given that the ultimate resolution of these matters will not have an adverse impact on our results of operations, cash flows or financial position in any given period.

Netherlands Regulatory Developments. In December 2011, the Autoriteit Consument & Markt (ACM) completed a market assessment of the television market in the Netherlands, concluding that there were no grounds for regulation of that market. On December 22, 2011, referring to its final assessment of the television market, ACM rejected previously filed requests from a number of providers to perform a new market analysis of the television market. This decision by ACM was appealed by such providers to the Dutch Supreme Administrative Court. On November 5, 2012, the Dutch Supreme Administrative Court rejected the appeals against ACM's decision.

In May 2012, the Dutch Parliament adopted laws that provide, among other matters, the power to ACM to impose an obligation for the mandatory resale of television services and to the Commissariaat voor de Media to supervise such resale obligation. These laws became effective on January 1, 2013, notwithstanding the above-described November 5, 2012 decision of the Dutch Supreme Administrative Court. On January 29, 2014, a Dutch civil court, in a proceeding initiated by UPC Nederland, declared the resale obligation laws non-binding because they infringe EU law. The Dutch Government did not appeal the January 2014 decision, and the resale obligation laws were formally withdrawn on November 26, 2014. We consider the withdrawal of the resale obligation laws to be the final resolution of this matter.

Belgium Regulatory Developments. In December 2010, the Belgisch Instituut voor Post en Telecommunicatie and the regional regulators for the media sectors (together, the Belgium Regulatory Authorities) published their respective draft decisions reflecting the results of their joint analysis of the broadcasting market in Belgium.

After a public consultation, the draft decisions were submitted to the European Commission. The European Commission issued a notice on the draft decision that criticized the analysis of the broadcasting markets on several grounds, including the fact that the Belgium Regulatory Authorities failed to analyze upstream wholesale markets. It also expressed doubts as to the necessity and proportionality of the various remedies.

The Belgium Regulatory Authorities adopted a final decision on July 1, 2011 (the July 2011 Decision) with some minor revisions. The regulatory obligations imposed by the July 2011 Decision include (i) an obligation to make a resale offer at "retail minus'' of the cable analog package available to third party operators (including Belgacom), (ii) an obligation to grant third-party operators (except Belgacom) access to digital television platforms (including the basic digital video package) at "retail minus," and (iii) an obligation to make a resale offer at "retail minus'' of broadband internet access available to beneficiaries of the digital television access obligation that wish to offer bundles of digital video and broadband internet services to their customers (except Belgacom).

Telenet submitted draft reference offers regarding the obligations described above in February 2012, in response to which the Belgium Regulatory Authorities subsequently made their observations, launched a national consultation process and consulted with the European Commission. Although the European Commission expressed doubts regarding the analog resale offers on August 8, 2013, the European Commission did not object to the reference offers. The Belgium Regulatory Authorities published the final decision on September 9, 2013. The regulated wholesale services had to be available approximately six months after a third-party operator filed a letter of intent and paid an advance payment to Telenet. On December 27, 2013, wireless operator Mobistar SA (Mobistar) submitted a letter of intent and paid the advance payment on January 10, 2014. Telenet has implemented the access obligations as described in its reference offers and, as of June 23, 2014, access to the Telenet network had become operational and can be applied by Mobistar. In addition, as a result of the November 2014 decision by the Brussels Court of Appeal described below, on November 14, 2014, Belgacom submitted a request to Telenet to commence access negotiations.

On April 2, 2013, the Belgium Regulatory Authorities issued a draft decision regarding the "retail-minus" tariffs of minus 35% for basic television (basic analog and digital video package) and minus 30% for the bundle of basic television and broadband internet services. A "retail-minus" method of pricing involves a wholesale tariff calculated as the retail price for the offered service by Telenet, excluding VAT and copyrights, and further deducting the retail costs avoided by offering the wholesale service (such as costs for billing, franchise, consumer service, marketing and sales). On October 4, 2013, the Belgium Regulatory Authorities notified a draft quantitative decision to the European Commission in which they changed the "retail-minus" tariffs to minus 30% for basic television (basic analog and digital video package) and to minus 23% for the bundle of basic television and broadband internet services. Even though the European Commission made a number of comments regarding the appropriateness of certain assumptions in the proposed costing methodology, the Belgium Regulatory Authorities adopted such "retail-minus" tariffs on December 11, 2013.

Telenet filed an appeal against the July 2011 Decision with the Brussels Court of Appeal. On November 12, 2014, the Brussels Court of Appeal rejected Telenet's appeal of the July 2011 Decision and accepted Belgacom's claim that Belgacom should be allowed access to Telenet's, among other operators, digital television platform. Telenet is currently considering the possibility to file an appeal against this decision with the Belgian Supreme Court. Telenet also filed an appeal with the Brussels Court of Appeal against the decision regarding the qualitative and the quantitative aspects of the reference offers. Wireless operator Mobistar also filed an appeal against the decision regarding the quantitative aspects of the reference offers. A decision with respect to these appeals is not expected before the end of 2015. There can be no certainty that Telenet's appeals will be successful.

The July 2011 Decision aims to, and in its application may, strengthen Telenet's competitors by granting them resale access to Telenet's network to offer competing products and services notwithstanding Telenet's substantial historical financial outlays in developing the infrastructure. In addition, any resale access granted to competitors could (i) limit the bandwidth available to Telenet to provide new or expanded products and services to the customers served by its network and (ii) adversely impact Telenet's ability to maintain or increase its revenue and cash flows. The extent of any such adverse impacts ultimately will be dependent on the extent that competitors take advantage of the resale access ultimately afforded to Telenet's network and other competitive factors or market developments.

FCO Regulatory Issues. Our 2011 acquisition of the German cable network KBW (the KBW Acquisition) was subject to the approval of The Federal Cartel Office (the FCO) in Germany, which approval was received in December 2011. In January 2012, two of our competitors (collectively, the Appellants), including the incumbent telecommunications operator, each filed an appeal (collectively, the FCO Appeals) against the FCO regarding its decision to approve our KBW Acquisition. On August 14, 2013, the Düsseldorf Court of Appeal issued a ruling that set aside the FCO's clearance decision. Although the Düsseldorf Court of Appeal did not grant the right to appeal against its ruling to the Federal Supreme Court, on September 16, 2013, we filed a formal request to appeal to the Federal Court of Justice seeking permission to appeal the Düsseldorf Court of Appeal's decision and our reasoned submission was filed on December 16, 2013. During the first quarter of 2014, interested third parties commented on our submission. The Düsseldorf Court of Appeal's ruling is not legally binding until all appeals have been rejected.

During the fourth quarter of 2014, we, together with our German subsidiaries, entered into agreements with the Appellants pursuant to which the Appellants withdrew the FCO Appeals and, on January 21, 2015, the FCO consented to the withdrawal. If the Federal Court of Justice terminates the proceedings, which we expect to occur during the first quarter of 2015, the FCO's clearance decision with respect to our KBW Acquisition will become final (without any additional review or conditions). Upon termination of the proceedings, we have agreed to pay the Appellants an aggregate amount of €183.5 million ($222.0 million). This amount, which was recorded during the fourth quarter of 2014, is included in impairment, restructuring and other operating items, net, in our consolidated statement of operations. Once the FCO Appeals are withdrawn, we will consider this matter to be closed.

Financial Transactions Tax. Eleven countries in the EU, including Belgium, Germany, Austria and Slovakia, are participating in an enhanced cooperation procedure to introduce a financial transactions tax (FTT). Under the draft language of the FTT proposal, a wide range of financial transactions could be taxed at rates of at least 0.01% for derivative transactions based on the notional amount and 0.1% for other covered financial transactions based on the underlying transaction price. Each of the individual countries would be permitted to determine an exact rate, which could be higher than the proposed rates of 0.01% and 0.1%. Any implementation of the FTT could have a global impact because it would apply to all financial transactions where a financial institution is involved (including unregulated entities that engage in certain types of covered activity) and either of the parties (whether the financial institution or its counterparty) is in one of the eleven participating countries. Although ongoing debate in the relevant countries demonstrates continued momentum around the FTT, uncertainty remains as to when the FTT would be implemented and the breadth of its application. Based on our understanding of the current status of the potential FTT, we do not expect that any implementation of the FTT would occur before 2016. Any imposition of the FTT could increase banking fees and introduce taxes on internal transactions that we currently perform. Due to the uncertainty regarding the FTT, we are currently unable to estimate the financial impact that the FTT could have on our results of operations, cash flows or financial position.

Virgin Media VAT Matters. Virgin Media's application of the VAT with respect to certain revenue generating activities has been challenged by the U.K. tax authorities. Virgin Media has estimated its maximum exposure in the event of an unfavorable outcome to be £40.3 million ($62.8 million) as of December 31, 2014. No portion of this exposure has been accrued by Virgin Media as the likelihood of loss is not considered to be probable. A court hearing was held at the end of September 2014 in relation to the U.K. tax authorities' challenge and the court's decision is expected at some point prior to March 31, 2015.

On March 19, 2014, the U.K. government announced a change in legislation with respect to the charging of VAT in connection with prompt payment discounts such as those that Virgin Media offers to its fixed-line telephony customers. The changes, which took effect on May 1, 2014, impacted Virgin Media and as a result of this legislation, Virgin Media's revenue was £28.9 million ($45.0 million) lower during 2014, as compared to 2013. Recent correspondence from the U.K. government indicates that it may seek to challenge Virgin Media's application of the prompt payment discount rules prior to the May 1, 2014 change in legislation.

If such a challenge were to be issued by the U.K. government, Virgin Media could be required to make a payment of the challenged amount in order to make an appeal. Virgin Media currently estimates that the challenged amount could be up to approximately £65 million ($101 million) before any penalties or interest. Any challenge and subsequent appeal would likely be subject to court proceedings that could delay the ultimate resolution of this matter for an extended period of time. No portion of this potential exposure has been accrued by Virgin Media as no claim has been asserted or assessed and the likelihood of loss is not considered to be probable.

Cignal. On April 26, 2002, Liberty Global Europe received a notice that certain former shareholders of Cignal Global Communications (Cignal) filed a lawsuit (the 2002 Cignal Action) against Liberty Global Europe. On June 13, 2006, Liberty Global Europe, Priority Telecom NV, Euronext NV and Euronext Amsterdam NV were each served with a summons for a new action (the 2006 Cignal Action) purportedly on behalf of all other former Cignal shareholders and provisionally for the nine plaintiffs in the 2002 Cignal Action. During the third quarter of 2007, we recorded a litigation provision of $146.0 million based on our assessment at the time of our loss exposure with respect to the 2002 Cignal Action and the 2006 Cignal Action. On October 25, 2013, we received what we consider to be the final resolution of the 2006 Cignal Action and the effective resolution of the 2002 Cignal Action. Accordingly, we released the entire $146.0 million provision related to this matter during the third quarter of 2013.

Other Regulatory Issues. Video distribution, broadband internet, fixed-line telephony, mobile and content businesses are regulated in each of the countries in which we operate. The scope of regulation varies from country to country, although in some significant respects regulation in European markets is harmonized under the regulatory structure of the EU. Adverse regulatory developments could subject our businesses to a number of risks. Regulation, including conditions imposed on us by competition or other authorities as a requirement to close acquisitions or dispositions, could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and property and equipment additions. In addition, regulation may restrict our operations and subject them to further competitive pressure, including pricing restrictions, interconnect and other access obligations, and restrictions or controls on content, including content provided by third parties. Failure to comply with current or future regulation could expose our businesses to various penalties. In this regard, during September 2014, VTR received a tariff proposal from the Chilean regulatory authority that would have retroactive effect to June 2012. The tariff proposal represents a significant reduction in the fixed-line interconnection rates currently charged by VTR. VTR is in the process of formulating its objections and comments to the tariff proposal and is currently unable to reasonably predict the outcome of the tariff-setting process. VTR has continued to recognize fixed-line interconnect revenue at the currently enacted rates. Final resolution of the tariff-setting process in Chile is expected to occur during the first half of 2015. If the September 2014 tariff proposal were ultimately to be upheld, including retroactive application to June 2012, VTR would be required to issue credit notes of approximately CLP 7.4 billion ($12.2 million) for revenue previously recognized through December 31, 2014.

We have security accreditations across a range of B2B products and services in order to increase our offerings to public sector organizations in the U.K. These accreditations are granted subject to periodic reviews of our policies and procedures by U.K. governmental authorities. If we were to fail to maintain these accreditations or obtain new accreditations when required, it could impact our ability to provide certain offerings to the public sector.

Other. In addition to the foregoing items, we have contingent liabilities related to matters arising in the ordinary course of business including (i) legal proceedings, (ii) issues involving VAT and wage, property and other tax issues and (iii) disputes over interconnection, programming, copyright and carriage fees. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our results of operations, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

(18) Segment Reporting

We generally identify our reportable segments as those consolidated subsidiaries that represent 10% or more of our revenue, operating cash flow (as defined below) or total assets. In certain cases, we may elect to include an operating segment in our segment disclosure that does not meet the above-described criteria for a reportable segment. We evaluate performance and make decisions about allocating resources to our operating segments based on financial measures such as revenue and operating cash flow. In addition, we review non-financial measures such as subscriber growth, as appropriate.

Operating cash flow is the primary measure used by our chief operating decision maker to evaluate segment operating performance. Operating cash flow is also a key factor that is used by our internal decision makers to (i) determine how to allocate resources to segments and (ii) evaluate the effectiveness of our management for purposes of annual and other incentive compensation plans. As we use the term, operating cash flow is defined as revenue less operating and SG&A expenses (excluding share-based compensation, depreciation and amortization, provisions and provision releases related to significant litigation and impairment, restructuring and other operating items). Other operating items include (a) gains and losses on the disposition of long-lived assets, (b) third-party costs directly associated with successful and unsuccessful acquisitions and dispositions, including legal, advisory and due diligence fees, as applicable, and (c) other acquisition-related items, such as gains and losses on the settlement of contingent consideration. Our internal decision makers believe operating cash flow is a meaningful measure and is superior to available GAAP measures because it represents a transparent view of our recurring operating performance that is unaffected by our capital structure and allows management to (1) readily view operating trends, (2) perform analytical comparisons and benchmarking between segments and (3) identify strategies to improve operating performance in the different countries in which we operate. We believe our operating cash flow measure is useful to investors because it is one of the bases for comparing our performance with the performance of other companies in the same or similar industries, although our measure may not be directly comparable to similar measures used by other public companies. Operating cash flow should be viewed as a measure of operating performance that is a supplement to, and not a substitute for, operating income, net earnings or loss, cash flow from operating activities and other GAAP measures of income or cash flows. A reconciliation of total segment operating cash flow to our loss from continuing operations before income taxes is presented below.

During the fourth quarter of 2014, we began presenting (i) our operating segments in the U.K. and Ireland as one combined reportable segment, (ii) our operating segments in Switzerland and Austria as one combined reportable segment and (iii) our UPC DTH operating segment, as described below, as part of our Central and Eastern Europe reportable segment. These changes were made as a result of internal changes in organizational structures, changes in how these segments are evaluated and monitored by the chief operating decision maker and the integration of certain functions within these reportable segments. Previously, (a) our operating segments in the U.K. and Switzerland were each separate reportable segments, (b) our operating segments in Ireland and Austria were combined into one reportable segment, "Other Western Europe," and (c) our UPC DTH operating segment was included in the European Operations Division's central and other category. Segment information for all periods presented has been revised to reflect the above-described changes. We present only the reportable segments of our continuing operations in the tables below.

As of December 31, 2014, our reportable segments are as follows:

- European Operations Division:
  - U.K./Ireland
  - The Netherlands
  - Germany
  - Belgium
  - Switzerland/Austria
  - Central and Eastern Europe
- Chile

All of the reportable segments set forth above derive their revenue primarily from broadband communications services, including video, broadband internet and fixed-line telephony services. Most of our reportable segments also provide B2B services and certain of our reportable segments provide mobile services. At December 31, 2014, our operating segments in the European Operations Division provided broadband communications services in 12 European countries and DTH services to customers in the Czech Republic, Hungary, Romania and Slovakia through a Luxembourg-based organization that we refer to as "UPC DTH."

Our Central and Eastern Europe segment includes (i) our broadband communications operating segments in the Czech Republic, Hungary, Poland, Romania and Slovakia and (ii) our UPC DTH operating segment. The European Operations Division's central and other category includes (a) costs associated with certain centralized functions, including billing systems, network operations, technology, marketing, facilities, finance and other administrative functions, and (b) intersegment eliminations within the European Operations Division. In Chile, we provide video, broadband internet, fixed-line telephony and mobile services. Our corporate and other category includes (A) less significant consolidated operating segments that provide (I) broadband communications services in Puerto Rico and (II) programming and other services and (B) our corporate category. Intersegment eliminations primarily represent the elimination of intercompany transactions between our broadband communications and programming operations.

Performance Measures of Our Reportable Segments

The amounts presented below represent 100% of each of our reportable segment's revenue and operating cash flow. As we have the ability to control Telenet and Liberty Puerto Rico, we consolidate 100% of the revenue and expenses of these entities in our consolidated statements of operations despite the fact that third parties own significant interests in these entities. The noncontrolling owners' interests in the operating results of Telenet, Liberty Puerto Rico and other less significant majority-owned subsidiaries are reflected in net earnings or loss attributable to noncontrolling interests in our consolidated statements of operations.

	Year ended December 31,					
	2014		2013		2012	
	Revenue	Operating cash flow	Revenue	Operating cash flow	Revenue	Operating cash flow
	in millions					
European Operations Division:						
U.K./Ireland (a)	$ 7,409.9	$ 3,235.7	$ 4,117.4	$ 1,742.8	$ 426.4	$ 189.1
The Netherlands (b)	1,498.5	857.9	1,242.4	721.7	1,229.1	737.1
Germany	2,711.5	1,678.2	2,559.2	1,541.1	2,311.0	1,364.3
Belgium	2,279.4	1,125.0	2,185.9	1,049.4	1,918.0	940.7
Switzerland/Austria	1,846.1	1,056.4	1,767.1	1,005.7	1,681.8	936.5
Total Western Europe	15,745.4	7,953.2	11,872.0	6,060.7	7,566.3	4,167.7
Central and Eastern Europe	1,259.5	583.0	1,272.0	584.5	1,231.2	589.2
Central and other	(7.1)	(282.7)	(0.4)	(239.1)	1.5	(195.7)
Total European Operations Division	16,997.8	8,253.5	13,143.6	6,406.1	8,799.0	4,561.2
Chile	898.5	351.0	991.6	353.6	940.6	314.2
Corporate and other	376.9	(86.2)	374.3	(63.8)	224.1	(83.1)
Intersegment eliminations (c)	(24.9)	4.0	(35.3)	44.8	(32.9)	38.6
Total	$ 18,248.3	$ 8,522.3	$ 14,474.2	$ 6,740.7	$ 9,930.8	$ 4,830.9

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(a) The amounts presented for 2013 include the post-acquisition revenue and operating cash flow of Virgin Media from June 8, 2013 through December 31, 2013.

(b) The amounts presented for 2014 include the post-acquisition revenue and operating cash flow of Ziggo from November 12, 2014 through December 31, 2014.

(c) The intersegment eliminations that are applicable to revenue are primarily related to transactions between our European Operations Division and our continuing programming operations. The intersegment eliminations that are applicable to operating cash flow are related to transactions between our European Operations Division and the Chellomedia Disposal Group, which eliminations are no longer recorded following the completion of the Chellomedia Transaction on January 31, 2014.

The following table provides a reconciliation of total segment operating cash flow from continuing operations to loss from continuing operations before income taxes:

	Year ended December 31,		
	2014	2013	2012
	in millions		
Total segment operating cash flow from continuing operations	$ 8,522.3	$ 6,740.7	$ 4,830.9
Share-based compensation expense	(257.2)	(300.7)	(110.1)
Depreciation and amortization	(5,500.1)	(4,276.4)	(2,661.5)
Release of litigation provision	—	146.0	—
Impairment, restructuring and other operating items, net	(536.8)	(297.5)	(76.2)
Operating income	2,228.2	2,012.1	1,983.1
Interest expense	(2,544.7)	(2,286.9)	(1,673.6)
Interest and dividend income	31.7	113.1	42.1
Realized and unrealized gains (losses) on derivative instruments, net	88.8	(1,020.4)	(1,070.3)
Foreign currency transaction gains (losses), net	(836.5)	349.3	438.4
Realized and unrealized gains (losses) due to changes in fair values of certain investments, net	205.2	524.1	(10.2)
Losses on debt modification, extinguishment and conversion, net	(186.2)	(212.2)	(213.8)
Other expense, net	(42.4)	(5.6)	(4.6)
Loss from continuing operations before income taxes	$ (1,055.9)	$ (526.5)	$ (508.9)

Balance Sheet Data of our Reportable Segments

Selected balance sheet data of our reportable segments is set forth below:

	Long-lived assets		Total assets	
	December 31,		December 31,	
	2014	2013	2014	2013
	in millions			
European Operations Division:				
U.K./Ireland	$ 21,754.2	$ 24,322.1	$ 25,487.2	$ 30,598.8
The Netherlands	17,092.7	2,496.5	17,387.0	2,845.3
Germany	9,117.9	10,754.7	9,512.8	11,968.2
Belgium	4,149.5	4,737.4	4,828.8	5,909.2
Switzerland/Austria	5,300.9	5,961.8	5,643.9	6,484.8
Total Western Europe	57,415.2	48,272.5	62,859.7	57,806.3
Central and Eastern Europe	2,459.9	2,898.7	2,566.4	3,127.4
Central and other	499.4	463.5	2,613.2	1,639.1
Total European Operations Division	60,374.5	51,634.7	68,039.3	62,572.8
Chile	1,017.3	1,139.7	1,513.2	1,628.9
Corporate and other	1,197.2	1,214.9	3,289.4	2,760.3
Total - continuing operations	62,589.0	53,989.3	72,841.9	66,962.0
Discontinued operation (a)	—	513.6	—	752.3
Total	$ 62,589.0	$ 54,502.9	$ 72,841.9	$ 67,714.3

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(a) At December 31, 2013, the long-lived assets and total assets of the Chellomedia Disposal Group are presented in long-term assets of discontinued operation in our consolidated balance sheet.

Property and Equipment Additions of our Reportable Segments

The property and equipment additions of our reportable segments (including capital additions financed under vendor financing or capital lease arrangements) are presented below and reconciled to the capital expenditure amounts included in our consolidated statements of cash flows. For additional information concerning capital additions financed under vendor financing and capital lease arrangements, see note 9.

	Year ended December 31,		
	2014	2013	2012
	in millions		
European Operations Division:			
U.K./Ireland (a)	$ 1,506.7	$ 827.5	$ 74.5
The Netherlands (b)	268.0	242.4	221.8
Germany	574.5	543.4	559.5
Belgium	448.9	453.7	440.0
Switzerland/Austria	327.2	306.4	292.8
Total Western Europe	3,125.3	2,373.4	1,588.6
Central and Eastern Europe	264.8	271.6	248.7
Central and other	257.9	256.0	144.3
Total European Operations Division	3,648.0	2,901.0	1,981.6
Chile	195.8	188.5	243.4
Corporate and other	65.4	72.1	33.6
Property and equipment additions	3,909.2	3,161.6	2,258.6
Assets acquired under capital-related vendor financing arrangements	(975.3)	(573.5)	(246.5)
Assets acquired under capital leases	(127.2)	(143.0)	(63.1)
Changes in current liabilities related to capital expenditures	(122.3)	36.4	(80.7)
Total capital expenditures	$ 2,684.4	$ 2,481.5	$ 1,868.3

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(a) The amount presented for 2013 includes the post-acquisition property and equipment additions of Virgin Media from June 8, 2013 through December 31, 2013.

(b) The amount presented for 2014 includes the post-acquisition property and equipment additions of Ziggo from November 12, 2014 through December 31, 2014.

Revenue by Major Category

Our revenue by major category is set forth below:

	Year ended December 31,		
	2014	2013	2012
	in millions		
Subscription revenue (a):			
Video	$ 6,544.0	$ 5,724.1	$ 4,637.6
Broadband internet	4,724.6	3,538.7	2,407.0
Fixed-line telephony	3,261.4	2,508.5	1,518.9
Cable subscription revenue	14,530.0	11,771.3	8,563.5
Mobile subscription revenue (b)	1,085.6	669.9	131.5
Total subscription revenue	15,615.6	12,441.2	8,695.0
B2B revenue (c)	1,517.9	986.9	467.9
Other revenue (b) (d)	1,114.8	1,046.1	767.9
Total revenue	$ 18,248.3	$ 14,474.2	$ 9,930.8

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(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation fees and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service. As a result, changes in the standalone pricing of our cable and mobile products or the composition of bundles can contribute to changes in our product revenue categories from period to period.

(b) Mobile subscription revenue excludes mobile interconnect revenue of $245.0 million, $175.2 million and $35.1 million during 2014, 2013 and 2012, respectively. Mobile interconnect revenue and revenue from mobile handset sales are included in other revenue.

(c) B2B revenue includes revenue from business broadband internet, video, voice, wireless and data services offered to medium to large enterprises and, on a wholesale basis, to other operators. We also provide services to certain small office and home office (SOHO) subscribers. SOHO subscribers pay a premium price to receive enhanced service levels along with video, broadband internet, fixed-line telephony or mobile services that are the same or similar to the mass marketed products offered to our residential subscribers. Revenue from SOHO subscribers, which aggregated $204.1 million, $152.5 million and $59.7 million during 2014, 2013 and 2012, respectively, is included in cable subscription revenue.

(d) Other revenue includes, among other items, interconnect, installation and carriage fee revenue.

Geographic Segments

The revenue of our geographic segments is set forth below:

	Year ended December 31,		
	2014	2013	2012
	in millions		
European Operations Division:			
U.K. (a)	$ 6,941.1	$ 3,653.7	$ —
Germany	2,711.5	2,559.2	2,311.0
Belgium	2,279.4	2,185.9	1,918.0
Switzerland	1,414.4	1,332.1	1,259.8
The Netherlands (b)	1,498.5	1,242.4	1,229.1
Ireland	468.8	463.7	426.4
Poland	469.9	460.4	450.0
Austria	431.7	435.0	422.0
Hungary	310.2	313.8	298.9
The Czech Republic	221.0	248.9	253.4
Romania	173.3	163.8	149.4
Slovakia	74.5	74.6	70.5
Other	3.5	10.1	10.5
Total European Operations Division	16,997.8	13,143.6	8,799.0
Chile	898.5	991.6	940.6
Puerto Rico	306.1	297.2	145.5
Other, including intersegment eliminations	45.9	41.8	45.7
Total	$ 18,248.3	$ 14,474.2	$ 9,930.8

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(a) The amount presented for 2013 reflects the post-acquisition revenue of Virgin Media from June 8, 2013 through December 31, 2013.

(b) The amount presented for 2014 reflects the post-acquisition revenue of Ziggo from November 12, 2014 through December 31, 2014.

The long-lived assets of our geographic segments are set forth below:

	December 31,	
	2014	2013
	in millions	
European Operations Division:		
U.K.	$ 21,098.3	$ 23,570.6
The Netherlands	17,092.7	2,496.5
Germany	9,117.9	10,754.7
Switzerland	4,218.9	4,745.7
Belgium	4,149.5	4,737.4
Austria	1,082.0	1,216.1
Poland	983.5	1,178.5
Ireland	655.9	751.5
The Czech Republic	580.4	679.7
Hungary	535.7	640.6
Romania	209.1	226.0
Slovakia	110.5	131.0
Other (a)	540.1	506.4
Total European Operations Division	60,374.5	51,634.7
Puerto Rico	1,128.3	1,131.9
Chile	1,017.3	1,139.7
U.S. and other (b)	68.9	83.0
Total - continuing operations	62,589.0	53,989.3
Discontinued operation (c)	—	513.6
Total	$ 62,589.0	$ 54,502.9

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(a) Primarily represents long-lived assets of the European Operations Division’s central operations, which are located in the Netherlands.

(b) Primarily represents the assets of our corporate offices.

(c) At December 31, 2013, the long-lived assets of the Chellomedia Disposal Group are presented in long-term assets of discontinued operation in our consolidated balance sheet.

(19) Quarterly Financial Information (Unaudited)

	2014			
	1st quarter	2nd quarter	3rd quarter	4th quarter
	in millions, except per share amounts			
Revenue	$ 4,533.7	$ 4,602.2	$ 4,497.2	$ 4,615.2
Operating income	$ 581.7	$ 669.5	$ 703.7	$ 273.3
Net earnings (loss) attributable to Liberty Global shareholders	$ (78.8)	$ (249.9)	$ 157.1	$ (523.4)
Basic and diluted earnings (loss) attributable to Liberty Global shareholders per share (note 3)	$ (0.10)	$ (0.32)	$ 0.20	$ (0.62)

	2013			
	1st quarter	2nd quarter	3rd quarter	4th quarter
	in millions, except per share amounts			
Revenue	$ 2,671.9	$ 3,057.8	$ 4,276.5	$ 4,468.0
Operating income	$ 528.2	$ 445.1	$ 521.2	$ 517.6
Net loss attributable to Liberty Global shareholders	$ (1.0)	$ (11.6)	$ (830.1)	$ (121.2)
Basic and diluted loss attributable to Liberty Global shareholders per share (note 3)	$ —	$ (0.02)	$ (1.04)	$ (0.16)

(20) Subsequent Events

Overview

During the first quarter of 2015, we undertook the financing transactions described below in connection with certain internal reorganizations of our broadband and wireless communications businesses in Europe. These internal reorganizations include:

- the transfer on February 12, 2015 of a controlling interest in UPC Broadband Ireland Ltd. and its subsidiaries from a subsidiary of UPC Holding to a subsidiary of Virgin Media (the UPC Ireland Transfer), with the remaining noncontrolling interest transferred to another subsidiary of Liberty Global outside the UPC Holding borrowing group; and

- the planned first quarter 2015 internal reorganization of our broadband and wireless communications businesses in the Netherlands (the NL Reorganization), pursuant to which UPC Nederland and Ziggo and/or their successor companies and their subsidiaries will become indirect subsidiaries of Ziggo Group Holding B.V. (Ziggo Group Holding), a wholly-owned subsidiary of Liberty Global that was formed subsequent to December 31, 2014. Currently, UPC Nederland is a wholly-owned subsidiary of UPC Holding.

UPC Ireland Transfer

In contemplation of the UPC Ireland Transfer, certain subsidiaries of Virgin Media issued the following senior notes on January 28, 2015:

- Virgin Media Secured Finance issued £300.0 million ($467.4 million) principal amount of 5.125% senior secured notes due January 15, 2025 (the 2025 VM 5.125% Senior Secured Notes); and

- Virgin Media Finance issued (i) $400.0 million principal amount of 5.75% senior notes (the 2025 VM Dollar Senior Notes) and (ii) €460.0 million ($556.6 million) principal amount of 4.50% senior notes (the 2025 VM Euro Senior Notes and, together with the 2025 VM Dollar Senior Notes, the 2025 VM Senior Notes), each of which are due January 15, 2025.

A portion of the proceeds from the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes, along with a portion of the Proceeds Loans (as defined and described below) will ultimately be used to redeem (a) the full principal amount of the UPC Holding 8.375% Senior Notes, (b) the full principal amount of the UPCB Finance I Notes and (c) €560.0 million ($677.6 million) principal amount of the UPCB Finance II Notes, including the related redemption premiums.

The 2025 VM 5.125% Senior Secured Notes contain terms that are similar to the VM Senior Secured Notes with respect to ranking and covenant requirements and are guaranteed on the same basis as the VM Senior Secured Notes. The 2025 VM Senior Notes contain terms that are similar to the VM Senior Notes with respect to ranking and covenant requirements and are guaranteed on the same basis as the VM Senior Notes. For more information, see note 10.

Subject to the circumstances described below, the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes are non-callable until January 15, 2020. At any time prior to January 15, 2020, Virgin Media Secured Finance or Virgin Media Finance (as applicable) may redeem some or all of the 2025 VM 5.125% Senior Secured Notes and 2025 VM Senior Notes by paying a “make-whole” premium, which is the present value of all remaining scheduled interest payments to the first call date using the discount rate (as specified in the indenture) as of the redemption date plus 50 basis points.

Virgin Media Secured Finance or Virgin Media Finance (as applicable) may redeem some or all of the 2025 VM 5.125% Senior Secured Notes or the 2025 VM Senior Notes at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the indenture), if any, to the redemption date, if redeemed during the twelve-month period commencing on January 15 of the years set forth below:

	Redemption price		
Year	**2025 VM 5.125% Senior Secured Notes**	**2025 VM Dollar Senior Notes**	**2025 VM Euro Senior Notes**
2020	102.563%	102.875%	102.250%
2021	101.708%	101.917%	101.500%
2022	100.854%	100.958%	100.750%
2023 and thereafter	100.000%	100.000%	100.000%

Prior to January 15, 2020, during each 12-month period commencing on the date on which the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes are issued, each of Virgin Media Secured Finance or Virgin Media Finance may redeem up to 10% of the principal amount of the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes, respectively, at a redemption price equal to 103% of the principal amount thereof plus accrued and unpaid interest up to (but excluding) the redemption date.

In addition, for a period of six months from the date on which the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes are issued, Virgin Media Secured Finance or Virgin Media Finance may redeem the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes, respectively, at par.

If Virgin Media Secured Finance or Virgin Media Finance (as applicable) or the restricted subsidiaries (as specified in the indenture) sell certain assets, Virgin Media Secured Finance or Virgin Media Finance must offer to repurchase the 2025 VM 5.125% Senior Secured Notes or the 2025 VM Senior Notes, as applicable, at par, or if Virgin Media Communications or certain of its subsidiaries experience changes in control (as specified in the indenture) Virgin Media Secured Finance or Virgin Media Finance (as applicable) must offer to repurchase the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes at a redemption price of 101%.

NL Reorganization

In contemplation of the NL Reorganization, we formed two special purpose financing entities, Ziggo Bond Finance B.V. (Ziggo Bond Finance) and its subsidiary, Ziggo Secured Finance B.V. (Ziggo Secured Finance and, together with Ziggo Bond Finance, the Ziggo SPEs) for the primary purpose of facilitating (i) the issuance of the Ziggo SPE Notes and (ii) the creation of the New Ziggo Credit Facility (each as defined and described below). The Ziggo SPEs are wholly-owned by a Dutch foundation.

Ziggo SPE Notes. On January 29, 2015, Ziggo Bond Finance issued (i) $400.0 million aggregate principal amount of 5.875% senior notes (the Ziggo 2025 Dollar Senior Notes) and (ii) €400.0 million ($484.0 million) aggregate principal amount of 4.625% senior notes (the Ziggo 2025 Euro Senior Notes and, together with the Ziggo 2025 Dollar Senior Notes, the Ziggo 2025 Senior Notes), in each case due January 15, 2025.

On February 4, 2015, Ziggo Secured Finance issued €800.0 million ($968.1 million) aggregate principal amount of 3.750% senior secured notes (the Ziggo 2025 Senior Secured Notes and, together with the Ziggo 2025 Senior Notes, the Ziggo SPE Notes) due January 15, 2015.

Pending consummation of the NL Reorganization, the net proceeds of the Ziggo SPE Notes (the Escrowed Proceeds) were placed into certain escrow accounts. The release of the Escrowed Proceeds is subject to the satisfaction of certain conditions, including the certification that the NL Reorganization will be consummated within three business days following the release of the Escrowed Proceeds. If the conditions to the release of the Escrowed Proceeds have not been satisfied on or prior to July 31, 2015, the Ziggo SPE Notes will be subject to a special mandatory redemption (the Special Mandatory Redemption) at a redemption price equal to 100% of the aggregate initial issue price of the Ziggo SPE Notes plus accrued and unpaid interest from the issue date to such special mandatory redemption date and additional amounts, as specified in the applicable indenture, if any.

Upon release of the Escrowed Proceeds (i) Ziggo Secured Finance will use the proceeds of the Ziggo 2025 Senior Secured Notes to fund one or more proceeds loans denominated in euro, in an aggregate amount equal to the principal amount of the Ziggo 2025 Senior Secured Notes (the Senior Secured Proceeds Loans) to one or two subsidiaries of Ziggo Group Holding in such capacity a Senior Secured Proceeds Loan Borrower), subject to the terms of a senior secured proceeds loan facility (the Senior Secured Proceeds Loan Facility) and (ii) Ziggo Bond Finance will use the proceeds of the Ziggo 2025 Senior Notes to fund one or more proceeds loans denominated in U.S. dollars, in an amount equal to the principal amount of the Ziggo 2025 Dollar Senior Notes, and one or more proceeds loans denominated in euro, in an amount equal to the principal amount of the Ziggo 2025 Euro Senior Notes (together, the Senior Proceeds Loans, and along with the Senior Secured Proceeds Loans, the Proceeds Loans) to one or two subsidiaries of Ziggo Group Holding (each in such capacity a Senior Proceeds Loan Borrower, and together with the Senior Secured Proceeds Loan Borrowers, the Proceeds Loan Borrowers), subject to the terms of a senior proceeds loan facility. A portion of the proceeds from the Proceeds Loans, along with a portion of the 2025 VM 5.125% Senior Secured Notes and the 2025 VM Senior Notes, will ultimately be used to redeem (a) the full principal amount of the UPC Holding 8.375% Senior Notes, (b) the full principal amount of the UPCB Finance I Notes and (c) €560.0 million ($677.6 million) principal amount of the UPCB Finance II Notes, including the related redemption premiums.

Each of the Ziggo SPEs is dependent on payments from the applicable Proceeds Loan Borrowers in order to service its payment obligations under the applicable Ziggo SPE Notes. None of the Proceeds Loan Borrowers or any of their respective subsidiaries guarantee or provide any credit support for the Ziggo SPEs' obligations under the Ziggo SPE Notes, however certain subsidiaries of Ziggo Group Holding agreed to be bound by the covenants in the indentures governing the Ziggo SPE Notes. Although the Proceeds Loan Borrowers have no equity or voting interest in any of the Ziggo SPEs, each of the Proceeds Loans creates a variable interest in the respective Ziggo SPE for which the applicable Proceeds Loan Borrower is the primary beneficiary, as contemplated by GAAP. As such, the Proceeds Loan Borrowers and their parent entities, including Ziggo Group Holding and Liberty Global, are required by the provisions of GAAP to consolidate the Ziggo SPEs. Accordingly, the amounts outstanding under the Proceeds Loans will be eliminated in Liberty Global's consolidated financial statements.

Subject to the Special Mandatory Redemption and the circumstances described above, the Ziggo SPE Notes are non-callable until January 15, 2020. At any time prior to January 15, 2020, Ziggo Secured Finance or Ziggo Bond Finance may redeem some or all of the Ziggo SPE Notes (as applicable) by paying a "make-whole" premium, which is the present value of all remaining scheduled interest payments to the first call date using the discount rate (as specified in the applicable indenture) as of the redemption date plus 50 basis points.

Ziggo Secured Finance or Ziggo Bond Finance may redeem some or all of the Ziggo SPE Notes (as applicable) at the following redemption prices (expressed as a percentage of the principal amount) plus accrued and unpaid interest and additional amounts (as specified in the applicable indenture), if any, to the redemption date, if redeemed during the twelve-month period commencing on January 15 of the years set forth below:

	Redemption price		
Year	**Ziggo 2025 Dollar Senior Notes**	**Ziggo 2025 Euro Senior Notes**	**Ziggo 2025 Senior Secured Notes**
2020	102.938%	102.313%	101.875%
2021	101.958%	101.542%	101.250%
2022	100.979%	100.771%	100.625%
2023 and thereafter	100.000%	100.000%	100.000%

Prior to January 15, 2020, the Proceeds Loan Borrowers may instruct the applicable Ziggo SPE during each 12-month period commencing on the date on which the Ziggo 2025 Senior Secured Notes are issued, to redeem up to 10% of the principal amount of the Ziggo 2025 Senior Secured Notes at a redemption price equal to 103% of the principal amount thereof plus accrued and unpaid interest up to (but excluding) the redemption date.

If Ziggo Secured Finance or Ziggo Bond Finance or the restricted subsidiaries experience changes in control (as specified in the applicable indenture) Ziggo Secured Finance or Ziggo Bond Finance (as applicable) must offer to repurchase the Ziggo SPE Notes at a redemption price of 101%.

The call provisions, maturity and applicable interest rate for each of the Proceeds Loans will be substantially the same as those of the applicable series of the Ziggo SPE Notes described above.

The Ziggo 2025 Senior Notes are senior obligations of Ziggo Bond Finance that rank equally in right of payment with all existing and future senior debt of Ziggo Bond Finance and senior to all existing and future subordinated debt of Ziggo Bond Finance that is not subordinated to the Ziggo 2025 Senior Notes. The Ziggo 2025 Senior Secured Notes are senior obligations of Ziggo Secured Finance that rank equally in right of payment with all existing and future senior debt of Ziggo Secured Finance and are senior to all existing and future subordinated debt of Ziggo Secured Finance that is not subordinated to the Ziggo 2025 Senior Secured Notes. Upon the release of the Escrowed Proceeds, the Ziggo SPE Notes will be secured by a first-ranking security interest over (i) all of the issued shares of the applicable Ziggo SPE and (ii) the applicable Ziggo SPE's rights to and benefits from the applicable Proceeds Loans.

The Senior Secured Proceeds Loans will be senior obligations of the Senior Secured Proceeds Loan Borrowers. The Senior Secured Proceeds Loans will rank equally with all existing and future senior debt of the Senior Secured Proceeds Loan Borrowers and senior to all future subordinated debt of the Senior Secured Proceeds Loan Borrowers. The obligations of a Senior Secured Proceeds Loan Borrower under a Senior Secured Proceeds Loan will be guaranteed on a senior secured basis by the other Senior Secured Proceeds Loan Borrower that is not a borrower of such Senior Secured Proceeds Loan.

The Senior Proceeds Loans will be senior obligations of the Senior Proceeds Loan Borrowers. The Senior Proceeds Loans will rank equally with all existing and future senior debt of the Senior Proceeds Loan Borrowers and senior to all future subordinated debt of the Senior Proceeds Loan Borrowers. The obligations of a Senior Proceeds Loan Borrower under a Senior Proceeds Loan will be guaranteed on a senior basis by the other Senior Proceeds Loan Borrower that is not a borrower of such Senior Proceeds Loan.

New Ziggo Credit Facility. In connection with the NL Reorganization, lenders under the existing Facility AG under the UPC Broadband Holding Bank Facility agreed to roll €684.2 million ($827.9 million) into a new euro denominated term loan (Facility AJ) under the UPC Broadband Holding Bank Facility. The terms of Facility AJ will be substantially the same as the terms of Facility AG, except that the terms of Facility AJ will provide for the rollover of Facility AJ, upon completion of the NL Reorganization, into new term loans (the SPV Term Loans) under a new senior secured credit facility with Ziggo Secured Finance as the borrower (the New Ziggo Credit Facility). If the NL Reorganization is completed, Facility AJ will roll into the SPV Term Loans on a cashless basis (the SPV Credit Facility Rollover). As a result of the SPV Credit Facility Rollover, one or more receivables will be created owing from UPC Nederland to Ziggo Secured Finance. These receivables will be funded on a cashless basis as one or more facilities (the Rollover Loans) subject to the terms of the Senior Secured Proceeds Loan Facility. The New Ziggo Credit Facility, if entered into, will rank equally with the Ziggo 2025 Senior Secured Notes, including with respect to the proceeds of enforcement of the Notes Collateral, and the Rollover Loans will rank equally with the Senior Secured Proceeds Loans.

PART III

The capitalized terms used in Part III of this Annual Report on Form 10-K are defined in the notes to our consolidated financial statements. In the following text, the terms, “we,” “our,” “our company” and “us” may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries.

Except as indicated below, the following required information is incorporated by reference to our definitive proxy statement for our 2015 Annual Meeting of Shareholders, which we intend to hold during the second quarter of 2015.

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Item 11. EXECUTIVE COMPENSATION

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by Item 201(d) of Regulation S-K is included below and accordingly will not be incorporated by reference to our definitive proxy statement.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

We intend to file our definitive proxy statement for our 2015 Annual Meeting of shareholders with the Securities and Exchange Commission on or before April 30, 2015.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

Securities Authorized for Issuance Under Equity Compensation Plans

The capitalized terms used in Item 12 of this Annual Report on Form 10-K are defined in the notes to our consolidated financial statements. In the following text, the terms "we," "our," "our company" and "us" may refer, as the context requires, to Liberty Global (or its predecessor) or collectively to Liberty Global (or its predecessor) and its subsidiaries. The following table sets forth information as of December 31, 2014 with respect to our ordinary shares that are authorized for issuance under our equity compensation plans.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (1)(2)	Weighted average exercise price of outstanding options, warrants and rights (1)(2)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by security holders:			
Liberty Global 2014 Incentive Plan (3):			
Liberty Global Class A ordinary shares	2,088,604	$ 40.94	89,582,279
Liberty Global Class C ordinary shares	4,180,201	$ 39.12	
Liberty Global 2014 Director Incentive Plan (4):			
Liberty Global Class A ordinary shares	78,677	$ 42.54	9,745,984
Liberty Global Class C ordinary shares	157,346	$ 40.86	
Liberty Global 2005 Incentive Plan (5):			
Liberty Global Class A ordinary shares	6,044,868	$ 29.31	—
Liberty Global Class C ordinary shares	18,085,297	$ 28.08	
Liberty Global 2005 Director Incentive Plan (5):			
Liberty Global Class A ordinary shares	410,368	$ 18.98	—
Liberty Global Class C ordinary shares	1,199,864	$ 18.67	
VM Incentive Plan (5):			
Liberty Global Class A ordinary shares	1,500,479	$ 19.60	—
Liberty Global Class C ordinary shares	3,378,777	$ 20.14	
Equity compensation plans not approved by security holders:			
None	—		—
Totals:			
Liberty Global Class A ordinary shares	10,122,996		99,328,263
Liberty Global Class C ordinary shares	27,001,485		

(1) This table includes SARs with respect to 5,607,988 and 14,689,045 Liberty Global Class A and Class C ordinary shares, respectively, and PSARs with respect to 2,788,749 and 8,366,248 Liberty Global Class A and Class C ordinary shares, respectively. Upon exercise, the appreciation of a SAR, which is the difference between the base price of the SAR and the then-market value of the underlying class of Liberty Global ordinary shares or in certain cases, if lower, a specified price, may be paid in shares of the applicable class of Liberty Global ordinary shares. Based upon the respective market prices of Liberty Global Class A and Class C ordinary shares at December 31, 2014 and excluding any related tax effects, 2,137,152 and 6,026,872 Liberty Global Class A and Class C ordinary shares, respectively, would have been issued if all outstanding SARs had been exercised on December 31, 2014. For further information, see note 13 to our consolidated financial statements.

(2) In addition to the option, SAR and PSAR information included in this table, there are outstanding under the various incentive plans RSU awards (including PSUs and PGUs) with respect to an aggregate of 2,554,963 Liberty Global Class A ordinary shares, 1,000,000 Liberty Global Class B ordinary shares and 3,829,770 Liberty Global Class C ordinary shares.

(3) The Liberty Global 2014 Incentive Plan permits grants of, or with respect to, Liberty Global Class A, Class B or Class C ordinary shares subject to a single aggregate limit of 100 million shares (of which no more than 50 million shares may consist of Class B shares), subject to anti-dilution adjustments. As of December 31, 2014, an aggregate of 89,582,279 ordinary shares were available for issuance pursuant to the incentive plan. For further information, see note 13 to our consolidated financial statements.

(4) The Liberty Global 2014 Nonemployee Director Incentive Plan permits grants of, or with respect to, Liberty Global Class A, Class B or Class C ordinary shares subject to a single aggregate limit of 10 million shares, subject to anti-dilution adjustments. As of December 31, 2014, an aggregate of 9,745,984 ordinary shares were available for issuance pursuant to the Liberty Global 2014 Nonemployee Director Incentive Plan. For further information, see note 13 to our consolidated financial statements.

(5) On January 30, 2014, our shareholders approved the Liberty Global 2014 Incentive Plan and the Liberty Global 2014 Nonemployee Director Incentive Plan and, accordingly, no further awards will be granted under the Liberty Global 2005 Incentive Plan, the Liberty Global 2005 Director Incentive Plan or the VM Incentive Plan.

PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) (1) FINANCIAL STATEMENT

The financial statements required under this Item begin on page II-76 of this Annual Report on Form 10-K.

(a) (2) FINANCIAL STATEMENT SCHEDULES

The financial statement schedules required under this Item are as follows:

(a) (3) EXHIBITS

Listed below are the exhibits filed as part of this Annual Report on Form 10-K (according to the number assigned to them in Item 601 of Regulation S-K):

2 -- Plan of acquisition, reorganization, arrangement, liquidation or succession:	
2.1	Agreement and Plan of Merger, dated as of February 5, 2013, among Virgin Media Inc. (Virgin Media), Liberty Global, Inc. (LGI), Lynx Europe Limited, Lynx US MergerCo 1 LLC, Lynx US MergerCo 2 LLC, Viper US MergerCo 1 LLC and Viper US MergerCo 2 LLC (incorporated by reference to Exhibit 2.1 to LGI’s Current Report on Form 8-K filed February 7, 2013 (File No. 000-51360)).
2.2	Amendment No. 1, dated as of March 6, 2013, to the Agreement and Plan of Merger, dated as of February 5, 2013, among LGI, Virgin Media, Liberty Global Corporation Limited (formerly named Lynx Europe Limited), Lynx US MergerCo 1 LLC, Lynx US MergerCo 2 LLC, Viper US MergerCo 1 LLC and Viper US MergerCo 2 LLC (incorporated by reference to Exhibit 2.1 to LGI’s Current Report on Form 8-K filed March 8, 2013 (File No. 000-51360)).
3 -- Articles of Incorporation and Bylaws:	
3.1	Articles of Association of Liberty Global plc, adopted by Special Resolutions passed on May 30, 2013 (incorporated by reference to Exhibit 3.1 to the Registrant’s Current Report on Form 8-K filed June 7, 2013 (File No. 001-35961) (the June 7, 2013 8-K)).

4 -- Instruments Defining the Rights of Securities Holders, including Indentures:

4.1	Deed of Amendment and Restatement, dated May 10, 2006, among UPC Broadband Holding BV (UPC Broadband Holding) and UPC Financing Partnership (UPC Financing) as Borrowers, the guarantors listed therein, and the Senior Hedging Banks listed therein, with Toronto Dominion (Texas) LLC as Facility Agent, and TD Bank Europe Limited as Existing Security Agent, amending and restating the senior secured credit agreement originally dated January 16, 2004, as amended and restated from time to time among the Borrower, the guarantors as defined therein, the Facility Agent and the Security Agent and the bank and financial institutions acceding thereto from time to time (the UPC Broadband Holding Bank Facility) (incorporated by reference to Exhibit 4.4 to LGI's Annual Report on Form 10-K filed February 22, 2012 (File No. 000-51360) (the LGI 2011 10-K)).
4.2	Amendment Letter dated June 9, 2009, among UPC Broadband Holding and UPC Financing as Borrowers, Toronto Dominion (Texas) LLC, as Facility Agent, and the guarantors listed therein to the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed June 10, 2009 (File No. 000-51360)).
4.3	Additional Facility V Accession Agreement, dated January 20, 2010, among UPC Financing as Borrower, UPC Broadband Holding, Toronto Dominion (Texas) LLC as Facility Agent, TD Bank Europe Limited as Security Agent, and UPCB Finance Limited as an Additional Facility V Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.4 to the LGI's Current Report on Form 8-K filed January 21, 2010 (File No. 000-51360)).
4.4	Indenture dated January 31, 2011, among UPCB Finance II Limited, The Bank of New York Mellon as trustee, registrar, transfer agent, principal paying agent and security agent (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed February 1, 2011 (File No. 000-51360) (the LGI January 2011 8-K)).
4.5	Additional Facility Y Accession Agreement, dated January 31, 2011, among UPC Financing as Borrower, UPC Broadband Holding, The Bank of Nova Scotia as Facility Agent and Security Agent and UPCB Finance II Limited as an Additional Facility Y Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.2 to the LGI January 2011 8-K).
4.6	Indenture dated February 16, 2011, among UPCB Finance III Limited, The Bank of New York Mellon as trustee, registrar, transfer agent, principal paying agent and security agent, and The Bank of New York Mellon, London Branch, as Transparency Directive Agent (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed February 17, 2011 (File No. 000-51360) (the LGI February 2011 8-K)).
4.7	Additional Facility Z Accession Agreement, dated February 16, 2011, among UPC Financing as Borrower, UPC Broadband Holding, The Bank of Nova Scotia as Facility Agent and Security Agent and UPCB Finance III Limited as an Additional Facility Z Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.2 to the LGI February 2011 8-K).
4.8	Additional Facility AC Accession Agreement, dated November 16, 2011, among UPC Financing Partnership, as Borrower, UPC Broadband Holding BV, The Bank of Nova Scotia, as Facility Agent and Security Agent, and UPCB Finance V Limited, as an Additional Facility AC Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.47 to the LGI 2011 10-K).
4.9	Additional Facility AD Accession Agreement, dated February 7, 2012, among UPC Financing Partnership, as Borrower, UPC Broadband Holding BV, The Bank of Nova Scotia, as Facility Agent and Security Agent, and UPCB Finance VI Limited, as an Additional Facility AD Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.48 to the LGI 2011 10-K).
4.10	Additional Facility AG Accession Agreement, dated March 26, 2013, among UPC Financing Partnership as Borrower, The Bank of Nova Scotia as Facility Agent and Security Agent and Liberty Global Services B.V. as Additional Facility AG Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed March 28, 2013 (File No. 000-51360)).
4.11	Additional Facility AH Accession Agreement, dated April 19, 2013, among UPC Financing Partnership, The Bank of Nova Scotia as Facility Agent and Security Agent and Liberty Global Services B.V. as Additional Facility AH Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed April 23, 2013) (File No. 000-51360)).
4.12	Additional Facility AG1 Accession Agreement, dated April 29, 2013, among UPC Financing Partnership as Borrower, The Bank of Nova Scotia as Facility Agent and Security Agent and Liberty Global Services B.V. as Additional Facility AG1 Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed May 2, 2013 (File No. 000-51360)).
4.13	Additional Facility AI Accession Agreement, dated May 14, 2013, among UPC Financing Partnership, The Bank of Nova Scotia as Facility Agent and Security Agent and each of the Additional Facility AI Lenders listed in Schedule 1 thereto, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.2 to LGI's Current Report on Form 8-K filed May 16, 2013 (File No. 000-51360)).
4.14	Additional Facility AI2 Accession Agreement, dated November 19, 2014, among UPC Financing Partnership, The Bank of Nova Scotia as Facility Agent and Security Agent and the Additional Facility AI Lender listed in Schedule 1 thereto, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed November 21, 2014 (File No. 001-35961)).

4.15	Amendment and Restatement Letter dated October 15, 2013, among The Bank of Nova Scotia, as Facility Agent, UPC Broadband Holding B.V., UPC Financing Partnership, as Borrowers, and the Guarantors listed therein (incorporated by reference to Exhibit 4.1 to LGI’s Current Report on Form 8-K filed October 21, 2013 (File No. 001-35961)).
4.16	€2,300,000,000 Credit Agreement, originally dated August 1, 2007, and as amended and restated by supplemental agreements dated August 22, 2007, September 11, 2007, October 8, 2007 and June 23, 2009, among Telenet Bidco NV (now known as Telenet NV) as Borrower, Toronto Dominion (Texas) LLC as Facility Agent, the parties listed therein as Original Guarantors, ABN AMRO Bank N.V., BNP Paribas S.A. and J.P. Morgan PLC as Mandated Lead Arrangers, KBC Bank NV as Security Agent, and the financial institutions listed therein as Initial Original Lenders (the Telenet Credit Facility) (incorporated by reference to Exhibit 4.1 to LGI’s Current Report on Form 8-K filed June 26, 2009 (File No. 000-51360) (the LGI June 2009 8-K)).
4.17	Supplemental Agreement dated June 23, 2009, between Telenet Bidco NV (now known as Telenet NV) and Toronto Dominion (Texas) LLC as Facility Agent relating to the Telenet Credit Facility (incorporated by reference to Exhibit 4.2 to the LGI June 2009 8-K).
4.18	Supplemental Agreement to the Telenet Credit Facility, dated October 4, 2010, among, inter alia, Telenet NV as Guarantor, and Security Provider and The Bank of Nova Scotia as Facility Agent (incorporated by reference to Exhibit 4.8 to LGI’s Current Report on Form 8-K filed October 8, 2010 (File No. 000-51360)).
4.19	Additional Facility M Accession Agreement, dated November 3, 2010, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and Telenet Finance Luxembourg S.C.A. as an additional Facility M Lender, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.50 to LGI’s Annual Report on Form 10-K filed February 24, 2011 (File No. 000-51360) (the LGI 2010 10-K)).
4.20	Additional Facility O Accession Agreement, dated February 15, 2011, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and Telenet Finance III Luxembourg S.C.A. as an additional Facility O Lender, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.52 to the LGI 2010 10-K).
4.21	Telenet Additional Facility P Accession Agreement, dated June 15, 2011, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and Telenet Luxembourg Finance Center S.â.r.l. as an additional Facility Q Lender, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.1 to LGI’s Quarterly Report on Form 10-Q filed August 2, 2011 (File No. 000-51360)).
4.22	Telenet Additional Facility S Accession Agreement, dated July 29, 2011, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as additional Facility S Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.1 to LGI’s Current Report on Form 8-K filed July 29, 2011 (File No. 000-51360)).
4.23	Telenet Additional Facility U Accession Agreement, dated August 16, 2012, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as additional Facility U Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.2 to LGI’s Quarterly Report on Form 10-Q filed November 5, 2012 (File No. 000-51360) (the LGI November 5, 2012 10-Q)).
4.24	Telenet Additional Facility V Accession Agreement, dated August 16, 2012, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as additional Facility V Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.3 to the LGI November 5, 2012 10-Q).
4.25	Telenet Additional Facility W Accession Agreement, dated April 9, 2014, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility W Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 15, 2014 (File No.001-35961) (the April 15, 2014 8-K)).
4.26	Telenet Additional Facility Y Accession Agreement, dated April 9, 2014, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility Y Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.2 to the April 15, 2014 8-K).
4.27	Telenet Additional Facility X Accession Agreement, dated April 11, 2014, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility X Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.3 to the April 15, 2014 8-K).
4.28	Senior Indenture dated May 4, 2012, between Unitymedia GmbH, The Bank of New York Mellon, London Branch and Credit Suisse, London Branch (relating to the UM Senior Exchange Notes) (incorporated by reference to Exhibit 4.2 to LGI’s Current Report on Form 8-K filed May 8, 2012 (File No. 000-51360)).

4.29	Indenture dated December 17, 2014 between Unitymedia Hessen GmbH & Co. KG, Unitymedia NRW GmbH, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent, The Bank of New York Mellon as New York paying agent and New York transfer agent, The Bank of New York Mellon (Luxembourg) S.A. as registar and Credit Suisse AG, London Branch, as security trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed December 18, 2014 (File No. 001-35961)).
4.30	Indenture for 6.50% Convertible Senior Notes due 2016, dated as of April 16, 2008, between Virgin Media Inc. and The Bank of New York, as trustee (including form of 6.50% Convertible Senior Note due 2016) (incorporated by reference to Exhibit 4.1 to Virgin Media's Current Report on Form 8-K filed on April 16, 2008 (File No. 000-50886) (the Virgin Media April 2008 8-K)).
4.31	Registration Rights Agreement for 6.50% Convertible Senior Notes due 2016, dated as of April 16, 2008, between Virgin Media and Goldman, Sachs & Co., Deutsche Bank Securities Inc. and J.P. Morgan Securities Inc. (incorporated by reference to Exhibit 4.2 to the Virgin Media April 2008 8-K).
4.32	Supplemental Indenture, dated as of June 7, 2013, among Liberty Global plc, Viper US MergerCo 1 Corp. (now known as Virgin Media) and The Bank of New York Mellon, as Trustee, to the Indenture dated as of April 16, 2008 for 6.50% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed June 12, 2013 (File No. 001-35961) (the June 12, 2013 8-K)).
4.33	Second Supplemental Indenture, dated as of March 3, 2014, among Virgin Media Inc., the Registrant and the Bank of New York Mellon as trustee to the Indenture, dated as of April 16, 2008, as amended and supplemented, for the Virgin Media 6.5% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.4 to the Registrant's Quarterly Report on Form 10-Q filed May 6, 2014 (File No. 001-35961) (the May 6, 2014 10-Q)).
4.34	Registration Agreement dated as of March 14, 2014, by and between the Registrant and Inversiones Corp Comm 2 SpA (incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-3 filed March 14, 2014 (File No. 333-194555)).
4.35	Indenture, dated as of March 3, 2011, among Virgin Media Secured Finance PLC, the guarantors party 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 (incorporated by reference to Exhibit 4.1 to Virgin Media's Current Report on Form 8-K filed on March 3, 2011 (File No. 000-50886)).
4.36	Indenture dated February 22, 2013, between, among others, Lynx I Corp., as issuer, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent and The Bank of New York Mellon, as paying agents and Newco security trustee (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K/A filed February 27, 2013 (File No. 000-51360) (the LGI February 2013 8-K/A)).
4.37	Indenture, dated as of February 22, 2013, among Lynx II Corp., as issuer, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent and The Bank of New York Mellon, as paying agents and Newco security trustee (incorporated by reference to Exhibit 4.2 to the LGI February 2013 8-K/A).
4.38	First Supplemental Indenture, dated as of June 7, 2013, between, among others, Virgin Media Secured Finance PLC, Virgin Media and The Bank of New York Mellon as trustee, to the Indenture dated as of March 3, 2011 for Virgin Media 5.25% Senior Secured Notes and 5.50% Senior Secured Notes each due 2021 (incorporated by reference to Exhibit 4.12 to the June 12, 2013 8-K).
4.39	Accession Agreement, dated as of June 7, 2013, among Virgin Media Secured Finance PLC, as acceding issuer, Lynx I Corp. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.13 to the June 12, 2013 8-K).
4.40	First Supplemental Indenture, dated as of June 7, 2013, between, among others, Virgin Media Secured Finance PLC and The Bank of New York Mellon, as trustee, to the Indenture dated as of February 22, 2013 for Lynx I Corp. 5⅜% Senior Secured Notes and 6.00% Senior Secured Notes each due 2021 (incorporated by reference to Exhibit 4.15 to the June 12, 2013 8-K).
4.41	Accession Agreement, dated as of June 7, 2013, among Lynx II Corp., Virgin Media Finance PLC and The Bank of New York Mellon, as trustee and paying agent (incorporated by reference to Exhibit 4.16 to the June 12, 2013 8-K).
4.42	First Supplemental Indenture, dated June 7, 2013, between, among others, Virgin Media Finance PLC, Virgin Media and The Bank of New York Mellon, as trustee and paying agent, to the Indenture dated as of February 22, 2013 Lynx II Corp. 6⅜% Senior Notes and 7.00% Senior Notes each due 2023 (incorporated by reference to Exhibit 4.19 to the June 12, 2013 8-K).
4.43	Senior Facilities Agreement, dated as of June 7, 2013, among, among others, Virgin Media Finance PLC, certain other subsidiaries of Virgin Media and the lenders thereto (the VMF Senior Facilities Agreement) (incorporated by reference to Exhibit 4.19 to the June 12, 2013 8-K).
4.44	Amendment, dated June 14, 2013, to the Senior Facilities Agreement, between, among others, Virgin Media Investment Holdings Limited, certain other subsidiaries of Virgin Media and the lenders thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed June 21, 2013 (File No. 001-35961)).

4.45	Virgin Additional Facility D Accession Agreement, dated April 17, 2014, among, inter alia, Virgin Media SFA Finance Limited as Borrower, certain other subsidiaries of Virgin Media, The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility D Lenders, under the VMF Senior Facilities Agreement (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 23, 2014 (File No. 001-35961) (the April 23, 2014 8-K)).
4.46	Virgin Additional Facility E Accession Agreement, dated April 17, 2014, among, inter alia, Virgin Media SFA Finance Limited as Borrower, certain other subsidiaries of Virgin Media, The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility E Lenders, under the VMF Senior Facilities Agreement (incorporated by reference to Exhibit 4.2 to the April 23, 2014 8-K).
4.47	Indenture dated March 28, 2014 between Virgin Media Secured Finance PLC, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent, The Bank of New York Mellon as paying agent, and The Bank of New York Mellon (Luxembourg) S.A., as registrar (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed April 3, 2014 (File No. 001-35961)).
4.48	Indenture dated January 28, 2015 between Virgin Media Secured Finance PLC, The Bank of New York Mellon, London Branch, as trustee and paying agent and The Bank of New York Mellon (Luxembourg) S.A., as registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed February 3, 2015 (File No. 001-35961) (the February 3, 2015 8-K/A)).
4.49	Indenture dated January 28, 2015 between Virgin Media Finance PLC, The Bank of New York Mellon, London Branch, as trustee and principal paying agent, The Bank of Mellon as paying agent and Dollar Notes transfer agent and registrar and The Bank of New York Mellon (Luxembourg) S.A., as Euro Notes registrar and transfer agent (incorporated by reference to Exhibit 4.2 to the February 3, 2015 8-K/A).
4.50	Registration Rights Agreement dated November 18, 2009, between the Registrant, SPO Partners II, L.P. and San Francisco Partners, L.P. (incorporated by reference to Exhibit 4.2 to LGI's Current Report on Form 8-K/A filed November 19, 2009 (File No. 000-51360)).
4.51	Indenture dated January 24, 2014, between VTR Finance B.V., the Bank of New York Mellon, London Branch, as trustee and security agent, and the Bank of New York Mellon as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed January 24, 2014 (File No. 001-35961)).
4.52	Indenture dated January 29, 2015 between Ziggo Bond Finance B.V., Deutsche Trustee Company Limited as trustee and security trustee, Deutsche Bank Trust Company Americas as Dollar Notes paying agent, registrar and transfer agent, Deutsche Bank AG London Branch as Euro Notes paying agent and Deutsche Bank Luxembourg S.A. as Euro Notes registrar and transfer agent (incorporated by reference to Exhibit 4.3 to the February 3, 2015 8-K/A).
4.53	Indenture dated February 4, 2015 between Ziggo Secured Finance B.V., Deutsche Trustee Company Limited as trustee and security trustee, Deutsche Bank AG London Branch as paying agent and Deutsche Bank Luxembourg S.A. as registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed February 10, 2015 (File No. 001-35961)).
4.54	Senior Facilities Agreement, dated January 27, 2014, as amended and restated by a Supplemental Agreement dated February 10, 2014, between, among others, Amsterdamse Beheer-En Consultingmaatschappij B.V., Ziggo B.V., certain subsidiaries of Ziggo, Bank of America Merrill Lynch International Limited and Credit Suisse AG, London Branch as global coordinators, and the other lenders thereto (the Ziggo Senior Facilities Agreement).*
4.55	The Registrant undertakes to furnish to the Securities and Exchange Commission, upon request, a copy of all instruments with respect to long-term debt not filed herewith.
10 -- Material Contracts:	
10.1	Deed of Assumption of Liberty Global plc, dated June 7, 2013 (incorporated by reference to Exhibit 10.1 to the June 7, 2013 8-K).
10.2	Liberty Global 2014 Incentive Plan (Effective March 1, 2014) (the Incentive Plan) (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A filed December 19, 2013 (File No. 001-35961) (the 2013 Proxy Statement)).
10.3	Liberty Global 2014 Nonemployee Director Incentive Plan (Effective March 1, 2014) (the Director Plan) (incorporated by reference to Appendix B to the 2013 Proxy Statement).
10.4	Form of Performance Share Units Agreement under the Incentive Plan (incorporated by reference to Exhibit 10.6 to the May 6, 2014 10-Q).
10.5	Form of Non-Qualified Share Option Agreement under the Director Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed August 5, 2014 (File No. 001-35961) (the August 5, 2014 10-Q)).
10.6	Form of Restricted Share Units Agreement under the Director Plan (incorporated by reference to Exhibit 10.4 to the August 5, 2014 10-Q).
10.7	Form of Share Appreciation Rights Agreement under the Incentive Plan (incorporated by reference to Exhibit 10.5 to the August 5, 2014 10-Q).
10.8	Form of Restricted Share Units Agreement under the Incentive Plan (incorporated by reference to Exhibit 10.6 to the August 5, 2014 10-Q).

10.9	Liberty Global, Inc. 2005 Incentive Plan (as amended and restated effective June 7, 2013) (the 2005 Incentive Plan) (incorporated by reference to Exhibit 10.2 to the June 7, 2013 8-K).
10.10	Liberty Global, Inc. 2005 Nonemployee Director Incentive Plan (as amended and restated effective June 7, 2013) (the 2005 Director Plan) (incorporated by reference to Exhibit 10.3 to the June 7, 2013 8-K).
10.11	Virgin Media 2010 Stock Incentive Plan (as amended and restated effective June 7, 2013) (incorporated by reference to Exhibit 10.4 to the June 7, 2013 8-K).
10.12	Form of Non-Qualified Share Option Agreement under the 2005 Director Plan (incorporated by reference to Exhibit 10.6 to the Registrant's Quarterly Report on Form 10-Q filed August 1, 2013 (File No. 001-35961) (the August 1, 2013 10-Q)).
10.13	Liberty Global Compensation Policy for Nonemployee Directors effective June 26, 2014 (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A filed April 30, 2014 (File No. 001-35961)).
10.14	Form of Deed of Indemnity between Liberty Global and its Directors and Executive Officers (incorporated by reference to Exhibit 10.10 to the June 7, 2013 8-K).
10.15	Form of the Non-Qualified Stock Option Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.2 to the LGI 2010 10-K).
10.16	Form of Stock Appreciation Rights Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.3 to LGI's Quarterly Report on Form 10-Q filed May 7, 2008 (File No. 000-51360) (the LGI May 7, 2008 10-Q)).
10.17	Form of Restricted Shares Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.4 to the LGI 2010 10-K).
10.18	Form of Restricted Share Units Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.1 to the LGI May 7, 2008 10-Q).
10.19	Form of Restricted Shares Agreement under the 2005 Director Plan (incorporated by reference to Exhibit 10.8 to the LGI 2011 10-K).
10.20	Form of Restricted Share Units Agreement under the 2005 Director Plan (incorporated by reference to Exhibit 10.2 to LGI's Quarterly Report on Form 10-Q filed August 4, 2009 (File No. 000-51360)).
10.21	Liberty Global Challenge Performance Award Program for executive officers under the 2005 Incentive Plan (description of said program is incorporated by reference to the description thereof included in Item 5.02(e) of the Registrant's Current Report on Form 8-K filed June 28, 2013 (File No. 001-35961)).
10.22	Form of Performance Share Appreciation Rights Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.5 to the August 1, 2013 10-Q).
10.23	Liberty Global 2014 Annual Cash Performance Award Program for executive officers under the Incentive Plan (description of said program is incorporated by reference to the description thereof included in Item 5.02(e) of the Registrant's Current Report on Form 8-K filed April 4, 2014 (File No. 001-35961) (the April 4, 2014 8-K)).
10.24	Liberty Global 2014 Performance Incentive Plan for executive officers under the Incentive Plan (a description of said plan is incorporated by reference to the description thereof included in Item 5.02(e) of the April 4, 2014 8-K).
10.25	Liberty Global, Inc. 2013 Annual Cash Performance Award Program for executive officers under the Incentive Plan (description of said program is incorporated by reference to the description thereof included in Item 5.02(e) of the LGI's Current Report on Form 8-K filed April 4, 2013 (File No. 000-51360) (the April 4, 2013 8-K)).
10.26	Liberty Global, Inc. 2013 Performance Incentive Plan for executive officers under the 2005 Incentive Plan (a description of said plan is incorporated by reference to the description thereof included in Item 5.02(e) of the April 4, 2013 8-K).
10.27	Form of Performance Share Units Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.5 to LGI's Quarterly Report on Form 10-Q filed May 4, 2011 (file No. 000-51360) (the LGI May 4, 2011 10-Q)).
10.28	Form of Share Grant and Restricted Shares Award in Settlement of Performance Share Units Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.18 to LGI's Annual Report on Form 10-K/A filed February 13, 2013 (File No. 000-51360) (the LGI 2012 10-K)).
10.29	Deferred Compensation Plan (adopted effective December 15, 2008; Amended and Restated as of January 1, 2013) (incorporated by reference to Exhibit 10.19 to the LGI 2012 10-K).
10.30	Form of Deferral Election Form under the Deferred Compensation Plan (incorporated by reference to Exhibit 10.20 to the LGI 2012 10-K).
10.31	Nonemployee Director Deferred Compensation Plan (As Amended and Restated Effective December 14, 2013) (incorporated by reference to Exhibit 10.25 to the 2013 10-K).
10.32	Form of Deferral Election Form under the Nonemployee Director Deferred Compensation Plan (incorporated by reference to Exhibit 10.26 to the 2013 10-K).
10.33	Personal Usage of Aircraft Policy, amended and restated (incorporated by reference to Exhibit 10.7 to the LGI May 4, 2011 10-Q).
10.34	Form of Aircraft Time Sharing Agreement (900EX) (incorporated by reference to Exhibit 10.29 to the LGI 2012 10-K).

10.35	Form of Aircraft Time Sharing Agreement (7X) (incorporated by reference to Exhibit 10.30 to the LGI 2012 10-K).
10.36	Employment Agreement dated as of April 30, 2014, by and among the Registrant, LGI and Michael T. Fries (incorporated by reference to Exhibit 10.7 to the May 6, 2014 10-Q).
10.37	Form of Performance Grant Award Agreement under the Incentive Plan dated as of April 30, 2014, between the Registrant and Michael T. Fries (incorporated by reference to Exhibit 10.8 to the May 6, 2014 10-Q).
10.38	Executive Service Agreement, dated December 15, 2004, between UPC Services Limited and Charles Bracken (incorporated by reference to Exhibit 10.36 to LGI's Annual Report on Form 10-K filed February 24, 2010) (File No. 000-51360)).
10.39	Executive Services Agreement effective January 1, 2011, between Liberty Global Europe BV and Diederik Karsten (incorporated by reference to Exhibit 10.45 to the LGI 2010 10-K).
10.40	Trade Mark Licence, dated as of April 3, 2006, between Virgin Enterprises Limited and NTL Group Limited (incorporated by reference to Exhibit 10.2 to Virgin Media's Quarterly Report on Form 10-Q filed on August 9, 2006 (File No. 000-50886)).
10.41	Amendment Letter No. 1, dated February 8, 2007, to the Trade Mark Licence between Virgin Enterprises Limited and Virgin Media Limited dated April 3, 2006 (incorporated by reference to Exhibit 10.5 to Virgin Media's Quarterly Report on Form 10-Q filed on August 8, 2007 (File No. 000-50886)).
10.42	Amendment Letter No. 2, dated October 1, 2007, to the Trade Mark Licence between Virgin Enterprises Limited and Virgin Media Limited dated April 3, 2006 (incorporated by reference to Exhibit 10.6 to Virgin Media's Quarterly Report on form 10-Q filed on November 8, 2007 (File No. 000-50886)).
10.43	Trade Mark Licence between Virgin Enterprises Limited and Virgin Media Limited dated December 16, 2009 (incorporated by reference to Exhibit 10.83 to Virgin Media's Annual Report on Form 10-K filed on February 26, 2010 (File No. 000-50886)).
10.44	Merger Protocol dated January 27, 2014, among LGE Holdco VII B.V., Ziggo N.V. and the Registrant (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed January 31, 2014 (File No. 001-35961)).
21 -- List of Subsidiaries*	
23 -- Consent of Experts and Counsel:	
23.1	Consent of KPMG LLP*
23.2	Consent of Ernst & Young Accountants LLP*
31 -- Rule 13a-14(a)/15d-14(a) Certification:	
31.1	Certification of President and Chief Executive Officer*
31.2	Certification of Senior Vice President and Co-Chief Financial Officer (Principal Financial Officer)*
31.3	Certification of Senior Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*
32 -- Section 1350 Certification **	

101.INS	XBRL Instance Document*
101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

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* Filed herewith
** Furnished herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LIBERTY GLOBAL PLC

Dated: February 12, 2015

/s/ BRYAN H. HALL

Bryan H. Hall
Executive Vice President, General Counsel and Secretary

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	Title	Date
/s/ JOHN C. MALONE John C. Malone	Chairman of the Board	February 12, 2015
/s/ MICHAEL T. FRIES Michael T. Fries	President, Chief Executive Officer and Director	February 12, 2015
/s/ ANDREW J. COLE Andrew J. Cole	Director	February 12, 2015
/s/ JOHN P. COLE John P. Cole	Director	February 12, 2015
/s/ MIRANDA CURTIS Miranda Curtis	Director	February 12, 2015
/s/ JOHN W. DICK John W. Dick	Director	February 12, 2015
/s/ PAUL A. GOULD Paul A. Gould	Director	February 12, 2015
/s/ RICHARD R. GREEN Richard R. Green	Director	February 12, 2015
/s/ DAVID E. RAPLEY David E. Rapley	Director	February 12, 2015
/s/ LARRY E. ROMRELL Larry E. Romrell	Director	February 12, 2015
/s/ J.C. SPARKMAN J.C. Sparkman	Director	February 12, 2015
/s/ J. DAVID WARGO J. David Wargo	Director	February 12, 2015
/s/ CHARLES H.R. BRACKEN Charles H.R. Bracken	Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)	February 12, 2015
/s/ BERNARD G. DVORAK Bernard G. Dvorak	Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)	February 12, 2015

LIBERTY GLOBAL PLC

SCHEDULE I
(Parent Company Information - See Notes to Consolidated Financial Statements)

CONDENSED BALANCE SHEETS
(Parent Company Only)

	December 31,	
	2014	2013
	in millions	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36.7	$ 290.7
Interest receivables — related-party	448.7	247.1
Other receivables — related-party	157.8	260.4
Current notes receivable — related-party	5,666.8	—
Other current assets	7.5	9.6
Total current assets	6,317.5	807.8
Long-term notes receivable — related-party	9,656.9	9,557.6
Investments in consolidated subsidiaries, including intercompany balances	750.0	1,742.8
Other assets, net	4.2	3.0
Total assets	$ 16,728.6	$ 12,111.2
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 46.4	$ 11.4
Other payables — related-party	105.3	47.1
Debt — related-party	679.2	—
Accrued liabilities and other	16.0	6.7
Total current liabilities	846.9	65.2
Long-term notes payable — related-party	18.9	18.6
Other long-term liabilities — related-party	1,146.6	—
Other long-term liabilities	1.7	1.6
Total liabilities	2,014.1	85.4
Commitments and contingencies		
Shareholders' equity:		
Class A ordinary shares, $0.01 nominal value. Issued and outstanding 251,167,686 and 222,081,117 shares, respectively	2.5	2.2
Class B ordinary shares, $0.01 nominal value. Issued and outstanding 10,139,184 and 10,147,184 shares, respectively	0.1	0.1
Class C ordinary shares, $0.01 nominal value. Issued and outstanding 630,353,372 and 556,221,669 shares, respectively	6.3	5.6
Additional paid-in capital	17,070.8	12,809.4
Accumulated deficit	(4,007.6)	(3,312.6)
Accumulated other comprehensive earnings, net of taxes	1,646.6	2,528.8
Treasury shares, at cost	(4.2)	(7.7)
Total shareholders' equity	14,714.5	12,025.8
Total liabilities and shareholders' equity	$ 16,728.6	$ 12,111.2

LIBERTY GLOBAL PLC

SCHEDULE I
(Parent Company Information - See Notes to Consolidated Financial Statements)

CONDENSED STATEMENTS OF OPERATIONS
(Parent Company Only)

	Year ended December 31, 2014	Period from June 8, 2013 through December 31, 2013
	in millions	
Operating costs and expenses:		
Selling, general and administrative (including share-based compensation)	$ 43.0	$ 9.7
Related-party fees and allocations	151.8	54.9
Other operating expenses	3.5	—
Operating loss	(198.3)	(64.6)
Non-operating income (expense):		
Interest income, net	812.1	468.3
Realized and unrealized gains (losses) on derivative instruments, net	13.7	(4.5)
Foreign currency transaction losses, net	(58.2)	—
Other expense, net	(8.1)	—
	759.5	463.8
Earnings before income taxes and equity in losses of consolidated subsidiaries, net	561.2	399.2
Equity in losses of consolidated subsidiaries, net	(1,120.8)	(1,306.3)
Income tax expense	(135.4)	(105.8)
Net loss	$ (695.0)	$ (1,012.9)

LIBERTY GLOBAL PLC

SCHEDULE I
(Parent Company Information - See Notes to Consolidated Financial Statements)

CONDENSED STATEMENTS OF CASH FLOWS
(Parent Company Only)

	Year ended December 31, 2014	Period from June 8, 2013 through December 31, 2013
	in millions	
Cash flows from operating activities:		
Net loss	$ (695.0)	$ (1,012.9)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Equity in losses of consolidated subsidiaries, net	1,120.8	1,306.3
Share-based compensation expense	20.2	3.5
Related-party fees and allocations	151.8	54.9
Other operating expenses	3.5	—
Realized and unrealized losses (gains) on derivative instruments, net	(13.7)	4.5
Foreign currency transaction losses, net	58.2	—
Deferred income tax benefit	(3.6)	(0.4)
Changes in operating assets and liabilities:		
Receivables and other operating assets	0.2	(104.9)
Payables and accruals	(65.3)	2.6
Net cash provided by operating activities	577.1	253.6
Cash flows from investing activities:		
Distributions and advances from subsidiaries and affiliates, net	(368.3)	949.0
Other investing activities, net	1.8	(11.3)
Net cash provided (used) by investing activities	(366.5)	937.7
Cash flows from financing activities:		
Repurchase of Liberty Global shares	(1,584.9)	(971.8)
Borrowings of related-party debt	1,221.5	—
Repayments of related-party debt	(542.3)	—
Proceeds received from subsidiaries in connection with the issuance of Liberty Global shares	435.1	—
Proceeds from issuance of Liberty Global shares upon exercise of stock options	54.8	78.1
Proceeds (payments) associated with call option contracts, net	(41.7)	4.1
Other financing activities, net	(6.6)	(11.0)
Net cash used by financing activities	(464.1)	(900.6)
Effect of exchange rate changes on cash	(0.5)	—
Net increase (decrease) in cash and cash equivalents	(254.0)	290.7
Cash and cash equivalents:		
Beginning of period	290.7	—
End of period	$ 36.7	$ 290.7

LIBERTY GLOBAL, INC.

SCHEDULE I

(Parent Company Information - See Notes to Consolidated Financial Statements)

CONDENSED STATEMENTS OF OPERATIONS

(Parent Company Only)

	Period from January 1, 2013 through June 7, 2013	Year ended December 31, 2012
	in millions	
Operating costs and expenses:		
Selling, general and administrative (including stock-based compensation)	$ 43.5	$ 98.1
Depreciation and amortization	0.3	0.8
Other operating charges	48.1	—
Operating loss	(91.9)	(98.9)
Non-operating expense:		
Interest expense, net	(0.7)	(0.1)
Other expense, net	(0.1)	(0.5)
	(0.8)	(0.6)
Loss before income taxes and equity in earnings of consolidated subsidiaries, net	(92.7)	(99.5)
Equity in earnings of consolidated subsidiaries, net	120.0	390.7
Income tax benefit	21.7	31.6
Net earnings	$ 49.0	$ 322.8

LIBERTY GLOBAL, INC.

SCHEDULE I

(Parent Company Information - See Notes to Consolidated Financial Statements)

CONDENSED STATEMENTS OF CASH FLOWS

(Parent Company Only)

	Period from January 1, 2013 through June 7, 2013	Year ended December 31, 2012
	in millions	
Cash flows from operating activities:		
Net earnings	$ 49.0	$ 322.8
Adjustments to reconcile net earnings to net cash used by operating activities:		
Equity in earnings of consolidated subsidiaries, net	(120.0)	(390.7)
Stock-based compensation expense	11.5	33.0
Depreciation and amortization	0.3	0.8
Other operating charges	48.1	—
Deferred income tax expense (benefit)	(21.9)	111.7
Excess tax benefits from stock-based compensation	—	(2.6)
Changes in operating assets and liabilities:		
Receivables and other operating assets	(7.2)	(27.1)
Payables and accruals	(23.8)	(71.4)
Net cash used by operating activities	(64.0)	(23.5)
Cash flows from investing activities:		
Distributions and advances from subsidiaries and affiliates, net	163.1	855.1
Capital expenditures	(0.7)	(2.0)
Net cash provided by investing activities	162.4	853.1
Cash flows from financing activities:		
Repurchase of LGI common stock	(185.4)	(970.3)
Proceeds (payments) related to call option contracts for LGI common stock	55.5	(52.1)
Payment of net settled employee withholding taxes on stock incentive awards	(13.1)	(22.1)
Proceeds from issuance of LGI common stock upon exercise of stock options	2.9	25.6
Excess tax benefits from stock-based compensation	—	2.6
Net cash used by financing activities	(140.1)	(1,016.3)
Net decrease in cash and cash equivalents	(41.7)	(186.7)
Cash and cash equivalents:		
Beginning of period	69.4	256.1
End of period	$ 27.7	$ 69.4

LIBERTY GLOBAL PLC

SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS

	Allowance for doubtful accounts — Trade receivables							
	Balance at beginning of period	Additions to costs and expenses	Acquisitions	Deductions or write-offs	Foreign currency translation adjustments	Disposals/ discontinued operations	Balance at end of period
				in millions			
Year ended December 31:							
2012	$ 144.0	66.4	4.0	(113.6)	2.2	—	$ 103.0
2013	$ 103.0	113.3	12.9	(98.1)	1.7	(10.2)	$ 122.6
2014	$ 122.6	119.1	7.9	(120.5)	(13.0)	—	$ 116.1

Report of Independent Auditors'

To: The Board of Management and Supervisory Board of Ziggo N.V.

We have audited the accompanying consolidated financial statements of Ziggo N.V., which comprise the consolidated balance sheet as of December 31, 2013, and the consolidated statement of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ziggo N.V. at December 31, 2013, and the consolidated income results and its cash flows for the year then ended in conformity with U.S. generally accepted accounting principles.

Amsterdam, June 4, 2014

Ernst & Young Accountants LLP

ZIGGO N.V.

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2013

in millions, except share and per share amounts

ASSETS		
Current assets:		
Cash	€	77.4
Trade receivables, net		44.9
Deferred income taxes (note 7)		42.2
Prepaid expenses		14.2
Other current assets		11.2
Total current assets		189.9
Property and equipment, net (note 5)		1,560.0
Goodwill (note 5)		1,793.8
Intangible assets subject to amortization, net (note 5)		1,054.7
Other assets, net		38.1
Total assets	€	4,636.5

The accompanying notes are an integral part of these consolidated financial statements.

ZIGGO N.V.

CONSOLIDATED BALANCE SHEET – (Continued)

DECEMBER 31, 2013

in millions, except share and per share amounts

LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	€	88.2
Deferred revenue		120.2
Accrued value-added taxes		43.7
Accrued interest		38.8
Other accrued and current liabilities (note 3)		100.2
Total current liabilities		391.1
Long-term debt and capital lease obligations (note 6)		3,107.8
Deferred tax liability (note 7)		125.0
Other long-term liabilities (note 3)		42.2
Total liabilities		3,666.1
Commitments and contingencies (notes 3, 6 and 10)		
Shareholders' equity (note 8):		
Ordinary shares, €1.00 nominal value. Authorized 800,000,000 shares; issued and outstanding 200,000,000 and 199,998,194 shares, respectively		200.0
Additional paid-in capital		3,205.0
Accumulated deficit		(2,433.7)
Accumulated other comprehensive loss, net of taxes		(0.9)
Total shareholders' equity		970.4
Total liabilities and shareholders' equity	€	4,636.5

The accompanying notes are an integral part of these consolidated financial statements.

ZIGGO N.V.

CONSOLIDATED STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2013

in millions, except share and per share amounts

Revenue (note 2)	€	1,568.2
Operating costs and expenses:		
Operating (other than depreciation and amortization)		510.2
Selling, general and administrative (SG&A) (including share-based compensation) (note 9)		188.0
Depreciation and amortization		444.7
		1,142.9
Operating income		425.3
Non-operating income (expense):		
Interest expense		(210.8)
Interest income		1.0
Loss on debt extinguishment (note 6)		(42.7)
Realized and unrealized gains on derivative instruments, net (note 3)		29.1
Share of results of affiliates, net		(9.1)
		(232.5)
Income before income taxes		192.8
Income tax benefit (note 7)		16.5
Net income	€	209.3
Basic and diluted income per share	€	1.05
Weighted average ordinary shares outstanding – basic and diluted		199,998,116

The accompanying notes are an integral part of these consolidated financial statements.

ZIGGO N.V.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2013

in millions

Net income	€	209.3
Other comprehensive income – cash flow hedges, net of taxes		3.4
Comprehensive income	€	212.7

The accompanying notes are an integral part of these consolidated financial statements.

ZIGGO N.V.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

YEAR ENDED DECEMBER 31, 2013

in millions

	Shareholders' capital	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss, net of taxes	Total shareholders' equity
Balance at January 1, 2013	€ 200.0	€ 3,500.0	€ (2,568.5)	€ (4.3)	€ 1,127.2
Net income	—	—	209.3	—	209.3
Other comprehensive income	—	—	—	3.4	3.4
Dividends paid	—	(295.5)	(74.5)	—	(370.0)
Share-based compensation	—	0.5	—	—	0.5
Balance at December 31, 2013	€ 200.0	€ 3,205.0	€ (2,433.7)	€ (0.9)	€ 970.4

The accompanying notes are an integral part of these consolidated financial statements.

ZIGGO N.V.

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2013

in millions

Cash flows from operating activities:		
Net income	€	209.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation expense		0.5
Depreciation and amortization		444.7
Loss on debt extinguishment		42.7
Realized and unrealized gains on derivative instruments, net		29.1
Deferred income tax benefit		(18.7)
Share of results of affiliates, net		9.1
Changes in operating assets and liabilities:		
Receivables and other operating assets		(62.0)
Payables and accruals		(8.7)
Net cash provided by operating activities		646.0
Cash flows from investing activities:		
Capital expenditures		(342.2)
Cash paid in connection with acquisitions, net of cash acquired		(15.2)
Contribution to affiliate		(7.9)
Other investing activities, net		(0.4)
Net cash used by investing activities		(365.7)
Cash flows from financing activities:		
Borrowings of debt		1,378.5
Repayments of debt		(1,288.3)
Payment of dividends		(370.0)
Payment of financing costs		(13.4)
Other financing activities, net		(2.1)
Net cash used by financing activities		(295.3)
Net decrease in cash		(15.0)
Cash:		
Beginning of year		92.4
End of year	€	77.4
Cash paid for interest	€	190.8
Net cash paid for taxes	€	—

The accompanying notes are an integral part of these consolidated financial statements.

(1) Basis of Presentation

Ziggo N.V. (Ziggo) is a public limited company in the Netherlands. Ziggo is the owner and operator of a broadband cable network in the Netherlands, and provides video, broadband internet, fixed-line telephony and mobile services to households and businesses in the Netherlands under the brand name Ziggo. In the following text, the terms "we," "our," "our company" and "us" may refer, as the context requires, to Ziggo or collectively to Ziggo and its subsidiaries.

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Our functional currency is the euro (€).

These consolidated financial statements reflect our consideration of the accounting and disclosure implications of subsequent events through June 4, 2014, the date of issuance.

(2) Summary of Significant Accounting Policies

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are used in accounting for, among other things, the valuation of acquisition-related assets and liabilities, allowances for uncollectible accounts, programming and copyright expenses, deferred income taxes and related valuation allowances, loss contingencies, fair value measurements, impairment assessments, capitalization of internal costs associated with construction and installation activities, useful lives of long-lived assets and share-based compensation. Actual results could differ from those estimates.

Principles of Consolidation

The accompanying consolidated financial statements include our accounts and the accounts of all voting interest entities where we exercise a controlling financial interest through the ownership of a direct or indirect controlling voting interest and variable interest entities for which our company is the primary beneficiary. All intercompany accounts and transactions have been eliminated in consolidation.

Trade Receivables

Our trade receivables are reported net of an allowance for doubtful accounts. Such allowance aggregated €4.6 million at December 31, 2013. The allowance for doubtful accounts is based upon our assessment of probable loss related to uncollectible accounts receivable. We use a number of factors in determining the allowance, including, among other things, collection trends, prevailing and anticipated economic conditions and specific customer credit risk. The allowance is maintained until either receipt of payment or the likelihood of collection is considered to be remote.

Concentration of credit risk with respect to trade receivables is limited due to the large number of customers. We also manage this risk by disconnecting services to customers whose accounts are delinquent.

Financial Instruments

Due to the short maturities of trade and other receivables, other current assets, accounts payable, accrued liabilities and other current liabilities, their respective carrying values approximate their respective fair values. For information concerning the fair values of our derivatives and debt, see notes 3 and 6, respectively. For information concerning how we arrive at certain of our fair value measurements, see note 4.

Derivative Instruments

We no longer apply hedge accounting to any of our derivative instruments. Accordingly, all derivative instruments are recorded on the balance sheet at fair value and changes in fair value are recognized in income. The amounts accumulated in other comprehensive income for derivative instruments that were previously designated as hedges are reclassified into income over the same time period that the hedged item affects our income. For information regarding our derivative instruments, including our policy for classifying cash flows related to derivative instruments in our consolidated statement of cash flows, see note 3.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. We capitalize costs associated with the construction of new cable transmission and distribution facilities and the installation of new cable services. Capitalized construction and installation costs include materials, labor and other directly attributable costs. Installation activities that are capitalized include (i) the initial connection (or drop) from our cable system to a customer location, (ii) the replacement of a drop and (iii) the installation of equipment for additional services, such as digital cable, telephone or broadband internet service. The costs of other customer-facing activities, such as reconnecting customer locations where a drop already exists, disconnecting customer locations and repairing or maintaining drops, are expensed as incurred. Interest capitalized with respect to construction activities was €12.6 million during 2013.

Capitalized internal-use software is included as a component of property and equipment. We capitalize internal and external costs directly associated with the development of internal-use software. We also capitalize costs associated with the purchase of software licenses. Maintenance and training costs, as well as costs incurred during the preliminary stage of an internal-use software development project, are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful life of the underlying asset. Equipment under capital leases is amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the asset. Useful lives used to depreciate our property and equipment are assessed periodically and are adjusted when warranted. The useful lives of cable distribution systems that are undergoing a rebuild are adjusted such that property and equipment to be retired will be fully depreciated by the time the rebuild is completed. For additional information regarding the useful lives of our property and equipment, see note 5.

Additions, replacements and improvements that extend the asset life are capitalized. Repairs and maintenance costs are expensed as incurred.

Intangible Assets

Our primary intangible assets relate to goodwill and customer relationships. Goodwill represents the excess purchase price over fair value of the identifiable net assets acquired in a business combination. Customer relationships were originally recorded at their fair value in connection with business combinations.

Goodwill and other intangible assets with indefinite useful lives are not amortized, but instead are tested for impairment at least annually. Intangible assets with finite lives are amortized on a straight-line basis over their respective estimated useful lives to their estimated residual values, and reviewed for impairment when a triggering event occurs.

For additional information regarding the useful lives of our intangible assets, see note 5.

Impairment of Property and Equipment and Intangible Assets

We review, when circumstances warrant, the carrying amounts of our property and equipment and our intangible assets (other than goodwill and other indefinite-lived intangible assets) to determine whether such carrying amounts continue to be recoverable. Such changes in circumstance may include, among other items, (i) an expectation of a sale or disposal of a long-lived asset or asset group, (ii) adverse changes in market or competitive conditions, (iii) an adverse change in legal factors or business climate in the markets in which we operate and (iv) operating or cash flow losses. For purposes of impairment testing, long-lived assets are grouped at the lowest level for which cash flows are largely independent of other assets and liabilities, generally at or below the reporting unit level (see below). If the carrying amount of the asset or asset group is greater than the expected undiscounted cash flows to be generated by such asset or asset group, an impairment adjustment is recognized. Such adjustment is measured by the amount that the carrying value of such asset or asset group exceeds its fair value. We generally measure fair value by considering (a) sale prices for similar assets, (b) discounted estimated future cash flows using an appropriate discount rate and/or

(c) estimated replacement cost. Assets to be disposed of are carried at the lower of their financial statement carrying amount or fair value less costs to sell.

We evaluate goodwill and other indefinite-lived intangible assets for impairment at least annually on December 31 and whenever other facts and circumstances indicate that the carrying amounts of goodwill and other indefinite-lived intangible assets may not be recoverable. For impairment evaluations with respect to both goodwill and other indefinite-lived intangibles, we first make a qualitative assessment to determine if the goodwill or other indefinite-lived intangible may be impaired. In the case of goodwill, if it is more-likely-than-not that a reporting unit's fair value is less than its carrying value, we then compare the fair value of the reporting unit to its respective carrying amount. A reporting unit is an operating segment or one level below an operating segment (referred to as a "component"). We operate as a single reporting unit for purposes of the goodwill impairment test due to the revenue interdependency of our products. If the carrying value of our operations were to exceed its fair value, we would then compare the implied fair value of our goodwill to its carrying amount, and any excess of the carrying amount over the fair value would be charged to income as an impairment loss. With respect to other indefinite-lived intangible assets, if it is more-likely-than-not that the fair value of an indefinite-lived intangible asset is less than its carrying value, we then estimate its fair value and any excess of the carrying value over the fair value of the indefinite-lived intangible asset is also charged to income as an impairment loss.

Income Taxes

Income taxes are accounted for under the asset and liability method. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts and income tax basis of assets and liabilities and the expected benefits of utilizing net operating loss and tax credit carryforwards, using enacted tax rates in effect for each taxing jurisdiction in which we operate for the year in which those temporary differences are expected to be recovered or settled. We recognize the financial statement effects of a tax position when it is more-likely-than-not, based on technical merits, that the position will be sustained upon examination. Net deferred tax assets are then reduced by a valuation allowance if we believe it more-likely-than-not such net deferred tax assets will not be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred tax liabilities related to investments in foreign entities and foreign corporate joint ventures that are essentially permanent in duration are not recognized until it becomes apparent that such amounts will reverse in the foreseeable future. Interest and penalties related to income tax liabilities are included in income tax expense.

We and most of our subsidiaries are part of a Dutch tax fiscal unity (the Dutch Fiscal Unity) for corporate income tax purposes. For additional information regarding our income taxes, see note 7.

Segments

We operate in one geographical area, the country of the Netherlands. We operate in one segment, within which we provide video, broadband internet, fixed-line telephony and mobile services to households and businesses.

Our revenue by major category during 2013 is as follows (in millions):

Subscription revenue (a):		
Video	€	614.9
Broadband internet		464.4
Fixed-line telephony		312.1
Total subscription revenue		1,391.4
Other revenue (b)		176.8
Total revenue	€	1,568.2

(a) Subscription revenue includes amounts received from subscribers for ongoing services, excluding installation and late fees. Subscription revenue from subscribers who purchase bundled services at a discounted rate is generally allocated proportionally to each service based on the standalone price for each individual service.

(b) Other revenue includes, among other items, business-to-business revenue, revenue from the sale of goods and late fees.

Revenue Recognition

Service Revenue – Cable Networks. We recognize revenue from the provision of video, broadband internet and fixed-line telephony services over our cable network to customers in the period the related services are provided. Installation revenue (including reconnect fees) related to services provided over our cable network is recognized as revenue in the period during which the installation occurs to the extent these fees are equal to or less than direct selling costs, which costs are expensed as incurred. To the extent installation revenue exceeds direct selling costs, the excess revenue is deferred and amortized over the average expected subscriber life.

Sale of Multiple Products and Services. We sell video, broadband internet and fixed-line telephony services to our customers in bundled packages at a rate lower than if the customer purchased each product on a standalone basis. Revenue from bundled packages generally is allocated proportionally to the individual services based on the relative standalone price for each respective service.

Promotional Discounts. For subscriber promotions, such as discounted or free services during an introductory period, revenue is recognized only to the extent of the discounted monthly fees charged to the subscriber, if any.

Deferred Revenue. Payments received in advance or advance billings for the services we provide are deferred and recognized as revenue when the associated services are provided.

Sale of Equipment. We recognize revenue from the sale of goods when the significant risks and rewards of ownership of the goods have passed to the buyer, which is generally upon delivery of the goods.

Sales, Use and Other Value-Added Taxes. Revenue is recorded net of applicable sales, use and other value-added taxes.

Share-based Compensation

We recognize all share-based payments to employees, including grants of employee share incentive awards, based on their fair values and our estimates of forfeitures. We recognize the fair value of outstanding share-based payments as a charge to income over the vesting period. We use the straight-line method to recognize share-based compensation expense for our outstanding share awards.

Although we generally expect to use shares that have been issued but reacquired by us to settle outstanding share awards upon vesting, we may also issue new ordinary shares to the extent available.

For additional information regarding our share-based compensation, see note 9.

Litigation Costs

Legal fees and related litigation costs are expensed as incurred.

Income per Ordinary Share

Basic income per share is computed by dividing net income by the weighted average number of ordinary shares (excluding restricted shares) outstanding for the period. Diluted income per share presents the dilutive effect, if any, on a per share basis of potential ordinary shares as if they had been exercised, vested or converted at the beginning of the periods presented. We had no potentially dilutive ordinary shares as of and for the year ended December 31, 2013.

(3) Derivative Instruments

In general, we seek to enter into derivative instruments to protect against increases in the interest rates on our variable-rate debt. In this regard, we have entered into various derivative instruments to manage interest rate exposure. As of the date of our debt refinancing in October 2010, we do not apply hedge accounting to any new derivative instruments. Accordingly, since October 2010, changes in the fair values of our derivative instruments are recorded in realized and unrealized gains or losses on derivative instruments, net, in our consolidated statement of income. Prior to October 2010, the effective portion of the net fair value adjustments associated with our derivative instruments was reflected in other comprehensive income. This other comprehensive income is being reclassified into income in the same periods as the underlying interest expense on the hedged interest rate payments.

The following table provides details of the fair values of our derivative instrument liabilities as of December 31, 2013:

	Current	Long-term	Total
		in millions	
Liabilities – Interest rate swap derivative contracts (a)	€ (8.3)	€ (21.2)	€ (29.5)

(a) Our current and long-term derivative instrument liabilities are included in other accrued and current liabilities and other long-term liabilities, respectively, in our consolidated balance sheet.

The impact of credit risk on our derivative valuations as of December 31, 2013 is insignificant. For further information concerning our fair value measurements, see note 4.

Our realized and unrealized gains on derivative instruments, net, were €29.1 million during 2013.

The net cash received or paid related to our derivative instruments is classified as an operating or financing activity in our consolidated statement of cash flows based on the classification of the applicable underlying cash flows. For derivative contracts that are terminated prior to maturity, the cash paid or received upon termination that relates to future periods is classified as a financing activity. During 2013, the total net cash inflows associated with our derivative instruments of €29.1 million were classified within cash provided by operating activities.

The terms of our outstanding interest rate swap contracts at December 31, 2013 are as follows:

Final maturity date (a)	Notional amount	Interest rate due from counterparty	Interest rate due to counterparty
	in millions		
March 2014	€ 1,000.0	3 mo. EURIBOR	3.58%
March 2014	€ 750.0	0.19%	3 mo. EURIBOR
March 2014 – March 2017	€ 500.0	3 mo. EURIBOR	1.97%
May 2014 – May 2024	€ 900.0	6 mo. EURIBOR	2.28%

(a) The notional amount of multiple derivative instruments that mature within the same calendar month are shown in the aggregate and interest rates are presented on a weighted average basis. In addition, for derivative instruments that were in effect as of December 31, 2013, we present a single date that represents the applicable final maturity date. For derivative instruments that become effective subsequent to December 31, 2013, we present a range of dates that represents the period covered by the applicable derivative instruments.

(4) Fair Value Measurements

We use the fair value method to account for our derivative instruments. The reported fair values of these derivative instruments as of December 31, 2013 likely will not represent the amount that will be paid or received upon the ultimate settlement of these derivative instruments, as we expect the values realized generally will be based on market conditions at the time of settlement, which may occur at the maturity of the derivative instrument or at the time of the repayment or refinancing of the underlying debt instrument.

U.S. GAAP provides for a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. We record transfers of assets or liabilities in or out of Levels 1, 2 or 3 at the beginning of the quarter during which the transfer occurred. During 2013, no such transfers were made.

All of our Level 2 inputs (interest rate futures and swap rates) and certain of our Level 3 inputs (credit spreads) are obtained from pricing services. These inputs, or interpolations or extrapolations thereof, are used in our internal models to calculate, among other items, yield curves and forward interest rates. In the normal course of business, we receive market value assessments from the counterparties to our derivative contracts. Although we compare these assessments to our internal valuations and investigate unexpected differences, we do not otherwise rely on counterparty quotes to determine the fair values of our derivative instruments. The midpoints of applicable bid and ask ranges generally are used as inputs for our internal valuations.

As further described in note 3, we enter into derivative instruments to manage our interest rate risk. The recurring fair value measurements of these derivative instruments are determined using discounted cash flow models. Most of the inputs to these discounted cash flow models consist of, or are derived from, observable Level 2 data for substantially the full term of these derivative instruments. This observable data includes applicable interest rate futures and swap rates, which are retrieved or derived from available market data. Although we may extrapolate or interpolate this data, we do not otherwise alter this data in performing our valuations. We incorporate a credit risk valuation adjustment in our fair value measurements to estimate the impact of both our own nonperformance risk and the nonperformance risk of our counterparties. Our and our counterparties' credit spreads are Level 3 inputs that are used to derive the credit risk valuation adjustments with respect to our various interest rate and foreign currency derivative valuations. As we would not expect changes in our or our counterparties' credit spreads to have a significant impact on the valuations of these derivative instruments, we have determined that these valuations fall under Level 2 of the fair value hierarchy.

Fair value measurements are also used in connection with nonrecurring valuations performed in connection with impairment assessments and acquisition accounting. During 2013, we did not perform any material nonrecurring fair value measurements.

(5) Long-lived Assets

Property and Equipment, Net

The details of our property and equipment and the related accumulated depreciation as of December 31, 2013 are set forth below:

	Estimated useful life	Amounts
		in millions
Distribution systems	3 to 20 years	€ 5,184.4
Support equipment, buildings and land	3 to 20 years	602.1
		5,786.5
Accumulated depreciation		(4,226.5)
Total property and equipment, net		€ 1,560.0

Depreciation expense related to our property and equipment was €272.1 million during 2013.

Goodwill

Changes in the carrying amount of our goodwill during 2013 are set forth below (in millions):

Balance at January 1, 2013	€ 1,782.4
Acquisition	11.4
Balance at December 31, 2013	€ 1,793.8

Intangible Assets Subject to Amortization, Net

The details of our intangible assets subject to amortization and the related accumulated amortization as of December 31, 2013 are set forth below:

	Estimated useful life	Amounts
		in millions
Customer relationships	4.5 to 14 years	€ 2,406.7
Accumulated amortization		(1,352.0)
Total		€ 1,054.7

Amortization of intangible assets with finite useful lives was €172.6 million during 2013. Based on the amortizable intangible asset balances at December 31, 2013, we expect that amortization expense will be as follows for the next five years and thereafter (in millions):

2014	€ 173.0
2015	173.0
2016	173.0
2017	169.2
2018	157.4
Thereafter	209.1
Total	€ 1,054.7

Impairments

No impairments of our goodwill were required to be recorded in connection with our December 31, 2013 impairment test. If, among other factors, (i) our equity value was to decline significantly or (ii) the adverse impacts of economic, competitive, regulatory or other factors were to cause our income results or cash flows to be worse than anticipated, we could conclude in future periods that impairment charges are required in order to reduce the carrying values of our goodwill and, to a lesser extent, other long-lived assets. Any such impairment charges could be significant.

(6) Debt and Capital Lease Obligations

Our consolidated debt and capital lease obligations as of December 31, 2013 are as follows:

	Weighted average interest rate (a)	Unused borrowing capacity (b)	Estimated fair value (c)	Carrying value (d)
			in millions	
Debt:				
8.0% Senior Notes	8.000%	€ —	€ 1,285.3	€ 1,203.4
6.125% Senior Secured Notes	6.125%	—	770.5	750.0
3.625% Senior Secured Notes	3.625%	—	752.3	748.6
Facility A Loan	1.984%	—	150.0	150.0
Revolving Credit Facility (e)	1.984%	145.0	255.0	255.0
Total	5.712%	€ 145.0	€ 3,213.1	3,107.0
Capital lease obligations				0.8
Total debt and capital lease obligations				3,107.8
Current maturities				—
Long-term debt and capital lease obligations				€ 3,107.8

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(a) Represents the weighted average interest rate in effect at December 31, 2013 for borrowings outstanding pursuant to each debt instrument. The interest rates presented represent stated rates and do not include the impact of applicable interest rate derivative contracts, deferred financing costs or commitment fees, all of which affect our overall cost of borrowing.

(b) Unused borrowing capacity represents the maximum availability under the Revolving Credit Facility, as defined and described below, at December 31, 2013 without regard to covenant compliance calculations or other conditions precedent to borrowing. At December 31, 2013, the full amount of the Revolving Credit Facility was available to be drawn.

(c) The estimated fair values of our debt instruments were determined using the average of applicable bid and ask prices (mostly Level 1 of the fair value hierarchy). For additional information concerning fair value hierarchies, see note 4.

(d) Amounts for the 8.0% Senior Notes and the 3.625% Senior Secured Notes, each as defined and described below, include the impact of discounts.

(e) The Revolving Credit Facility has a commitment fee on unused and uncancelled balances of 0.6125% per year.

8.0% Senior Notes

In May 2010, Ziggo Bond Company B.V. (Ziggo Bond Company), an indirect, wholly-owned subsidiary of Ziggo, issued €1,208.9 million principal amount of unsecured senior notes (the 8.0% Senior Notes) at an issue price of 99.271%. The 8.0% Senior Notes have a nominal interest rate of 8.0% and are due in 2018. Interest on the 8.0% Senior Notes is payable semi-annually on May 15 and November 15.

The 8.0% Senior Notes are senior unsecured obligations of Ziggo Bond Company and are guaranteed on a senior subordinated basis by all of the subsidiaries of Ziggo Bond Company.

6.125% Senior Secured Notes

In October 2010, Ziggo Finance B.V. issued €750.0 million principal amount of 6.125% senior secured notes due in 2017 (the 6.125% Senior Secured Notes). Ziggo Finance used the proceeds from the 6.125% Senior Secured Notes to fund a facility (the Facility E Loan) under the Senior Credit Facility, as defined and described below, with certain of our subsidiaries as the borrowers. The amount outstanding under the Facility E Loan is eliminated in our consolidated financial statements.

Interest on the 6.125% Senior Secured Notes is payable semi-annually on May 15 and November 15.

The 6.125% Senior Secured Notes are general obligations of Ziggo Finance and are secured by a first ranking security interest over all of the capital stock and bank accounts of Ziggo Finance and a first ranking interest over Ziggo Finance's rights as a lender under the Facility E Loan.

3.625% Senior Secured Notes

In March 2013, Ziggo B.V., our indirect wholly-owned subsidiary, issued €750.0 million principal amount of 3.625% senior secured notes (the 3.625% Senior Secured Notes) at an issue price of 99.8% with a nominal interest rate of 3.625%, due in 2020. Interest on the 3.625% Senior Secured Notes is payable annually on March 27.

The 3.625% Senior Secured Notes are senior secured obligations of Ziggo and are guaranteed on a senior secured basis by our subsidiaries, ABC B.V., Torenspits II B.V. and by the issuer's subsidiaries, Ziggo Netwerk B.V. and Ziggo Netwerk II B.V.

The 3.625% Senior Secured Notes are secured by Ziggo's assets including (i) mortgage on all registered properties, related movable assets, the network-related elements and the claims and (ii) pledges on all bank accounts, intellectual property rights, receivables and movable assets.

At any time prior to May 14, 2014 in the case of the 8.0% Senior Notes, November 13, 2013 in the case of the 6.125% Senior Secured Notes or at any time in the case of the 3.625% Senior Secured Notes, all or part of the 8.0% Senior Notes, the 6.125% Senior Secured Notes or the 3.625% Senior Secured Notes may be redeemed at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest, if any, plus an applicable redemption premium, as defined in the applicable indenture. At any time on or after May 14, 2014 in the case of the 8.0% Senior Notes and November 13, 2013 in the case of the 6.125% Senior Secured Notes, some or all of the 8.0% Senior Notes or the 6.125% Senior Secured Notes may be redeemed at a redemption premium specified in the applicable indenture. The 8.0% Senior Notes, the 6.125% Senior Secured Notes and the 3.625% Senior Secured Notes each contain certain customary incurrence-based covenants that may restrict the ability of the applicable issuer to incur additional debt, pay dividends and make distributions of certain other restricted payments, among other items.

Senior Credit Facility

During 2013, we entered into a new credit facility that includes (i) a €150.0 million term loan (the Facility A Loan), due in March 2018, which bears interest at EURIBOR plus 1.75%, and (ii) a €400.0 million revolving credit facility (the Revolving Credit Facility and, together with the Facility A Loan, the Senior Credit Facility), due in March 2018, which bears interest at EURIBOR plus 1.75%. At December 31, 2013, €255.0 million was drawn under the Revolving Credit Facility. The proceeds from the Senior Credit Facility, together with the net proceeds from the 3.625% Senior Secured Notes, were used to repay in full outstanding amounts under our previous senior credit agreement. In connection with this transaction, we recognized a loss on debt extinguishment of €42.7 million, primarily associated with the write-off of deferred financing costs.

In addition to voluntary prepayments, the lenders under the Senior Credit Facility may cancel their commitments and require the repayment of any amounts due upon the occurrence of a change in control, as defined in the indenture to the Senior Credit Facility.

The Senior Credit Facility contains certain customary events of default, the occurrence of which, subject to certain exceptions and materiality qualifications, would allow the lenders to (i) cancel the total commitments, (ii) accelerate all outstanding loans and terminate their commitments thereunder and/or (iii) declare that all or part of the loans be payable on demand. The Senior Credit Facility contains certain representations and warranties customary for facilities of this type, which are subject to exceptions, baskets and materiality qualifications.

The Senior Credit Facility is secured by the same security package as the 3.625% Senior Secured Notes.

We are required to comply on a quarterly basis with certain covenants, including interest coverage and net leverage ratios, set by the lenders of the Senior Credit Facility. We were in compliance with these financial covenants as of December 31, 2013.

Maturities of Debt

Maturities of our debt as of December 31, 2013 are presented below (in millions):

Year ending December 31:		
2014	€	—
2015		—
2016		—
2017		750.0
2018		1,613.8
Thereafter		750.0
Total debt maturities		3,113.8
Unamortized discount		(6.8)
Total debt	€	3,107.0
Current portion	€	—
Noncurrent portion	€	3,107.0

Subsequent Events

For information concerning certain financing transactions completed subsequent to December 31, 2013, see note 11.

(7) <u>Income Taxes</u>

We and most of our subsidiaries are part of a Dutch Fiscal Unity headed by us. The standard conditions for a Dutch Fiscal Unity stipulate that all companies included in the fiscal unity are jointly and severally liable for all tax liabilities borne by the parent company until the tax unit ceases to exist. The company's corporate income tax calculations take into account all tax attributes of the Ziggo Dutch Fiscal Unity.

Income tax benefit (expense) consists of the following during 2013 (in millions):

Current income tax expense	€	(2.2)
Deferred income tax benefit		18.7
Total income tax benefit	€	16.5

Income tax benefit attributable to our income before income taxes differs from the amounts computed by using the applicable statutory tax rate in the Netherlands of 25% during 2013 as a result of the following (in millions):

Computed "expected" tax expense	€	(48.2)
Innovation tax facilities (a)		67.0
Basis and other differences in the treatment of items associated with investments in subsidiaries and affiliates		(2.3)
Impact of non-deductible items		(0.1)
Research and development deduction		0.1
Total income tax benefit	€	16.5

(a) Pursuant to a February 2013 agreement with the Dutch tax authorities, taxes on certain profits attributable to innovation have been reduced to an effective tax rate of 5% instead of the statutory rate of 25%. The agreement reduces the effective tax rate going forward, and includes retrospective application to the three-year period ended December 31, 2012. The amount reflected in the table includes adjustments to our tax liability attributable to the four-year period ended December 31, 2013.

The current and non-current components of our deferred tax assets and liabilities as of December 31, 2013 are as follows (in millions):

Current deferred tax assets	€	42.2
Non-current deferred tax liabilities		(125.0)
Net deferred tax liability	€	(82.8)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities as of December 31, 2013 are presented below (in millions):

Deferred tax assets:		
Net operating losses	€	126.0
Property and equipment, net		52.4
Derivative instruments		7.3
Deferred tax assets		185.7
Valuation allowance		(0.8)
Deferred tax assets, net of valuation allowance		184.9
Deferred tax liabilities:		
Intangible assets		(267.7)
Deferred tax liabilities		(267.7)
Net deferred tax liability	€	(82.8)

We had €500.9 million of tax loss carryforwards and €126.0 million in related tax assets at December 31, 2013, which expire from 2015 though 2019.

We and the Dutch tax authorities have reached agreement on all income tax filings through 2009.

(8) Shareholders' Equity

Ziggo is incorporated as a public limited liability company under Dutch law. Our registered capital consists entirely of ordinary shares. The authorized capital is divided into 200 million shares of €1.00 nominal value each.

During 2013, we declared and paid dividends of €370.0 million, or €1.85 per share, of which €295.5 million was paid from additional paid-in capital.

As of December 31, 2013, 1,806 of our ordinary shares were held in treasury with a cost basis of €33 thousand.

(9) Share-based Compensation

Our share-based compensation expense is related to performance-based restricted share units (PSUs) that have been granted to our employees under the below-described Long-Term Incentive Plan. In 2013, we recognized share-based compensation expense of €0.5 million associated with our PSUs, all of which was recognized as SG&A expense in our consolidated statement of income. The weighted average grant-date fair value of PSUs granted during 2013 was equal to €14.13 per PSU. Fair value is determined based on our share price on the grant date, adjusted downward for the effects of market conditions, the treatment of dividends during the vesting period and post-vesting restrictions on selling vested shares.

The following table provides certain information related to share-based compensation not yet recognized for share incentive awards as of December 31, 2013:

Total compensation expense not yet recognized (in millions)	€	0.8
Weighted average period remaining for expense recognition (in years)		1.5

Long-Term Incentive Plan

In 2012, our Supervisory Board authorized a Long-Term Incentive Plan (LTIP) as part of our remuneration policy, under which the members of the Board of Management are eligible to receive PSUs. Each PSU represents the right to receive one ordinary share of Ziggo, subject to meeting certain performance and market conditions and vesting criteria. Performance is measured on an annual basis based on the achievement of certain revenue, EBITDA (operating income plus depreciation and amortization), cash flow and customer satisfaction targets. The market condition is based on the relative performance of our share price as compared to a peer group. At the start of each calendar year, PSUs will be granted to our chief executive officer equal to 155% of his base salary and to the other members of the Board of Management equal to 140% of their base salaries. For 2013, the grant date was February 15. The allocation of shares based on the actual performance versus the targets can vary between 0% and 150%. Accordingly, based on the maximum potential allocation of 150% of the granted PSUs, the maximum number of PSUs awarded ranges between 210% and 232.5% of base salary divided by the grant date fair value of the performance share.

The PSUs vest over a three-year period commencing with the start of the performance period and provided that the member of the Board of Management is still employed by Ziggo. After vesting, the shares are subject to a one-year retention period, during which the shares may not be transferred, assigned to any third party, encumbered or otherwise disposed of, except to the extent necessary to settle any tax obligation resulting from the LTIP. The PSUs are not considered potential dilutive ordinary shares as we are required to repurchase shares in the open market in order to settle any vested PSUs.

See note 11 for the impacts to the LTIP upon the successful completion of the acquisition of our company by Liberty Global plc (Liberty Global).

Share-Based Award Activity

The following table summarizes the share-based award activity during the year ended December 31, 2013 with respect to our PSUs:

	Number of shares	Weighted average grant-date fair value per share	Weighted average remaining contractual term
			in years
Outstanding at January 1, 2013	50,442	€ 12.56	2
Performance and market adjustments	3,207	€ 11.82	1
Granted	54,063	€ 15.73	2
Outstanding at December 31, 2013	107,712	€ 14.13	1.5

(10) Commitments and Contingencies

Commitments

In the normal course of business, we have entered into agreements that commit us to make cash payments in future periods with respect to purchases of customer premises and other equipment, non-cancelable operating leases and programming contracts. Our commitments as of December 31, 2013 are presented below:

	Payments due during:						
	2014	2015	2016	2017	2018	Thereafter	Total
	in millions						
Purchase commitments	€ 76.7	€ —	€ —	€ —	€ —	€ —	€ 76.7
Operating leases	16.0	13.2	10.0	8.6	7.0	10.4	65.2
Programming commitments	31.2	10.9	3.9	—	—	—	46.0
Total (a)	€ 123.9	€ 24.1	€ 13.9	€ 8.6	€ 7.0	€ 10.4	€ 187.9

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(a) The commitments reflected in this table do not reflect any liabilities that are included in our December 31, 2013 consolidated balance sheet.

Purchase commitments include unconditional purchase obligations associated with commitments to purchase customer premises and other equipment that are enforceable and legally binding on us.

Operating leases include leases for buildings, certain office equipment and vehicles and various maintenance and support contracts for the support of network equipment. Lease terms generally range from three to five years with the option of renewal for varying terms. Rental expense under non-cancelable operating lease arrangements amounted to €21.1 million during 2013. It is expected that in the normal course of business, operating leases that expire generally will be renewed or replaced by similar leases.

Programming commitments consist of obligations associated with certain of our programming contracts that are enforceable and legally binding on us in that we have agreed to pay minimum fees without regard to (i) the actual number of subscribers to the programming services or (ii) whether we terminate service to a portion of our subscribers or dispose of a portion of our distribution systems. The amounts reflected in the table with respect to these contracts are significantly less than the amounts we expect to pay in these periods under these contracts. Payments to programming vendors have in the past represented, and are expected to continue to represent in the future, a significant portion of our operating costs. In this regard, our programming and copyright costs aggregated €177.1 million during 2013.

In addition to the commitments set forth in the table above, we have commitments under derivative instruments. Such amounts are not included in the above table because they are not fixed or determinable. For information concerning our derivative instruments, including the net cash paid or received in connection with these instruments during 2013, see note 3.

Guarantees and Other Credit Enhancements

In the ordinary course of business, we may provide indemnifications to our lenders, our vendors and certain other parties and performance and/or financial guarantees to local municipalities, our customers and vendors. Historically, these arrangements have not resulted in us making any material payments and we do not believe that they will result in material payments in the future.

Legal and Regulatory Proceedings and Other Contingencies

We have contingent liabilities related to matters arising in the ordinary course of business. While we generally expect that the amounts required to satisfy these contingencies will not materially differ from any estimated amounts we have accrued, no assurance can be given that the resolution of one or more of these contingencies will not result in a material impact on our income, cash flows or financial position in any given period. Due, in general, to the complexity of the issues involved and, in certain cases, the lack of a clear basis for predicting outcomes, we cannot provide a meaningful range of potential losses or cash outflows that might result from any unfavorable outcomes.

(11) Subsequent Events

On January 27, 2014, we reached a conditional agreement (the “Merger Protocol”) on a recommended offer (the Offer) pursuant to which Liberty Global will acquire all of our shares that Liberty Global does not already own in a stock and cash transaction. After careful consideration, our Board of Management and Supervisory Board believe the Offer to be in the best interests of our company and stakeholders, including our shareholders, and have agreed to fully and unanimously support and recommend the Offer for acceptance to our shareholders. This potential change in ownership is still awaiting the acceptance of shareholders and approval by the requisite authorities. Based on the required steps and subject to the necessary approvals, we and Liberty Global anticipate that the Offer will close during the second half of 2014.

In relation to the Offer, we have refinanced our outstanding debt. The following steps have been taken since the announced offer on January 27, 2014:

- The Revolving Credit Facility and the Facility A Loan have been refinanced through a senior debt Facility B1 Loan (the Facility B1 Loan) on February 26, 2014;

- We have redeemed €678.0 million of the 3.625% Senior Secured Notes through a new senior debt Facility B2 Loan (the Facility B2 Loan) on February 27, 2014. The remainder of the 3.625% Senior Secured Notes are still outstanding;

- The 6.125% Senior Secured Notes have been refinanced through the Facility B1 Loan on March 4, 2014;

- We commenced an offer to exchange up to €934 million aggregate principal amount of the 8.0% Senior Notes. As of the February 24, 2014 closing date of the exchange offer, an aggregate principal amount of €743 million has been validly tendered and accepted. The exchanged principal amount and the outstanding principal amount post exchange have been deposited in an escrow account until successful completion of the Offer. Upon closing of the Offer, new 2024 Notes will be issued by Liberty Global and the remainder of the current outstanding amount for the 8.0% Senior Notes will be called and refinanced through a Facility B3 Loan (the Facility B3 Loan).

- The U.S. dollar exposure and variable interest rate exposure on the Facility Loans, as defined below, have been hedged as of March 6, 2014. The mark-to-market positions for all interest rate hedges, including the forward rate hedges, which were outstanding as of December 31, 2013, have been settled for cash.

The Facility B1 Loan, Facility B2 Loan and Facility B3 Loan (collectively, the Facility Loans) have a duration of 8 years and are composed of a euro and U.S. dollar component. The euro components have an interest rate of EURIBOR plus a margin of 2.75% to 3.00%, depending on our leverage. The U.S. dollar components have an interest rate of LIBOR plus a margin of 2.50% to 2.75%, depending on our leverage. Both the EURIBOR and LIBOR components have a floor of 0.75%.

Also in relation to the Offer, we and Liberty Global have agreed that PSUs granted under the LTIP in 2012 and 2013, as well as any PSU grants in 2014 and 2015, will be cancelled upon successful completion of the Offer, without any compensation being due to the relevant person, provided that:

- 50% of the PSUs granted in 2012 and 2013 will be treated as if they had vested upon successful completion of the Offer in respect of which the members of the Board of Management, and former members of the Board of Management and the other participants, will be entitled to the consideration provided by the Offer as if those persons had tendered those vested shares under the Offer; and

- Liberty Global shall or shall ensure that the relevant subsidiary of the Liberty Global group, shall, subject to the Liberty Global 2014 Incentive Plan, replace 100% of the PSUs granted in 2014.

EXHIBIT INDEX

2 -- Plan of acquisition, reorganization, arrangement, liquidation or succession:

2.1 Agreement and Plan of Merger, dated as of February 5, 2013, among Virgin Media Inc. (Virgin Media), Liberty Global, Inc. (LGI), Lynx Europe Limited, Lynx US MergerCo 1 LLC, Lynx US MergerCo 2 LLC, Viper US MergerCo 1 LLC and Viper US MergerCo 2 LLC (incorporated by reference to Exhibit 2.1 to LGI's Current Report on Form 8-K filed February 7, 2013 (File No. 000-51360)).

2.2 Amendment No. 1, dated as of March 6, 2013, to the Agreement and Plan of Merger, dated as of February 5, 2013, among LGI, Virgin Media, Liberty Global Corporation Limited (formerly named Lynx Europe Limited), Lynx US MergerCo 1 LLC, Lynx US MergerCo 2 LLC, Viper US MergerCo 1 LLC and Viper US MergerCo 2 LLC (incorporated by reference to Exhibit 2.1 to LGI's Current Report on Form 8-K filed March 8, 2013 (File No. 000-51360)).

3 -- Articles of Incorporation and Bylaws:

3.1 Articles of Association of Liberty Global plc, adopted by Special Resolutions passed on May 30, 2013 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed June 7, 2013 (File No. 001-35961) (the June 7, 2013 8-K)).

4 -- Instruments Defining the Rights of Securities Holders, including Indentures:

4.1 Deed of Amendment and Restatement, dated May 10, 2006, among UPC Broadband Holding BV (UPC Broadband Holding) and UPC Financing Partnership (UPC Financing) as Borrowers, the guarantors listed therein, and the Senior Hedging Banks listed therein, with Toronto Dominion (Texas) LLC as Facility Agent, and TD Bank Europe Limited as Existing Security Agent, amending and restating the senior secured credit agreement originally dated January 16, 2004, as amended and restated from time to time among the Borrower, the guarantors as defined therein, the Facility Agent and the Security Agent and the bank and financial institutions acceding thereto from time to time (the UPC Broadband Holding Bank Facility) (incorporated by reference to Exhibit 4.4 to LGI's Annual Report on Form 10-K filed February 22, 2012 (File No. 000-51360) (the LGI 2011 10-K)).

4.2 Amendment Letter dated June 9, 2009, among UPC Broadband Holding and UPC Financing as Borrowers, Toronto Dominion (Texas) LLC, as Facility Agent, and the guarantors listed therein to the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed June 10, 2009 (File No. 000-51360)).

4.3 Additional Facility V Accession Agreement, dated January 20, 2010, among UPC Financing as Borrower, UPC Broadband Holding, Toronto Dominion (Texas) LLC as Facility Agent, TD Bank Europe Limited as Security Agent, and UPCB Finance Limited as an Additional Facility V Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.4 to the LGI's Current Report on Form 8-K filed January 21, 2010 (File No. 000-51360)).

4.4 Indenture dated January 31, 2011, among UPCB Finance II Limited, The Bank of New York Mellon as trustee, registrar, transfer agent, principal paying agent and security agent (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed February 1, 2011 (File No. 000-51360) (the LGI January 2011 8-K)).

4.5 Additional Facility Y Accession Agreement, dated January 31, 2011, among UPC Financing as Borrower, UPC Broadband Holding, The Bank of Nova Scotia as Facility Agent and Security Agent and UPCB Finance II Limited as an Additional Facility Y Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.2 to the LGI January 2011 8-K).

4.6 Indenture dated February 16, 2011, among UPCB Finance III Limited, The Bank of New York Mellon as trustee, registrar, transfer agent, principal paying agent and security agent, and The Bank of New York Mellon, London Branch, as Transparency Directive Agent (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed February 17, 2011 (File No. 000-51360) (the LGI February 2011 8-K)).

4.7 Additional Facility Z Accession Agreement, dated February 16, 2011, among UPC Financing as Borrower, UPC Broadband Holding, The Bank of Nova Scotia as Facility Agent and Security Agent and UPCB Finance III Limited as an Additional Facility Z Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.2 to the LGI February 2011 8-K).

4.8 Additional Facility AC Accession Agreement, dated November 16, 2011, among UPC Financing Partnership, as Borrower, UPC Broadband Holding BV, The Bank of Nova Scotia, as Facility Agent and Security Agent, and UPCB Finance V Limited, as an Additional Facility AC Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.47 to the LGI 2011 10-K).

4.9 Additional Facility AD Accession Agreement, dated February 7, 2012, among UPC Financing Partnership, as Borrower, UPC Broadband Holding BV, The Bank of Nova Scotia, as Facility Agent and Security Agent, and UPCB Finance VI Limited, as an Additional Facility AD Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.48 to the LGI 2011 10-K).

4.10 Additional Facility AG Accession Agreement, dated March 26, 2013, among UPC Financing Partnership as Borrower, The Bank of Nova Scotia as Facility Agent and Security Agent and Liberty Global Services B.V. as Additional Facility AG Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed March 28, 2013 (File No. 000-51360)).

4.11	Additional Facility AH Accession Agreement, dated April 19, 2013, among UPC Financing Partnership, The Bank of Nova Scotia as Facility Agent and Security Agent and Liberty Global Services B.V. as Additional Facility AH Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed April 23, 2013) (File No. 000-51360)).
4.12	Additional Facility AG1 Accession Agreement, dated April 29, 2013, among UPC Financing Partnership as Borrower, The Bank of Nova Scotia as Facility Agent and Security Agent and Liberty Global Services B.V. as Additional Facility AG1 Lender, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed May 2, 2013 (File No. 000-51360)).
4.13	Additional Facility AI Accession Agreement, dated May 14, 2013, among UPC Financing Partnership, The Bank of Nova Scotia as Facility Agent and Security Agent and each of the Additional Facility AI Lenders listed in Schedule 1 thereto, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.2 to LGI's Current Report on Form 8-K filed May 16, 2013 (File No. 000-51360)).
4.14	Additional Facility AI2 Accession Agreement, dated November 19, 2014, among UPC Financing Partnership, The Bank of Nova Scotia as Facility Agent and Security Agent and the Additional Facility AI Lender listed in Schedule 1 thereto, under the UPC Broadband Holding Bank Facility (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed November 21, 2014 (File No. 001-35961)).
4.15	Amendment and Restatement Letter dated October 15, 2013, among The Bank of Nova Scotia, as Facility Agent, UPC Broadband Holding B.V., UPC Financing Partnership, as Borrowers, and the Guarantors listed therein (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed October 21, 2013 (File No. 001-35961)).
4.16	€2,300,000,000 Credit Agreement, originally dated August 1, 2007, and as amended and restated by supplemental agreements dated August 22, 2007, September 11, 2007, October 8, 2007 and June 23, 2009, among Telenet Bidco NV (now known as Telenet NV) as Borrower, Toronto Dominion (Texas) LLC as Facility Agent, the parties listed therein as Original Guarantors, ABN AMRO Bank N.V., BNP Paribas S.A. and J.P. Morgan PLC as Mandated Lead Arrangers, KBC Bank NV as Security Agent, and the financial institutions listed therein as Initial Original Lenders (the Telenet Credit Facility) (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed June 26, 2009 (File No. 000-51360) (the LGI June 2009 8-K)).
4.17	Supplemental Agreement dated June 23, 2009, between Telenet Bidco NV (now known as Telenet NV) and Toronto Dominion (Texas) LLC as Facility Agent relating to the Telenet Credit Facility (incorporated by reference to Exhibit 4.2 to the LGI June 2009 8-K).
4.18	Supplemental Agreement to the Telenet Credit Facility, dated October 4, 2010, among, inter alia, Telenet NV as Guarantor, and Security Provider and The Bank of Nova Scotia as Facility Agent (incorporated by reference to Exhibit 4.8 to LGI's Current Report on Form 8-K filed October 8, 2010 (File No. 000-51360)).
4.19	Additional Facility M Accession Agreement, dated November 3, 2010, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and Telenet Finance Luxembourg S.C.A. as an additional Facility M Lender, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.50 to LGI's Annual Report on Form 10-K filed February 24, 2011 (File No. 000-51360) (the LGI 2010 10-K)).
4.20	Additional Facility O Accession Agreement, dated February 15, 2011, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and Telenet Finance III Luxembourg S.C.A. as an additional Facility O Lender, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.52 to the LGI 2010 10-K).
4.21	Telenet Additional Facility P Accession Agreement, dated June 15, 2011, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and Telenet Luxembourg Finance Center S.â.r.l. as an additional Facility Q Lender, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.1 to LGI's Quarterly Report on Form 10-Q filed August 2, 2011 (File No. 000-51360)).
4.22	Telenet Additional Facility S Accession Agreement, dated July 29, 2011, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as additional Facility S Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.1 to LGI's Current Report on Form 8-K filed July 29, 2011 (File No. 000-51360)).
4.23	Telenet Additional Facility U Accession Agreement, dated August 16, 2012, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as additional Facility U Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.2 to LGI's Quarterly Report on Form 10-Q filed November 5, 2012 (File No. 000-51360) (the LGI November 5, 2012 10-Q)).
4.24	Telenet Additional Facility V Accession Agreement, dated August 16, 2012, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as additional Facility V Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.3 to the LGI November 5, 2012 10-Q).

4.25	Telenet Additional Facility W Accession Agreement, dated April 9, 2014, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility W Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 15, 2014 (File No.001-35961) (the April 15, 2014 8-K)).
4.26	Telenet Additional Facility Y Accession Agreement, dated April 9, 2014, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility Y Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.2 to the April 15, 2014 8-K).
4.27	Telenet Additional Facility X Accession Agreement, dated April 11, 2014, among, inter alia, Telenet International as Borrower, Telenet NV and Telenet International as Guarantors, The Bank of Nova Scotia as Facility Agent, KBC Bank NV as Security Agent and the financial institutions listed therein as Additional Facility X Lenders, under the Telenet Credit Facility (incorporated by reference to Exhibit 4.3 to the April 15, 2014 8-K).
4.28	Senior Indenture dated May 4, 2012, between Unitymedia GmbH, The Bank of New York Mellon, London Branch and Credit Suisse, London Branch (relating to the UM Senior Exchange Notes) (incorporated by reference to Exhibit 4.2 to LGI’s Current Report on Form 8-K filed May 8, 2012 (File No. 000-51360)).
4.29	Indenture dated December 17, 2014 between Unitymedia Hessen GmbH & Co. KG, Unitymedia NRW GmbH, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent, The Bank of New York Mellon as New York paying agent and New York transfer agent, The Bank of New York Mellon (Luxembourg) S.A. as registar and Credit Suisse AG, London Branch, as security trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed December 18, 2014 (File No. 001-35961)).
4.30	Indenture for 6.50% Convertible Senior Notes due 2016, dated as of April 16, 2008, between Virgin Media Inc. and The Bank of New York, as trustee (including form of 6.50% Convertible Senior Note due 2016) (incorporated by reference to Exhibit 4.1 to Virgin Media’s Current Report on Form 8-K filed on April 16, 2008 (File No. 000-50886) (the Virgin Media April 2008 8-K)).
4.31	Registration Rights Agreement for 6.50% Convertible Senior Notes due 2016, dated as of April 16, 2008, between Virgin Media and Goldman, Sachs & Co., Deutsche Bank Securities Inc. and J.P. Morgan Securities Inc. (incorporated by reference to Exhibit 4.2 to the Virgin Media April 2008 8-K).
4.32	Supplemental Indenture, dated as of June 7, 2013, among Liberty Global plc, Viper US MergerCo 1 Corp. (now known as Virgin Media) and The Bank of New York Mellon, as Trustee, to the Indenture dated as of April 16, 2008 for 6.50% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.2 to the Registrant’s Current Report on Form 8-K filed June 12, 2013 (File No. 001-35961) (the June 12, 2013 8-K)).
4.33	Second Supplemental Indenture, dated as of March 3, 2014, among Virgin Media Inc., the Registrant and the Bank of New York Mellon as trustee to the Indenture, dated as of April 16, 2008, as amended and supplemented, for the Virgin Media 6.5% Convertible Senior Notes due 2016 (incorporated by reference to Exhibit 4.4 to the Registrant’s Quarterly Report on Form 10-Q filed May 6, 2014 (File No. 001-35961) (the May 6, 2014 10-Q)).
4.34	Registration Agreement dated as of March 14, 2014, by and between the Registrant and Inversiones Corp Comm 2 SpA (incorporated by reference to Exhibit 4.2 to the Registrant’s Registration Statement on Form S-3 filed March 14, 2014 (File No. 333-194555)).
4.35	Indenture, dated as of March 3, 2011, among Virgin Media Secured Finance PLC, the guarantors party 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 (incorporated by reference to Exhibit 4.1 to Virgin Media’s Current Report on Form 8-K filed on March 3, 2011 (File No. 000-50886)).
4.36	Indenture dated February 22, 2013, between, among others, Lynx I Corp., as issuer, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent and The Bank of New York Mellon, as paying agents and Newco security trustee (incorporated by reference to Exhibit 4.1 to LGI’s Current Report on Form 8-K/A filed February 27, 2013 (File No. 000-51360) (the LGI February 2013 8-K/A)).
4.37	Indenture, dated as of February 22, 2013, among Lynx II Corp., as issuer, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent and The Bank of New York Mellon, as paying agents and Newco security trustee (incorporated by reference to Exhibit 4.2 to the LGI February 2013 8-K/A).
4.38	First Supplemental Indenture, dated as of June 7, 2013, between, among others, Virgin Media Secured Finance PLC, Virgin Media and The Bank of New York Mellon as trustee, to the Indenture dated as of March 3, 2011 for Virgin Media 5.25% Senior Secured Notes and 5.50% Senior Secured Notes each due 2021 (incorporated by reference to Exhibit 4.12 to the June 12, 2013 8-K).
4.39	Accession Agreement, dated as of June 7, 2013, among Virgin Media Secured Finance PLC, as acceding issuer, Lynx I Corp. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.13 to the June 12, 2013 8-K).
4.40	First Supplemental Indenture, dated as of June 7, 2013, between, among others, Virgin Media Secured Finance PLC and The Bank of New York Mellon, as trustee, to the Indenture dated as of February 22, 2013 for Lynx I Corp. 5⅜% Senior Secured Notes and 6.00% Senior Secured Notes each due 2021 (incorporated by reference to Exhibit 4.15 to the June 12, 2013 8-K).

4.41	Accession Agreement, dated as of June 7, 2013, among Lynx II Corp., Virgin Media Finance PLC and The Bank of New York Mellon, as trustee and paying agent (incorporated by reference to Exhibit 4.16 to the June 12, 2013 8-K).
4.42	First Supplemental Indenture, dated June 7, 2013, between, among others, Virgin Media Finance PLC, Virgin Media and The Bank of New York Mellon, as trustee and paying agent, to the Indenture dated as of February 22, 2013 Lynx II Corp. 6⅜% Senior Notes and 7.00% Senior Notes each due 2023 (incorporated by reference to Exhibit 4.19 to the June 12, 2013 8-K).
4.43	Senior Facilities Agreement, dated as of June 7, 2013, among, among others, Virgin Media Finance PLC, certain other subsidiaries of Virgin Media and the lenders thereto (the VMF Senior Facilities Agreement) (incorporated by reference to Exhibit 4.19 to the June 12, 2013 8-K).
4.44	Amendment, dated June 14, 2013, to the Senior Facilities Agreement, between, among others, Virgin Media Investment Holdings Limited, certain other subsidiaries of Virgin Media and the lenders thereto (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed June 21, 2013 (File No. 001-35961)).
4.45	Virgin Additional Facility D Accession Agreement, dated April 17, 2014, among, inter alia, Virgin Media SFA Finance Limited as Borrower, certain other subsidiaries of Virgin Media, The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility D Lenders, under the VMF Senior Facilities Agreement (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed April 23, 2014 (File No. 001-35961) (the April 23, 2014 8-K)).
4.46	Virgin Additional Facility E Accession Agreement, dated April 17, 2014, among, inter alia, Virgin Media SFA Finance Limited as Borrower, certain other subsidiaries of Virgin Media, The Bank of Nova Scotia as Facility Agent and the financial institutions listed therein as Additional Facility E Lenders, under the VMF Senior Facilities Agreement (incorporated by reference to Exhibit 4.2 to the April 23, 2014 8-K).
4.47	Indenture dated March 28, 2014 between Virgin Media Secured Finance PLC, The Bank of New York Mellon, London Branch, as trustee, transfer agent and principal paying agent, The Bank of New York Mellon as paying agent, and The Bank of New York Mellon (Luxembourg) S.A., as registrar (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed April 3, 2014 (File No. 001-35961)).
4.48	Indenture dated January 28, 2015 between Virgin Media Secured Finance PLC, The Bank of New York Mellon, London Branch, as trustee and paying agent and The Bank of New York Mellon (Luxembourg) S.A., as registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed February 3, 2015 (File No. 001-35961) (the February 3, 2015 8-K/A)).
4.49	Indenture dated January 28, 2015 between Virgin Media Finance PLC, The Bank of New York Mellon, London Branch, as trustee and principal paying agent, The Bank of Mellon as paying agent and Dollar Notes transfer agent and registrar and The Bank of New York Mellon (Luxembourg) S.A., as Euro Notes registrar and transfer agent (incorporated by reference to Exhibit 4.2 to the February 3, 2015 8-K/A).
4.50	Registration Rights Agreement dated November 18, 2009, between the Registrant, SPO Partners II, L.P. and San Francisco Partners, L.P. (incorporated by reference to Exhibit 4.2 to LGI's Current Report on Form 8-K/A filed November 19, 2009 (File No. 000-51360)).
4.51	Indenture dated January 24, 2014, between VTR Finance B.V., the Bank of New York Mellon, London Branch, as trustee and security agent, and the Bank of New York Mellon as paying agent, registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed January 24, 2014 (File No. 001-35961)).
4.52	Indenture dated January 29, 2015 between Ziggo Bond Finance B.V., Deutsche Trustee Company Limited as trustee and security trustee, Deutsche Bank Trust Company Americas as Dollar Notes paying agent, registrar and transfer agent, Deutsche Bank AG London Branch as Euro Notes paying agent and Deutsche Bank Luxembourg S.A. as Euro Notes registrar and transfer agent (incorporated by reference to Exhibit 4.3 to the February 3, 2015 8-K/A).
4.53	Indenture dated February 4, 2015 between Ziggo Secured Finance B.V., Deutsche Trustee Company Limited as trustee and security trustee, Deutsche Bank AG London Branch as paying agent and Deutsche Bank Luxembourg S.A. as registrar and transfer agent (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K/A filed February 10, 2015 (File No. 001-35961)).
4.54	Senior Facilities Agreement, dated January 27, 2014, as amended and restated by a Supplemental Agreement dated February 10, 2014, between, among others, Amsterdamse Beheer-En Consultingmaatschappij B.V., Ziggo B.V., certain subsidiaries of Ziggo, Bank of America Merrill Lynch International Limited and Credit Suisse AG, London Branch as global coordinators, and the other lenders thereto (the Ziggo Senior Facilities Agreement).*
4.55	The Registrant undertakes to furnish to the Securities and Exchange Commission, upon request, a copy of all instruments with respect to long-term debt not filed herewith.
10 -- Material Contracts:	
10.1	Deed of Assumption of Liberty Global plc, dated June 7, 2013 (incorporated by reference to Exhibit 10.1 to the June 7, 2013 8-K).
10.2	Liberty Global 2014 Incentive Plan (Effective March 1, 2014) (the Incentive Plan) (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A filed December 19, 2013 (File No. 001-35961) (the 2013 Proxy Statement)).

10.3	Liberty Global 2014 Nonemployee Director Incentive Plan (Effective March 1, 2014) (the Director Plan) (incorporated by reference to Appendix B to the 2013 Proxy Statement).
10.4	Form of Performance Share Units Agreement under the Incentive Plan (incorporated by reference to Exhibit 10.6 to the May 6, 2014 10-Q).
10.5	Form of Non-Qualified Share Option Agreement under the Director Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed August 5, 2014 (File No. 001-35961) (the August 5, 2014 10-Q)).
10.6	Form of Restricted Share Units Agreement under the Director Plan (incorporated by reference to Exhibit 10.4 to the August 5, 2014 10-Q).
10.7	Form of Share Appreciation Rights Agreement under the Incentive Plan (incorporated by reference to Exhibit 10.5 to the August 5, 2014 10-Q).
10.8	Form of Restricted Share Units Agreement under the Incentive Plan (incorporated by reference to Exhibit 10.6 to the August 5, 2014 10-Q).
10.9	Liberty Global, Inc. 2005 Incentive Plan (as amended and restated effective June 7, 2013) (the 2005 Incentive Plan) (incorporated by reference to Exhibit 10.2 to the June 7, 2013 8-K).
10.10	Liberty Global, Inc. 2005 Nonemployee Director Incentive Plan (as amended and restated effective June 7, 2013) (the 2005 Director Plan) (incorporated by reference to Exhibit 10.3 to the June 7, 2013 8-K).
10.11	Virgin Media 2010 Stock Incentive Plan (as amended and restated effective June 7, 2013) (incorporated by reference to Exhibit 10.4 to the June 7, 2013 8-K).
10.12	Form of Non-Qualified Share Option Agreement under the 2005 Director Plan (incorporated by reference to Exhibit 10.6 to the Registrant's Quarterly Report on Form 10-Q filed August 1, 2013 (File No. 001-35961) (the August 1, 2013 10-Q)).
10.13	Liberty Global Compensation Policy for Nonemployee Directors effective June 26, 2014 (incorporated by reference to Appendix A to the Registrant's Proxy Statement on Schedule 14A filed April 30, 2014 (File No. 001-35961)).
10.14	Form of Deed of Indemnity between Liberty Global and its Directors and Executive Officers (incorporated by reference to Exhibit 10.10 to the June 7, 2013 8-K).
10.15	Form of the Non-Qualified Stock Option Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.2 to the LGI 2010 10-K).
10.16	Form of Stock Appreciation Rights Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.3 to LGI's Quarterly Report on Form 10-Q filed May 7, 2008 (File No. 000-51360) (the LGI May 7, 2008 10-Q)).
10.17	Form of Restricted Shares Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.4 to the LGI 2010 10-K).
10.18	Form of Restricted Share Units Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.1 to the LGI May 7, 2008 10-Q).
10.19	Form of Restricted Shares Agreement under the 2005 Director Plan (incorporated by reference to Exhibit 10.8 to the LGI 2011 10-K).
10.20	Form of Restricted Share Units Agreement under the 2005 Director Plan (incorporated by reference to Exhibit 10.2 to LGI's Quarterly Report on Form 10-Q filed August 4, 2009 (File No. 000-51360)).
10.21	Liberty Global Challenge Performance Award Program for executive officers under the 2005 Incentive Plan (description of said program is incorporated by reference to the description thereof included in Item 5.02(e) of the Registrant's Current Report on Form 8-K filed June 28, 2013 (File No. 001-35961)).
10.22	Form of Performance Share Appreciation Rights Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.5 to the August 1, 2013 10-Q).
10.23	Liberty Global 2014 Annual Cash Performance Award Program for executive officers under the Incentive Plan (description of said program is incorporated by reference to the description thereof included in Item 5.02(e) of the Registrant's Current Report on Form 8-K filed April 4, 2014 (File No. 001-35961) (the April 4, 2014 8-K)).
10.24	Liberty Global 2014 Performance Incentive Plan for executive officers under the Incentive Plan (a description of said plan is incorporated by reference to the description thereof included in Item 5.02(e) of the April 4, 2014 8-K).
10.25	Liberty Global, Inc. 2013 Annual Cash Performance Award Program for executive officers under the Incentive Plan (description of said program is incorporated by reference to the description thereof included in Item 5.02(e) of the LGI's Current Report on Form 8-K filed April 4, 2013 (File No. 000-51360) (the April 4, 2013 8-K)).
10.26	Liberty Global, Inc. 2013 Performance Incentive Plan for executive officers under the 2005 Incentive Plan (a description of said plan is incorporated by reference to the description thereof included in Item 5.02(e) of the April 4, 2013 8-K).
10.27	Form of Performance Share Units Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.5 to LGI's Quarterly Report on Form 10-Q filed May 4, 2011 (file No. 000-51360) (the LGI May 4, 2011 10-Q)).

10.28	Form of Share Grant and Restricted Shares Award in Settlement of Performance Share Units Agreement under the 2005 Incentive Plan (incorporated by reference to Exhibit 10.18 to LGI's Annual Report on Form 10-K/A filed February 13, 2013 (File No. 000-51360) (the LGI 2012 10-K)).
10.29	Deferred Compensation Plan (adopted effective December 15, 2008; Amended and Restated as of January 1, 2013) (incorporated by reference to Exhibit 10.19 to the LGI 2012 10-K).
10.30	Form of Deferral Election Form under the Deferred Compensation Plan (incorporated by reference to Exhibit 10.20 to the LGI 2012 10-K).
10.31	Nonemployee Director Deferred Compensation Plan (As Amended and Restated Effective December 14, 2013) (incorporated by reference to Exhibit 10.25 to the 2013 10-K).
10.32	Form of Deferral Election Form under the Nonemployee Director Deferred Compensation Plan (incorporated by reference to Exhibit 10.26 to the 2013 10-K).
10.33	Personal Usage of Aircraft Policy, amended and restated (incorporated by reference to Exhibit 10.7 to the LGI May 4, 2011 10-Q).
10.34	Form of Aircraft Time Sharing Agreement (900EX) (incorporated by reference to Exhibit 10.29 to the LGI 2012 10-K).
10.35	Form of Aircraft Time Sharing Agreement (7X) (incorporated by reference to Exhibit 10.30 to the LGI 2012 10-K).
10.36	Employment Agreement dated as of April 30, 2014, by and among the Registrant, LGI and Michael T. Fries (incorporated by reference to Exhibit 10.7 to the May 6, 2014 10-Q).
10.37	Form of Performance Grant Award Agreement under the Incentive Plan dated as of April 30, 2014, between the Registrant and Michael T. Fries (incorporated by reference to Exhibit 10.8 to the May 6, 2014 10-Q).
10.38	Executive Service Agreement, dated December 15, 2004, between UPC Services Limited and Charles Bracken (incorporated by reference to Exhibit 10.36 to LGI's Annual Report on Form 10-K filed February 24, 2010) (File No. 000-51360)).
10.39	Executive Services Agreement effective January 1, 2011, between Liberty Global Europe BV and Diederik Karsten (incorporated by reference to Exhibit 10.45 to the LGI 2010 10-K).
10.40	Trade Mark Licence, dated as of April 3, 2006, between Virgin Enterprises Limited and NTL Group Limited (incorporated by reference to Exhibit 10.2 to Virgin Media's Quarterly Report on Form 10-Q filed on August 9, 2006 (File No. 000-50886)).
10.41	Amendment Letter No. 1, dated February 8, 2007, to the Trade Mark Licence between Virgin Enterprises Limited and Virgin Media Limited dated April 3, 2006 (incorporated by reference to Exhibit 10.5 to Virgin Media's Quarterly Report on Form 10-Q filed on August 8, 2007 (File No. 000-50886)).
10.42	Amendment Letter No. 2, dated October 1, 2007, to the Trade Mark Licence between Virgin Enterprises Limited and Virgin Media Limited dated April 3, 2006 (incorporated by reference to Exhibit 10.6 to Virgin Media's Quarterly Report on form 10-Q filed on November 8, 2007 (File No. 000-50886)).
10.43	Trade Mark Licence between Virgin Enterprises Limited and Virgin Media Limited dated December 16, 2009 (incorporated by reference to Exhibit 10.83 to Virgin Media's Annual Report on Form 10-K filed on February 26, 2010 (File No. 000-50886)).
10.44	Merger Protocol dated January 27, 2014, among LGE Holdco VII B.V., Ziggo N.V. and the Registrant (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed January 31, 2014 (File No. 001-35961)).
21 -- List of Subsidiaries*	
23 -- Consent of Experts and Counsel:	
23.1	Consent of KPMG LLP*
23.2	Consent of Ernst & Young Accountants LLP*
31 -- Rule 13a-14(a)/15d-14(a) Certification:	
31.1	Certification of President and Chief Executive Officer*
31.2	Certification of Senior Vice President and Co-Chief Financial Officer (Principal Financial Officer)*
31.3	Certification of Senior Vice President and Co-Chief Financial Officer (Principal Accounting Officer)*
32 -- Section 1350 Certification **	

101.INS	XBRL Instance Document*
101.SCH	XBRL Taxonomy Extension Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase*

101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*

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* Filed herewith

** Furnished herewith

EXHIBIT 4.54

Dated 27 January 2014

AMSTERDAMSE BEHEER-EN CONSULTINGMAATSCHAPPIJ B.V.

as Parent

ZIGGO B.V.

as Original Borrower

THE SUBSIDIARIES LISTED IN PART 1 OF SCHEDULE 2

as Original Guarantors

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL LIMITED
CREDIT SUISSE AG, LONDON BRANCH

as Global Coordinators

CERTAIN BANKS AND FINANCIAL INSTITUTIONS

as Bookrunners

CERTAIN BANKS AND FINANCIAL INSTITUTIONS

as Mandated Lead Arrangers

THE BANK OF NOVA SCOTIA

as Facility Agent

ING BANK N.V.

as Security Agent

THE LENDERS

SENIOR FACILITIES AGREEMENT

as amended and restated by a Supplemental Agreement dated 10 February 2014 and by an Amendment Letter dated 11 March 2014

ROPES & GRAY

TABLE OF CONTENTS

THIS AGREEMENT is dated 27 January 2014 as amended and restated by a Supplemental Agreement dated 10 February 2014 and by an Amendment Letter dated 11 March 2014.

BETWEEN:

(1) **AMSTERDAMSE BEHEER-EN CONSULTINGMAATSCHAPPIJ B.V.** (the "**Parent**");

(2) **ZIGGO B.V.** (the "**Original Borrower**");

(3) **THE SUBSIDIARIES** of the Parent listed in Part 1 of Schedule 2 as original guarantors (together with the Parent, the "**Original Guarantors**");

(4) **BANK OF AMERICA MERRILL LYNCH INTERNATIONAL LIMITED** and **CREDIT SUISSE AG, LONDON BRANCH** (the "**Global Coordinators**");

(5) **CERTAIN BANKS AND FINANCIAL INSTITUTIONS AS SET OUT IN PART 2 OF SCHEDULE 1** (each a "**Bookrunner**" and together, the "**Bookrunners**");

(6) **CERTAIN BANKS AND FINANCIAL INSTITUTIONS AS SET OUT IN PART 3 OF SCHEDULE 1** (each a "**Mandated Lead Arranger**" and together, the "**Mandated Lead Arrangers**");

(7) **THE BANK OF NOVA SCOTIA** (as facility agent for an on behalf of the Finance Parties, the "**Facility Agent**");

(8) **ING BANK N.V.** (as security agent for and on behalf of the Finance Parties, the "**Security Agent**"); and

(9) **THE LENDERS** (as defined below).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

"**2017 Senior Secured Notes**" means the €750,000,000 aggregate principal amount of 6⅛% senior secured notes due 2017 issued by Ziggo Finance B.V..

"**2020 Senior Secured Notes**" means the €750,000,000 aggregate principal amount of 3⅝% senior secured notes due 2020 issued by Ziggo B.V..

"**80% Security Test**" means the requirement that, save as otherwise provided in Clause 24.26 (*Further Assurance*), members of the Bank Group generating not less than 80% of EBITDA of the Bank Group (excluding for the purposes of this calculation, any EBITDA attributable to any Joint Venture) have acceded as Guarantors to this Agreement and, in each case, subject to the Agreed Security Principles, granted Security (or procured the granting of Security) pursuant to the Security Documents over:

(a) prior to the Asset Security Release Date:

(i) all of the shares in the Obligors (other than the Parent);

(ii) all of the rights of the relevant creditors in relation to any Subordinated Funding (other than in respect of the loan by Holdco to the Parent of certain proceeds from the issuance of the Original Senior Unsecured Notes and, at any time after the Ziggo Acquisition Agreement has terminated in accordance with its terms and the Closing Date has not occurred, any loan by Holdco to the Parent of any proceeds from the issue of any other Senior Unsecured Notes); and

(iii) all or substantially all of the assets of the Obligors; and

(b) on or after the Asset Security Release Date:

(i) all of the shares in the Obligors (other than the Parent);

(ii) all of the rights of the relevant creditors in relation to any Subordinated Funding (other than in respect of the loan by Holdco to the Parent of certain proceeds from the issuance of the Original Senior Unsecured Notes and, at any time after the Ziggo Acquisition Agreement has terminated in accordance with its terms and the Closing Date has not occurred, any loan by Holdco to the Parent of any proceeds from the issue of any other Senior Unsecured Notes); and

(iii) all of the rights of the Parent in relation to any intercompany loan from the Parent to Torenspits II B.V. or any of its Subsidiaires,

as tested by reference to each set of annual financial information relating to the Bank Group delivered to the Facility Agent pursuant to Clauses 24.2(a)(i) and 24.2(a)(ii) (*Financial Information*).

"**Acceding Borrower**" means a member of the Bank Group or any Permitted Affiliate Parent which has complied with the requirements of Clause 27.2 (*Acceding Borrowers*).

"**Acceding Group Company**" means an Acceding Borrower or an Acceding Guarantor, as the context may require.

"**Acceding Guarantor**" means any member of the Bank Group or any Permitted Affiliate Parent which has complied with the requirements of Clause 27.3 (*Acceding Guarantors*).

"**Acceding Obligors**" means the Acceding Borrowers and the Acceding Guarantors.

"**Acceleration Date**" means the date on which a written notice has been served under Clause 25.13 (*Acceleration*).

"**Acceptable Bank**" means:

(a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of BBB+ or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or Baa1 or higher by Moody's Investor Services Limited or a comparable rating from an internationally recognised credit rating agency; or

(b) any other bank or financial institution approved by the Facility Agent (in consultation with the Parent).

"**Acceptable Hedging Agreement**" means a Hedging Agreement entered into on the terms of the 1992 ISDA Master Agreement (Multicurrency-Cross Border) or the 2002 ISDA Master Agreement, each as published by ISDA, under which:

(a) if the 1992 Master Agreement is used, "Second Method" and either "Loss" or "Market Quotation" are specified as the payment method applicable;

(b) if the 2002 Master Agreement is used, the relevant agreement provides for two way payments; and

(c) the governing Law is English or New York Law.

"**Accession Notice**" means a duly completed notice of accession substantially in the form of Schedule 7 (*Form of Accession Notice*) with such changes as may be agreed between the Parent and the Facility Agent from time to time.

"**Accounting Period**" in relation to any person means any period of approximately three months or one year, as the context requires, for which accounts of such person are required to be delivered pursuant to this Agreement.

"**Accrued Amounts**" has the meaning given to such term in Clause 26.15 (*Pro Rata Interest Settlement*).

"**Acquisition**" means the acquisition, whether by one or a series of transactions, (including, without limitation, by purchase, subscription or otherwise) of all or any part of the share capital or equivalent of any company or other person (including, without limitation, any partnership or joint venture) or any asset or assets of any company or other person (including, without limitation, any partnership or joint venture) constituting a business or separate line of business of that company or other person.

"**Acquisition Facilities**" has the meaning given to the term "Facilities" in the Acquisition Facilities Agreement.

"**Acquisition Facilities Agreement**" means the facilities agreement dated on or about the Signing Date between, among others, Bidco as borrower.

"**Acquisition Facilities End Date**" means the date on which all amounts outstanding under the Acquisition Facilities Agreement have been repaid or prepaid in full and all of the commitments under the Acquisition Facilities Agreement have been cancelled in full.

"**Acquisition Cost**" means, in relation to an Acquisition, the value of the consideration for that Acquisition at the time of completion of that Acquisition and for this purpose:

(a) the value at the time of completion of the Acquisition of any consideration to be paid or delivered after the time of completion of the Acquisition will be determined in accordance with IFRS;

(b) if the entity acquired becomes a member of the Bank Group as a result of the Acquisition, the aggregate principal amount of Financial Indebtedness of any entity acquired outstanding at the time of completion of the Acquisition (including without limitation any Lending Transaction (as defined in Clause 24.15(g) (*Loans and*

Guarantees) made by a member of the Bank Group in connection with the relevant Acquisition) will be counted as part of the consideration for that Acquisition;

(c) if the entity acquired does not become a member of the Bank Group as a result of the Acquisition, the aggregate principal amount of Financial Indebtedness of the entity acquired at the time of completion of the Acquisition will be counted as part of the consideration for that Acquisition to the extent of the aggregate principal amount of the payment and repayment obligations in respect of such Financial Indebtedness assumed or guaranteed by any member of the Bank Group;

(d) subject to paragraphs (a), (b) and (c) above, the value at the time of completion of the Acquisition of any non-cash consideration will be determined in accordance with IFRS; and

(e) if any currency conversion is required, this shall be undertaken using the Facility Agent's Spot Rate of Exchange on the date of completion of the Acquisition.

"**Additional Facility**" has the meaning given to such term in Clause 2.4 (*Additional Facilities*).

"**Additional Facility Accession Deed**" means an agreement substantially in the form of Part 1 of Schedule 9 (*Form of Additional Facility Accession Deed*) with such changes as may be agreed between the Parent and the relevant Lender.

"**Additional Facility Availability Period**" means, in relation to an Additional Facility, the availability period specified in the Additional Facility Accession Deed for that Additional Facility.

"**Additional Facility Borrower**" means any Borrower which becomes a Borrower under any Additional Facility.

"**Additional Facility Commencement Date**" means, in relation to an Additional Facility, the effective date of that Additional Facility which shall be the later of:

(a) the date specified in the relevant Additional Facility Accession Deed; and

(b) the date on which the conditions set out in paragraph (c) of Clause 2.4 (Additional Facilities) are satisfied.

"**Additional Facility Lender**" means a person which becomes a Lender under any Additional Facility in accordance with the terms of this Agreement.

"**Additional Facility Margin**" means, in relation to any Additional Facility, the margin specified in and, if applicable, adjusted in accordance with the relevant Additional Facility Accession Deed.

"**Additional Facility Outstandings**" means, at any time, the aggregate principal amount of any Additional Facility Advances outstanding under this Agreement.

"**Additional Senior Secured Notes**" means any notes where the incurrence of any Financial Indebtedness under such notes would not result in the pro forma ratios (after giving effect to such incurrence and the use of proceeds thereof) on the Quarter Date prior to such incurrence (after giving pro forma effect to any movement of cash out of the Bank Group since such date pursuant to any Permitted Payments) exceeding the ratios set out in Clause 23.2 (*Financial Ratios*) for the Quarter Date following such incurrence and:

(a) that are issued by the Parent, any Borrower, any Permitted Affiliate Parent or any other SSN Finance Subsidiary after the Closing Date;

(b) having a final maturity (with no sinking fund payments) of no earlier than the latest Final Maturity Date then existing at the time of the issuance of such notes;

(c) in respect of which the "cross-default" event of default with respect to a default under other indebtedness shall be limited to cross-default to any payment default (subject to any applicable grace period) and cross-acceleration;

(d) in respect of which some or all of the Obligors have granted security and guarantees on the terms specified in the Intercreditor Agreement; and

(e) that are designated as "Senior Secured Notes" (i) by written notice from the Parent to the Facility Agent, and (ii) in accordance with the Intercreditor Agreement including by written notice from the Parent to each Agent (as defined in the Intercreditor Agreement), in each case, by the date when the consolidated financial statements are due to be provided pursuant to Clause 24.2 (Financial Information) for the first full Financial Quarter after the issuance of the relevant notes.

"**Additional Senior Unsecured Notes**" means any notes where the incurrence of any Financial Indebtedness under such notes would not result in the pro forma Total Net Debt to Annualised EBITDA ratio (after giving effect to such incurrence and the use of proceeds thereof) on the Quarter Date prior to such incurrence (giving pro forma effect to any movement of cash out of the Bank Group since such date pursuant to any Permitted Payments) exceeding the Total Net Debt to Annualised EBITDA ratio set out in Clause 23.2(b) (*Financial Ratios*) for the Quarter Date following such incurrence and:

(a) that are issued by Holdco or, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent, any Replacement Issuer or any Holding Company of the Parent that becomes the issuer of Senior Unsecured Notes originally issued by Bidco Parent after the date of this Agreement pursuant to an Additional Senior Unsecured Offering;

(b) having a final maturity (with no sinking fund payments) of no earlier than the latest Final Maturity Date then existing at the time of the issuance of such notes;

(c) in respect of which the "cross-default" event of default with respect to a default under other indebtedness shall be limited to cross-default to any payment default and cross-acceleration;

(d) that are unsecured except that:

 (i) where such notes are issued by Holdco or, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent or any Replacement Issuer, they may be secured by a pledge of the shares in the relevant issuer or, in each case, one of their parent companies; and

 (ii) in relation to the Original Senior Unsecured Notes or, at any time after the Acquisition Agreement has terminated in accordance with its terms and the Closing Date has not occurred, any other Senior Unsecured Notes, they may be secured by a pledge of the shares in the Parent and over the proceeds loan from Holdco to the Parent;

(e) that, if guaranteed, are not guaranteed by any member of the Bank Group other than any Original Senior Unsecured Notes Guarantor, provided that any such guarantee or guarantees so provided are (i) granted on subordination and release terms substantially the same as the existing guarantees of any Original Senior Unsecured Notes Guarantor in favour of the Original Senior Unsecured Notes in force on the Signing Date and (ii) subject to the terms of the Intercreditor Agreement or a Supplemental Intercreditor Agreement; and

(f) that are designated as (i) "Additional Senior Unsecured Notes" and "Holdco Debt" by written notice from the Parent to the Facility Agent and the Security Agent, and (ii) "Senior Unsecured Notes" in accordance with the Intercreditor Agreement including by written notice from the Parent to each Agent (as defined in the Intercreditor Agreement), in each case, by the date when the consolidated financial statements are due to be provided pursuant to Clause 24.2 (Financial Information) for the first full Financial Quarter after the issuance of the relevant notes.

"**Additional Senior Unsecured Offering**" means one or more offerings of Additional Senior Unsecured Notes on a registration statement filed with the SEC or pursuant to an exemption from registration under the United States Securities Act of 1933, as amended, including pursuant to Rule 144A and/or Regulation S under the United States Securities Act of 1933, as amended.

"**Advance**" means:

(a) when designated "US$ B1 Facility", the principal amount of each advance made or to be made under the US$ B1 Facility or arising in respect of the US$ B1 Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances);

(b) when designated "EUR B1 Facility", the principal amount of each advance made or to be made under the EUR B1 Facility or arising in respect of the EUR B1 Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances);

(c) when designated "US$ B2 Facility", the principal amount of each advance made or to be made under the US$ B2 Facility or arising in respect of the US$ B2 Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances);

(d) when designated "EUR B2 Facility", the principal amount of each advance made or to be made under the EUR B2 Facility or arising in respect of the EUR B2 Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances);

(e) when designated "US$ B3 Facility", the principal amount of each advance made or to be made under the US$ B3 Facility or arising in respect of the US$ B3 Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances);

(f) when designated "EUR B3 Facility", the principal amount of each advance made or to be made under the EUR B3 Facility or arising in respect of the EUR B3 Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances);

(g) when designated "Revolving Facility", the principal amount of each advance made or to be made under the Revolving Facility (but excluding for the purposes of this definition, any utilisation of the Revolving Facility by way of Ancillary Facility or Documentary Credit);

(h) when designated "Additional Facility", the principal amount of each advance made or to be made under an Additional Facility or arising in respect of an Additional Facility under Clause 16.3 (Consolidation and Division of Term Facility Advances); or

(i) without any such designation, the "Additional Facility Advance", the "US$ B1 Facility Advance", "EUR B1 Facility Advance", the "US$ B2 Facility Advance", "EUR B2 Facility Advance", the "US$ B3 Facility Advance", "EUR B3 Facility Advance" and/or the "Revolving Facility Advance", as the context requires,

in each case as from time to time reduced by repayment or prepayment.

"**Affected Documentary Credit**" has the meaning given to such term in Clause 21.2 (*Illegality in Relation to an L/C Bank*).

"**Affiliate**" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"**Agent**" means the Facility Agent or the Security Agent (or both), as the context requires.

"**Agreed Security Principles**" means the security principles set out in Schedule 16 (*Agreed Security Principles*).

"**Alternative Market Disruption Event**" has the meaning given to such term in Clause 17.2(c) (*Market Disruption*).

"**Alternative Reference Bank Rate**" has the meaning given to such term in Clause 17.3(b) (*Alternative Reference Bank Rate*).

"**Alternative Reference Banks**" means, in relation to any Advance, the principal London offices of Bank of America Merrill Lynch, Deutsche Bank AG, London Branch and Société Générale, London Branch or such other banks as may be appointed by the Facility Agent with the consent of the Parent.

"**Amendment Letter**" means the amendment letter dated 11 March 2014 between, among others, the Parent and the Facility Agent.

"**Ancillary Facility**" means any:

(a) overdraft, automated payment, cheque drawing or other current account facility;

(b) forward foreign exchange facility;

(c) derivatives facility;

(d) guarantee, bond issuance, documentary or stand-by letter of credit facility;

(e) performance bond facility; and/or

(f) such other facility or financial accommodation as may be required in connection with the Business of the Bank Group and which is agreed in writing between the relevant Borrower and the relevant Ancillary Facility Lender.

"**Ancillary Facility Commitment**" means, in relation to an Ancillary Facility Lender at any time, and save as otherwise provided in this Agreement, the maximum Euro Amount to be made available under an Ancillary Facility granted by it, to the extent not cancelled or reduced or transferred pursuant to the terms of such Ancillary Facility or under this Agreement.

"**Ancillary Facility Documents**" means the documents and other instruments pursuant to which an Ancillary Facility is made available and the Ancillary Facility Outstandings under it are evidenced.

"**Ancillary Facility Lender**" means any Lender which has notified the Facility Agent that it has agreed to its nomination in a Conversion Notice to be an Ancillary Facility Lender in respect of an Ancillary Facility granted pursuant to the terms of this Agreement.

"**Ancillary Facility Outstandings**" means (without double counting), at any time with respect to an Ancillary Facility Lender and each Ancillary Facility provided by it, the aggregate of:

(a) all amounts of principal then outstanding under any overdraft, automated payment, cheque drawing or other current account facility (determined in accordance with the applicable terms) as at such time (net of any Available Credit Balance); and

(b) in respect of any other facility or financial accommodation, such other amount as fairly represents the aggregate potential exposure of that Ancillary Facility Lender with respect to it under its Ancillary Facility, as reasonably determined by that Ancillary Facility Lender from time to time in accordance with its usual banking practices for facilities or accommodation of the relevant type (including without limitation, the calculation of exposure under any derivatives facility by reference to the mark-to-market valuation of such transaction at the relevant time).

"**Ancillary Facility Termination Date**" has the meaning given to such term in paragraph (g) of Clause 8.1 (*Utilisation of Ancillary Facilities*).

"**Annualised EBITDA**" has the meaning given to it in Clause 23.1 (*Financial Definitions*).

"**Anti-Terrorism Law**" means each of:

(a) Executive Order No. 13224 on Terrorist Financing - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism issued 23 September 2001, as amended by Order 13268 (as so amended, the Executive Order);

(b) the Patriot Act;

(c) the Money Laundering Control Act of 1986 18 U.S.C, section 1956; and

(d) any updates or replacements to the laws listed above in paragraphs (a) to (c) which are enacted in the United States subsequent to the date of this Agreement.

"**Arrangers**" means the Global Coordinator and the Mandated Lead Arrangers and "**Arranger**" means any of them.

"**Asset Passthrough**" means a series of transactions between the Borrower Holdco, one or more members of the Bank Group and an Asset Transferring Party where:

(a) in the case of an asset being transferred by the Borrower Holdco to the Asset Transferring Party that asset:

(i) is first transferred by the Borrower Holdco to a member of the Bank Group; and

(ii) may then be transferred between various members of the Bank Group, and is finally transferred (insofar as such transaction relates to the Bank Group) to an Asset Transferring Party; or

(b) in the case of an asset being transferred by an Asset Transferring Party to the Borrower Holdco, that asset:

(i) is first transferred by that Asset Transferring Party to a member of the Bank Group; and

(ii) may then be transferred between various members of the Bank Group, and is finally transferred (insofar as such transaction relates to the Bank Group) to the Borrower Holdco,

and where the purpose of each such asset transfer is, in the case of an Asset Passthrough of the type described in paragraph (a) above, to enable the Borrower Holdco to indirectly transfer assets (other than cash) to that Asset Transferring Party and, in the case of an Asset Passthrough of the type described in paragraph (b) above, is to enable an Asset Transferring Party to indirectly transfer assets (other than cash) to the Borrower Holdco, in either case, by way of transfers of those assets to and from (and, if necessary, between) one or more members of the Bank Group in such a manner as to be neutral to the Bank Group taken as a whole provided that:

(c) the consideration payable (if any) by the first member of the Bank Group to acquire such assets comprises either (i) cash funded or to be funded directly or indirectly by a payment from (in the case of an Asset Passthrough of the type described in paragraph (a) above) the Asset Transferring Party and (in the case of an Asset Passthrough of the type described in paragraph (b) above) the Borrower Holdco, in either case, in connection with that series of transactions or (ii) Subordinated Funding or (iii) the issue of one or more securities;

(d) the consideration payable by (in the case of an Asset Passthrough of the type described in paragraph (a) above) the Asset Transferring Party is equal to the consideration received or receivable by the Borrower Holdco and (in the case of an Asset Passthrough of the type described in paragraph (b) above) by the Borrower Holdco is equal to the consideration received or receivable by the Asset Transferring Party (and for this purpose, a security issued by one company shall constitute equal consideration to a security issued by another company where such securities have been issued on substantially the same terms and subject to the same conditions);

(e) all of the transactions comprising such a series of transactions (from and including the transfer of the assets by the Borrower Holdco to and including the acquisition of those assets by the Asset Transferring Party or vice versa) are completed within five Business Days; and

(f) upon completion of all of the transactions comprising such a series of transactions, no person (other than another member of the Bank Group) has any recourse to any member of the Bank Group and no member of the Bank Group which is not an Obligor may have any recourse to an Obligor, in each case in relation to such a series of transactions (other than in respect of (i) the Subordinated Funding or any rights and obligations under the securities, in each case, mentioned in paragraph (c) above and

(ii) covenants as to title provided, in the case of an Asset Passthrough of the type described in paragraph (a) above, in favour of the Asset Transferring Party on the same terms as such covenants were provided by the Borrower Holdco in respect of the relevant assets and, in the case of an Asset Passthrough of the type described in paragraph (b) above, in favour of the Borrower Holdco on the same terms as such covenants were provided by the Asset Transferring Party in respect of the relevant assets).

"**Asset Securitisation Subsidiary**" means any Subsidiary of the Parent or any Subsidiary of any Permitted Affiliate Parent or any other member of the Bank Group, as applicable engaged solely in the business of effecting or facilitating any asset securitisation programme or programmes or one or more receivables factoring transactions.

"**Asset Security Release Date**" means the date on which the Security granted by the Obligors over their assets (other than any Security granted by an Obligor over the shares in another Obligor and any rights of the Parent in relation to any intercompany loan from the Parent to Torenspits II B.V. or any of its Subsidiaries) is released in accordance with Clause 24.35 (*Intercreditor Agreement Amendment*).

"**Asset Transferring Party**" means the member of the Wider Group (or any person in which a member of the Bank Group owns an interest but which is not a member of the Wider Group), other than a member of the Bank Group (except where the asset being transferred is a security where such member of the Wider Group may be a member of the Bank Group), who is the initial transferor or final transferee in respect of a transfer to or from the Borrower Holdco, as the case may be, through one or more members of the Bank Group.

"**Associated Company**" of a person means:

(a) any other person which is directly or indirectly Controlled by, under common Control with or Controlling such person; or

(b) any other person owning beneficially and/or legally directly or indirectly 10 per cent. or more of the equity interest in such person or 10 per cent. of whose equity is owned beneficially and/or legally directly or indirectly by such person.

In this definition:

"**Control**" means the power of a person:

(a) by means of the holding of shares or the possession of voting power in or in relation to any other person; or

(b) by virtue of any powers conferred by the articles of association or other documents regulating any other person,

to direct or cause the direction of the management and policies of that other person, and "**Controlled**" and "**Controlling**" have a corresponding meaning.

"**Auditors**" means a leading firm of independent and internationally recognised accountants appointed by the Parent as its auditors for the purposes of preparing the accounts of the Parent delivered under this Agreement.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Availability Period**" means:

(a) in respect of the US$ B1 Facility and the EUR B1 Facility, the period from and including the Syndication End Date to and including the date falling 60 Business Days from the Syndication End Date;

(b) in respect of the US$ B2 Facility and the EUR B2 Facility, the period from and including the Syndication End Date to and including the earlier of the date falling 60 Business Days from the Closing Date and the date falling 15 months and 2 weeks from the Signing Date;

(c) in respect of the US$ B3 Facility and the EUR B3 Facility, the period from and including the Signing Date to and including:

(i) if the Ziggo Acquisition Agreement has terminated in accordance with its terms, the date falling 4 months from the date of such termination;

(ii) if the Ziggo Acquisition Agreement has not terminated in accordance with its terms and the Closing Date has occurred, the date falling 60 Business Days from the Closing Date; and

(iii) if the Ziggo Acquisition Agreement has not terminated in accordance with its terms and the Closing Date has not occurred, the date falling 15 months and 2 weeks from the Signing Date; and

(d) in respect of the Revolving Facility, the period from and including the Signing Date to and including the date falling 1 month prior to the Final Maturity Date.

"**Available Additional Facility Commitment**" means, in relation to a Lender and an Additional Facility, at any time and save as otherwise provided in this Agreement, its Additional Facility Commitment in relation to that Additional Facility at such time less the amount of its share of the Additional Facility Advances made under that Additional Facility (converted into the currency of that Additional Facility Commitment at the Facility Agent's Spot Rate of Exchange at that time if required), adjusted to take account of:

(a) any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any Additional Facility Commitment in relation to that Additional Facility, in each case, pursuant to the terms of this Agreement; and

(b) in the case of any proposed Advance under that Additional Facility, the amount of its share of (i) such Additional Facility Advance (converted into the currency of that Additional Facility Commitment at the Facility Agent's Spot Rate of Exchange at that time if required) which, pursuant to any other Utilisation Request is to be made on or before the proposed Utilisation Date and (ii) any Additional Facility Advance (converted into the currency of that Additional Facility Commitment at the Facility Agent's Spot Rate of Exchange at that time if required) in respect of any Additional Facility which is a revolving facility which is due to be repaid or expire (as the case may be), in each case, on or before the proposed Utilisation Date,

provided always that such amount shall not be less than zero.

"**Available Ancillary Facility Commitment**" means, in relation to an Ancillary Facility Lender and an Ancillary Facility granted by it at any time, and save as otherwise provided in this Agreement or in the applicable Ancillary Facility Documents, its Ancillary Facility

Commitment at such time, less the Euro Amount of the relevant Ancillary Facility Outstandings at such time, provided always that such amount shall not be less than zero.

"**Available Commitment**" means, in relation to a Lender, its Available Additional Facility Commitments, its Available US$ B1 Facility Commitments, its Available EUR B1 Facility Commitments, its Available US$ B2 Facility Commitments, its Available EUR B2 Facility Commitments, its Available US$ B3 Facility Commitments, its Available EUR B3 Facility Commitments, its Available Revolving Facility Commitments and its Available Ancillary Facility Commitments, or, in the context of a particular Facility, its Available Additional Facility Commitments, its Available US$ B1 Facility Commitments, its Available EUR B1 Facility Commitments, its Available US$ B2 Facility Commitments, its Available EUR B2 Facility Commitments, its Available US$ B3 Facility Commitments, its Available EUR B3 Facility Commitments, its Available Revolving Facility Commitments or its Available Ancillary Facility Commitments, as the context may require.

"**Available Credit Balance**" means, in relation to an Ancillary Facility, credit balances on any account of any Borrower of that Ancillary Facility with the Ancillary Facility Lender making available that Ancillary Facility to the extent that those credit balances are freely available to be set off by that Ancillary Lender against liabilities owed to it by that Borrower under that Ancillary Facility.

"**Available EUR B1 Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its EUR B1 Facility Commitment at such time less the Euro Amount of its share of the EUR B1 Facility Advances made under this Agreement, adjusted to take account of any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any EUR B1 Facility Commitment, in each case, pursuant to the terms of this Agreement provided always that such amount shall not be less than zero.

"**Available EUR B2 Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its EUR B2 Facility Commitment at such time less the Euro Amount of its share of the EUR B2 Facility Advances made under this Agreement, adjusted to take account of any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any EUR B2 Facility Commitment, in each case, pursuant to the terms of this Agreement provided always that such amount shall not be less than zero.

"**Available EUR B3 Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its EUR B3 Facility Commitment at such time less the Euro Amount of its share of the EUR B3 Facility Advances made under this Agreement, adjusted to take account of any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any EUR B3 Facility Commitment, in each case, pursuant to the terms of this Agreement provided always that such amount shall not be less than zero.

"**Available Facility**" means, in relation to a Facility, at any time, the aggregate amount of the Available Commitments in respect of that Facility at that time.

"**Available Revolving Facility**" means, at any time, the aggregate amount of the Available Revolving Facility Commitments.

"**Available Revolving Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its Revolving Facility Commitment at such time, less the Euro Amount of its share of the Revolving Facility Outstandings, adjusted to take account of:

(a) any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any Revolving Facility Commitment, in each case, pursuant to the terms of this Agreement; and

(b) in the case of any proposed Utilisation, the Euro Amount of its share of (i) such Revolving Facility Advance and/or Documentary Credit which pursuant to any other Utilisation Request is to be made, or as the case may be, issued, and (ii) any Revolving Facility Advance and/or Documentary Credit which is due to be repaid, prepaid or expire (as the case may be), in each case, on or before the proposed Utilisation Date,

subject to paragraph 4.1(k) of Clause 4.1 (*Conditions to Utilisation*) and provided always that such amount shall not be less than zero.

"**Available US$ B1 Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its US$ B1 Facility Commitment at such time less the amount of its share of the US$ B1 Facility Advances made under this Agreement, adjusted to take account of any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any US$ B1 Facility Commitment, in each case, pursuant to the terms of this Agreement provided always that such amount shall not be less than zero.

"**Available US$ B2 Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its US$ B2 Facility Commitment at such time less the amount of its share of the US$ B2 Facility Advances made under this Agreement, adjusted to take account of any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any US$ B2 Facility Commitment, in each case, pursuant to the terms of this Agreement provided always that such amount shall not be less than zero.

"**Available US$ B3 Facility Commitment**" means, in relation to a Lender, at any time and save as otherwise provided in this Agreement, its US$ B3 Facility Commitment at such time less the amount of its share of the US$ B3 Facility Advances made under this Agreement, adjusted to take account of any cancellation or reduction of, or any transfer by such Lender or any transfer to it of, any US$ B3 Facility Commitment, in each case, pursuant to the terms of this Agreement provided always that such amount shall not be less than zero.

"**Bank Group**" means the Parent and any Permitted Affiliate Parent and each of their direct and indirect Subsidiaries from time to time other than the Bank Group Excluded Subsidiaries.

For information purposes only, the members of the Bank Group as at the Signing Date are listed in Part 2 of Schedule 2 (*Members of the Bank Group*).

"**Bank Group Consolidated Revenues**" means, in respect of any period, the consolidated revenues for the Bank Group for that period as evidenced by the financial information provided in respect of that period pursuant to Clause 24.2 (*Financial Information*).

"**Bank Group Excluded Subsidiary**" means:

(a) any Subsidiary of the Parent or any Subsidiary of any Permitted Affiliate Parent which is a Dormant Subsidiary and which is not a Guarantor;

(b) any Unrestricted Subsidiary;

(c) any Subsidiary of the Parent or any Subsidiary of any Permitted Affiliate Parent which is a Project Company;

(d) any Asset Securitisation Subsidiary; and

(e) any company which becomes a Subsidiary of the Parent or a Subsidiary of any Permitted Affiliate Parent in each case, after the Signing Date pursuant to an Asset Passthrough.

provided that any Bank Group Excluded Subsidiary may, at the election of the Parent and upon not less than 10 Business Days prior written notice to the Facility Agent, cease to be a Bank Group Excluded Subsidiary and become a member of the Bank Group.

"**Bank Levy**" means the bank levy which is imposed under section 73 of, and schedule 19 to, the Finance Act 2011 (the "**UK Bank Levy**") and any levy or Tax of an equivalent nature imposed in any jurisdiction in a similar context or for a similar reason to that in and/or which the UK Bank Levy has been imposed by reference to the equity and liability of a financial institution or other person carrying out financial transactions, including the Dutch *bankenbelasting* as set out in the Dutch bank levy act (*Wet bankenbelasting*).

"**Beneficiary**" means a beneficiary in respect of a Documentary Credit.

"**Bidco**" means LGE HoldCo VII B.V..

"**Bidco Additional Facility**" has the meaning given to the term "Additional Facility" in the Acquisition Facilities Agreement.

"**Bidco Additional Facility Commitment**" has the meaning given to the term "Additional Facility Commitment" in the Acquisition Facilities Agreement.

"**Bidco Additional Facility Refinancing Amount**" means the principal amount outstanding under the Bidco Additional Facility as at the date of any relevant proposed increase in Commitments or the Additional Facility Commencement Date (as applicable) in relation to a refinancing of the Bidco Additional Facility pursuant to a deemed Advance under this Agreement in accordance with paragraph 2.2(a)(iii)(A) of Clause 2.2 (*Increase*) or paragraph 2.6(c) of Clause 2.6 (*Acquisition Facilities Refinancing*).

"**Bidco Group Reconciliation**" means an unaudited schedule to the financial statements of the Senior Unsecured Notes Reporting Entity delivered in accordance with Clause 24.2 (*Financial Information*), demonstrating the necessary adjustments to the financial statements of the Senior Unsecured Notes Reporting Entity to derive financial information applicable to the Group (as defined in the Acquisition Facilities Agreement) prepared in accordance with IFRS.

"**Bidco Parent**" means LGE HoldCo VI B.V..

"**Borrower Holdco**" means a direct Holding Company of a member of the Bank Group which is not a member of the Bank Group.

"**Borrowers**" means the Original Borrower and any Acceding Borrower unless it has ceased to be a Borrower in accordance with Clause 26.19 (*Resignation of a Borrower*).

"**Break Costs**" means:

(a) the amount (if any) by which:

 (i) the interest (excluding the Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in an

Advance or Unpaid Sum to the last day of the current Interest Period or Term in respect of that Advance or Unpaid Sum, had the amount so received been paid on the last day of that Interest Period or Term;

exceeds:

(ii) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount of such Advance or Unpaid Sum received or recovered by it on deposit with a leading bank in the Relevant Interbank Market for a period starting on the Business Day following such receipt or recovery and ending on the last day of the current Interest Period or Term; or

(b) for the purposes of Clause 13.4 (Notice of Prepayment or Cancellation), the loss suffered by any Lender as a result of having to unwind any funding contract for reinvestment of proceeds which it had entered into or initiated upon receipt of the notice of prepayment and/or cancellation referred to in Clause 13.4 (Notice of Prepayment or Cancellation).

"**Business**" means the provision of broadband and communications services, including, without limitation:

(a) residential telephone, mobile telephone, cable television and Internet services, including wholesale Internet access solutions to Internet service providers;

(b) data, voice and Internet services to large businesses, public sector organisations and small and medium sized enterprises;

(c) national and international communications transport services to communications companies;

(d) the provision of Content,

(e) that comprises being a Holding Company of one or more persons engaged in such business,

and any related ancillary or complementary business to any of the services described above and references to "**business**" or "**ordinary course of business**" shall be similarly construed.

"**Business Day**" means a day (other than a Saturday or Sunday):

(a) on which banks generally are open for business in London and Amsterdam;

(b) if such reference relates to a date for the payment or purchase of any sum denominated in euro, which is a TARGET Day;

(c) if such reference relates to a date for the payment or purchase of any sum denominated in US$, on which banks generally are open for business in New York; and

(d) if such reference relates to a date for the payment or purchase of any sum denominated in an Optional Currency (other than euro or US$), the principal financial centre of the country of that currency.

"**Business Division 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 Bank Group which comprise all or part of any business division (or its predecessors or successors), to or with any other entity or person, whether or not within the Bank Group, in each case, where such transaction has the prior approval of the Instructing Group.

"**Capital Expenditure**" means any expenditure which is or will be treated as a capital expenditure in the audited consolidated financial statements of the Bank Group in accordance with IFRS.

"**Captive Insurance Company**" means any captive insurance company for the Wider Group (or any part thereof, which includes the Bank Group).

"**Cash**" means, at any time, without double counting:

(a) all Cash Equivalent Investments; and

(b) cash (in cleared balances) denominated in euro (or any other currency freely convertible into euro) and credited to an account in the name of a member of the Bank Group, Holdco, the Group (as defined in the Acquisition Facilities Agreement), Bidco Parent or any other issuer of Holdco Debt (as applicable) with an Acceptable Bank and to which such a member of the Bank Group, Holdco, the Group (as defined in the Acquisition Facilities Agreement), Bidco Parent or any other issuer of Holdco Debt (as applicable) is alone (or, in the case of a member of the Bank Group, together with other members of the Bank Group) beneficially entitled and for so long as:

    (i) such cash is repayable on demand (including any cash held on time deposit which is capable of being broken and the balance received within 2 Business Days of notice provided that any such cash shall only be taken into account net of any penalties or costs which would be incurred in breaking the relevant time deposit); or

    (ii) such cash has been deposited with an Acceptable Bank as security for any performance bond, guarantee, standby letter of credit or similar facility the contingent liabilities relating to such having been included in the calculation of Total Net Debt,

    and, in any such case:

        (A) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Bank Group, Holdco, the Group (as defined in the Acquisition Facilities Agreement), Bidco Parent or any other issuer of Holdco Debt (as applicable) or of any other person whatsoever or on the satisfaction of any other condition;

        (B) there is no encumbrance over that cash except for the Security or any encumbrance constituted by a netting or set-off arrangement entered into by members of the Bank Group, Holdco, the Group (as defined in the Acquisition Facilities Agreement), Bidco Parent or any other issuer of Holdco Debt (as applicable) in the ordinary course of their banking arrangements and any security interest granted in connection with such banking arrangements; and

        (C) the cash is freely and (except as mentioned in paragraph (ii) above) immediately available to be applied in repayment or prepayment of the Facilities or Financial Indebtedness of the Group (as defined in the Acquisition Facilities Agreement), Bidco Parent or any other issuer of Holdco Debt (as applicable).

"**Cash Equivalent Investment**" means, without double counting:

(a) debt securities which are freely negotiable and marketable:

(i) which mature not more than 12 months from the relevant date of calculation; and

(ii) which are rated at least A 1 by Standard & Poor's or Fitch or P 1 by Moody's;

(b) certificates of deposit of, or time deposits or overnight bank deposits with, any Acceptable Bank or commercial bank whose short-term securities are rated at least A 2 by Standard and Poor's or Fitch or P 2 by Moody's and having maturities of 12 months or less from the date of acquisition;

(c) commercial paper of, or money market accounts or funds with or issued by, an issuer rated at least A 2 by Standard & Poor's or Fitch or P 2 by Moody's (or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating) and having an original tenor of 12 months or less;

(d) medium term fixed or floating rate notes of an issuer rated at least A 1 by Standard & Poor's or Fitch or P 1 by Moody's at the time of acquisition and having a remaining term of 12 months or less from the date of acquisition;

(e) any investment in a money market fund or enhanced yield fund (i) whose aggregate assets exceed €250,000,000 and (ii) at least 90% of whose assets constitute Cash Equivalent Investments of the type described in paragraphs (a) to (d) of this definition;

(f) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area, any Participating Member State or any country in which a member of the Bank Group is incorporated and/or carries out its business, or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;

(g) marketable general obligations issued by any political subdivision of the United States of America, the United Kingdom, any member state of the European Economic Area, any Participating Member State or any country in which a member of the Bank Group is incorporated and/or carries out its business, or by an instrumentality thereof maturing within one year from the date of acquisition (provided that the full faith and credit of the United States of America, the United Kingdom, any member state of the European Economic Area, any Participating Member State or such country is pledged in support thereof) and, at the time of acquisition, having a credit rating of A- or higher from either Standard & Poor's Rating Services or Fitch Ratings Ltd or A3 or higher by Moody's Investors Service Limited;

(h) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);

(i) repurchase obligations with a term of not more than seven days from underlying securities of the types described in (e), (f) and (g) entered into with an Acceptable Bank; or

(g) any other debt security approved by the Instructing Group,

in each case, to which any member of the Bank Group, Holdco, the Group (as defined in the Acquisition Facilities Agreement) or Bidco Parent is alone (or, in the case of a member of the Bank Group or Holdco, together with other members of the Bank Group or Holdco) beneficially entitled at that time and which is not issued or guaranteed by any member of the Bank Group or subject to any security (other than Security arising under the Security Documents).

"**Cash Flow**" means, for any period, as set out in the most recent relevant management accounts of or in respect of the Target for that period, the Annualised EBITDA of or relating to the Target for such period:

(a) minus Capital Expenditure of or relating to the Target for such period;

(b) minus all Taxes actually paid and/or falling due for payment by or in respect of the Target during such period;

(c) minus the amount of all dividends, redemptions and other distributions payable by the Target during such period on, or in respect of any of its share capital not held by a member of the Bank Group;

(d) minus any increase or plus any decrease in working capital of or in respect of the Target for such period;

(e) minus the aggregate of (i) Interest payable by or in respect of the Target during such period and (ii) an amount equal to the Interest that would have been payable in respect of an Advance made during such period in an amount equal to the principal amount of Financial Indebtedness incurred in connection with the Acquisition of the Target, and plus any Interest that was received by the Target during such period; and

(f) minus all extraordinary or exceptional items (including one off restructuring costs) which were paid by the Target during such period on (net of any cash proceeds of insurance or warranty claims which relate to such items) and plus all extraordinary or exceptional items which were received by or in respect of the Target during such period.

For the purposes of the above calculation no item shall be effectively deducted or credited more than once.

"**Centre of Main Interests**" has the meaning given to such term in Article 3(1) of Council Regulation (EC) NO 1346/2000 of 29 May 2000 on Insolvency Proceedings.

"**Certain Funds Period**" means the period:

(a) in respect of the US$ B1 Facility and the EUR B1 Facility, the period from and including the Syndication End Date to and including the date falling 60 Business Days from the Syndication End Date;

(b) in relation to any EUR B2 Facility Advance or any US$ B2 Facility Advance, the period from and including the Syndication End Date to and including the earlier of the date falling 60 Business Days from the Closing Date and the date falling 15 months and 2 weeks from the Signing Date; and

(c) in relation to any EUR B3 Facility Advance or any US$ B3 Facility Advance, from and including the Signing Date to and including the earlier of:

(i) if the Ziggo Acquisition Agreement has terminated in accordance with its terms, the date of such termination;

(ii) if the Ziggo Acquisition Agreement has not terminated in accordance with its terms and the Closing Date has occurred, the date falling 60 Business Days from the Closing Date; and

(iii) if the Ziggo Acquisition Agreement has not terminated in accordance with its terms and the Closing Date has not occurred, the date falling 15 months and 2 weeks from the Signing Date.

"**Certain Funds Utilisation**" means any EUR B1 Facility Advance, any US$ B1 Facility Advance, EUR B2 Facility Advance, any US$ B2 Facility Advance, any EUR B3 Facility Advance or any US$ B3 Facility Advance made or to be made under Clause 3.3 (Utilisations during the Certain Funds Period), in each case made during the Certain Funds Period, in each case.

"Change of Control" has the meaning given to it in Clause 14.1 (Change of Control).

"**Clean Up Period**" has the meaning given to it in Clause 25.3 (Breach of Other Obligations).

"**Closing Date**" means the date on which the shares tendered under the offer in relation to the Ziggo Acquisition are first settled after Bidco has declared the offer in relation to the Ziggo Acquisition unconditional (gestand gedaan) in accordance with the Dutch Decree on Public Bids pursuant to the Dutch Financial Supervision Act (Besluit openbare biedingen Wft) and the documents in relation to the offer in relation to the Ziggo Acquisition.

"**Code**" means the US Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated thereunder. Section references to the Code are to the Code, as in effect at the Signing Date and any subsequent provisions of the Code, amendatory of it, supplemental to it or substituted therefor.

"Commitments" means:

(a) when designated "Additional Facility" in relation to a Lender and an Additional Facility at any time and save as otherwise provided in this Agreement:

(i) the amount set out opposite its name in the Additional Facility Accession Deed in relation to that Additional Facility and the amount of any other Additional Facility Commitment in relation to that Additional Facility transferred to it under this Agreement;

(ii) the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement; and

(iii) any amount of that Additional Facility assumed by it in accordance with Clause 2.2 (Increase);

(b) when designated **"US$ B1 Facility"** in relation to a Lender and a US$ B1 Facility at any time and save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other US$ B1 Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other US$ B1 Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase);

(c) when designated **"EUR B1 Facility"** in relation to a Lender and a EUR B1 Facility at any time and save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other EUR B1 Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other EUR B1 Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase);

(d) when designated **"US$ B2 Facility"** in relation to a Lender and a US$ B2 Facility at any time and save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other US$ B2 Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other US$ B2 Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase);

(e) when designated **"EUR B2 Facility"** in relation to a Lender and a EUR B2 Facility at any time and save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other EUR B2 Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other EUR B2 Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase);

(f) when designated "**US$ B3 Facility**" in relation to a Lender and a US$ B3 Facility at any time and save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other US$ B3 Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other US$ B3 Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase);

(g) when designated "**EUR B3 Facility**" in relation to a Lender and a EUR B3 Facility at any time and save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other EUR B3 Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, the amount specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other EUR B3 Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase); and

(h) when designated "**Revolving Facility**" save as otherwise provided in this Agreement:

(i) in relation to an Original Lender, the amount set out opposite its name in the relevant column of Schedule 1 and any amount of any other Revolving Facility Commitment transferred to it under this Agreement or the amount assumed by it in accordance with Clause 2.2 (Increase); and

(ii) in relation to any other Lender, as specified in the Transfer Deed or the Transfer Agreement pursuant to which such Lender becomes a party to this Agreement and any amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase),

in each case to the extent:

(a) not cancelled, reduced or transferred by it under this Agreement; and

(b) without any such designation, means "**Additional Facility Commitment**", "**US$ B1 Facility Commitment**", "**EUR B1 Facility Commitment**", "**US$ B2 Facility Commitment**", "**EUR B2 Facility Commitment**", "**US$ B3 Facility Commitment**", "**EUR B3 Facility Commitment**" and "**Revolving Facility Commitment**", as the context requires, and any "**Commitment**" means either each or any of the foregoing, as the context requires.

“**Common Holding Company**” has the meaning given to such term in paragraph 27.1(a)(v) of Clause 27.1 (*Permitted Affiliate Group Designation*).

“**Common Holding Company Group Reconciliation**” means an unaudited schedule to the financial statements of the relevant Common Holding Company delivered in accordance with Clause 24.2 (*Financial Information*), demonstrating the necessary adjustments to the financial statements of that Common Holding Company to derive financial information applicable to the Bank Group prepared in accordance with IFRS.

“**Confidentiality Undertaking**” means a confidentiality undertaking substantially in the recommended form of either the LMA or the LSTA or in any other form agreed between the Parent and the Facility Agent.

“**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 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 Bank Group which comprise all or part of the Content business of the Bank Group, to or with any other entity or person whether or not within the Bank Group.

“**Conversion Notice**” has the meaning given to such term in paragraph (a) of Clause 8.1 (*Utilisation of Ancillary Facilities*).

“**Cost**” means the cost estimated in good faith by the relevant member of the Bank Group to have been incurred or to be received by that member of the Bank Group in the provision or receipt of the relevant service, facility or arrangement, including, without limitation, a proportion of any material employment, property, information technology, administration, utilities, transport and materials or other costs incurred or received in the provision or receipt of such service, facility or arrangement, but excluding costs which are either not material or not directly attributable to the provision or receipt of the relevant service, facility or arrangement.

“**Debt Pushdown**” has the meaning given to that term in Clause 24.37 (*Debt Pushdown*).

“**Debt Pushdown Date**” means the date on which the Debt Pushdown occurs.

“**Default**” means an Event of Default or any event or circumstance specified in Clause 25 (*Events of Default*) which would (with the expiry of a grace period or the giving of notice) be an Event of Default.

“**Defaulting Lender**” means any Lender (other than a Lender which is or becomes a member of the Wider Group):

(a) which has failed to make its participation in an Advance available or has notified the Facility Agent that it will not make its participation in an Advance available by the Utilisation Date of that Advance in accordance with Clause 4.2 (Lenders' Participations) or has failed to provide cash collateral (or has notified an L/C Bank that it will not provide cash collateral) in accordance with Clause 7.4 (Cash Collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover);

(b) which has otherwise rescinded or repudiated a Finance Document; or

(c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above:

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event,

and payment is made within two Business Days of its due date; or

(ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

"**Designated Gross Amount**" has the meaning given to such term in Clause 8.1(b) (*Utilisation of Ancillary Facilities*).

"**Designated Net Amount**" has the meaning given to such term in Clause 8.1(b) (*Utilisation of Ancillary Facilities*).

"**Designated Party**" means any person listed:

(a) in the Annex to the Executive Order;

(b) on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury; or

(c) in any successor list to either of the foregoing.

"**Designated Website**" has the meaning given to such term in Clause 40.3(a) (*Use of Websites/E-mail*).

"**Disputes**" has the meaning given to such term in Clause 47.1 (*Courts*).

"**Disruption Event**" means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or

(b) the occurrence of any other event which results in a material disruption (of a technical or systems-related nature) to the treasury or payments operations of a Finance Party to this Agreement preventing that, or any other Finance Party:

(i) from performing its payment obligations under the Finance Documents; or

(ii) from communicating with other parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the party whose operations are disrupted.

"**Documentary Credit**" means a letter of credit, bank guarantee, indemnity, performance bond or other documentary credit issued or to be issued by an L/C Bank pursuant to Clause 4.1 (*Conditions to Utilisation*).

"**Dormant Subsidiary**" means a member of the Bank Group which does not trade (for itself or as agent for any person) and does not own, legally or beneficially, assets (including, without limitation, indebtedness owed to it) which in aggregate have a value of more than €10,000 (excluding loans existing on the Signing Date owed to it by members of the Bank Group) or its equivalent in other currencies.

"**Dutch Civil Code**" means the *Burgerlijk Wetboek*.

"**Dutch Newco**" means Ziggo Deelnemingen B.V..

"**EBITDA**" has the meaning given to it in Clause 23 (*Financial Covenants*).

"**Effective Date**" has the meaning given to such term in paragraph (a) of Clause 8.1 (*Utilisation of Ancillary Facilities*).

"**Environment**" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);

(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water).

"**Environmental Claim**" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

"**Environmental Law**" means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

"**Environmental Permits**" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Bank Group conducted on or from the properties owned or used by any member of the Bank Group.

"**Equity Equivalent Funding**" means a loan made to, or any Financial Indebtedness owed by, any person where the Financial Indebtedness incurred thereby:

(a) may not be repaid at any time prior to the repayment in full of all Outstandings and cancellation of all Available Commitments;

(b) carries no interest or carries interest which is payable only on non-cash pay terms or following repayment in full of all Outstandings and cancellation of all Available Commitments;

(c) is either (i) structurally and contractually subordinated to the Facilities or (ii) contractually subordinated to the Facilities, in each case, pursuant to the Intercreditor Agreement; and

(d) if not already subject to Security created under the Original Security Documents, Security in favour of the Security Agent on terms satisfactory to the Security Agent is promptly granted by the relevant creditor over its rights with respect to any such Financial Indebtedness.

"**ERISA**" means the United States Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" means each person, entity, trade or business, whether or not incorporated, that would be treated as a single employer with any member of the Bank Group under section 414 of the Code. When any provision of this Agreement relates to a past event, the term "**ERISA Affiliate**" includes any person that was an ERISA Affiliate of a member of the Bank Group at the time of that past event.

"**EUR B1 Facility**" means a term loan facility granted to the relevant Borrowers pursuant to Clause 2 (*The Facilities*).

"**EUR B1 Facility Margin**" means, subject to the Margin Ratchet, 2.75 per cent. per annum.

"**EUR B1 Facility Outstandings**" means, at any time, the aggregate principal amount of the EUR B1 Facility Advances outstanding under this Agreement.

"**EUR B2 Facility**" means a term loan facility granted to the relevant Borrowers pursuant to Clause 2 (*The Facilities*).

"**EUR B2 Facility Margin**" means, subject to the Margin Ratchet, 2.75 per cent. per annum.

"**EUR B2 Facility Outstandings**" means, at any time, the aggregate principal amount of the EUR B2 Facility Advances outstanding under this Agreement.

"**EUR B3 Facility**" means a term loan facility granted to the relevant Borrowers pursuant to Clause 2 (*The Facilities*).

"**EUR B3 Facility Margin**" means, subject to the Margin Ratchet, 2.75 per cent. per annum.

"**EUR B3 Facility Outstandings**" means, at any time, the aggregate principal amount of the EUR B3 Facility Advances outstanding under this Agreement.

"**EUR B4 Facility**" has the meaning given to that term in the Acquisition Facilities Agreement.

"**EUR B4 Facility Commitment**" has the meaning given to that term in the Acquisition Facilities Agreement.

"**EUR B4 Facility Refinancing Amount**" means the principal amount outstanding under the EUR B4 Facility as at the date of any relevant proposed increase in Commitments or the Additional Facility Commencement Date (as applicable) in relation to a refinancing of the EUR B4 Facility pursuant to a deemed Advance under this Agreement in accordance with paragraph (a)(iii)(A) of Clause 2.2 (*Increase*) or paragraph (a) of Clause 2.6 (*Acquisition Facilities Refinancing*).

"**EURIBOR**" means, in relation to any amount to be advanced to or owed by an Obligor under this Agreement in euro on which interest for a given period is to accrue:

(a) the rate per annum for deposits in euro which appears on the Relevant Page for such period at or about 11.00 a.m. (Brussels time) on the Quotation Date for such period;

(b) if no such rate is displayed and the Facility Agent shall not have selected an alternative service on which such rate is displayed as contemplated by the definition of "Screen Rate", the Interpolated Screen Rate; or

(c) if no such rate is displayed and the Facility Agent shall not have selected an alternative service on which such rate is displayed as contemplated by the definition of "Screen Rate" and it is not possible to calculate an Interpolated Screen Rate, the arithmetic mean (rounded upwards, if not already such a multiple, to 4 decimal places) of the rates (as notified to the Facility Agent) at which each of the Reference Banks was offering to prime banks in the European Interbank Market deposits in euro for such period at or about 11.00 a.m. (Brussels time) on the Quotation Date for such period,

provided that, in relation to the EUR B1 Facility, EUR B2 Facility, and the EUR B3 Facility, the rate shall not be less than the EURIBOR Floor Percentage.

"**EURIBOR Floor Percentage**" means, in relation to the EUR B1 Facility, EUR B2 Facility and the EUR B3 Facility only, 0.75 per cent. per annum.

"**Euro Amount**" means at any time:

(a) in relation to an Advance denominated in euro, the amount thereof, and in relation to any other Advance, the euro equivalent of the amount specified in the Utilisation Request (as at the date thereof) for that Advance, in each case, as adjusted, if necessary, in accordance with the terms of this Agreement and to reflect any repayment, consolidation or division of that Advance;

(b) in relation to a Documentary Credit, (i) if such Documentary Credit is denominated in euro, the Outstanding L/C Amount in relation to it at such time or (ii) if such Documentary Credit is not denominated in euro, the equivalent in euro of the Outstanding L/C Amount at such time, calculated as at the later of (1) the date which falls 2 Business Days before its issue date or any renewal date or (2) the date of any revaluation pursuant to Clause 7.5 (Revaluation of Documentary Credits);

(c) in relation to any Ancillary Facility granted by a Lender, the amount of its Revolving Facility Commitment converted to provide its Ancillary Facility Commitment as at the time of such conversion; and

(d) in relation to any Outstandings, the aggregate of the Euro Amounts (calculated in accordance with paragraphs (a), (b) and (c) above) of each outstanding Advance and/or Outstanding L/C Amount, made under the relevant Facility or Facilities (as the case may be) and/or in relation to Ancillary Facility Outstandings, (i) if such Outstandings are denominated in euro, the aggregate amount of such Outstandings at such time and (ii) if such Outstandings are not denominated in euro, the euro equivalent of the aggregate amount of such Outstandings at such time.

"**European Interbank Market**" means the interbank market for euro operating in Participating Member States.

"**Event of Default**" means any of the events or circumstances described as such in Clause 25 (*Events of Default*).

"**Excess Capacity Network Service**" means the provision of network services, or agreement to provide network services, by a member of the Bank Group in favour of one or more other members of the Wider Group where such network services are only provided in respect of the capacity available to such member of the Bank Group in excess of that network capacity it requires to continue to provide current services to its existing and projected future customers and to allow it to provide further services to both its existing and projected future customers.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Existing Ancillary Facility**" means the ancillary facility in an aggregate amount of up to €50,000,000 under the current account facility agreement dated 6 September 2011 between, among others, the Parent and Rabobank.

"**Existing Financial Indebtedness**" means the Financial Indebtedness existing as at the Signing Date, details of which are set out in Schedule 11 (*Existing Financial Indebtedness*).

"**Existing Credit Agreement**" has the meaning given to such term in the Intercreditor Agreement in force on the Signing Date.

"**Existing Senior Credit Facilities Agreement**" means the senior credit facilities agreement made between, inter alia, the Parent and Ziggo B.V. as original borrowers, ABN Amro Bank N.V., BNP Paribas Fortis S.A./N.V., Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., Credit Suisse AG, London Branch, Goldman Sachs International, ING Bank, J.P. Morgan Limited, Morgan Stanley Bank International Limited and Societe Generale, London Branch as bookrunners and mandated lead arrangers, ING Bank N.V. as agent and security agent and the financial and other institutions named in it as lenders dated 21 March 2013 (as amended and restated).

"**Existing Senior Secured Notes**" the 2017 Senior Secured Notes and the 2020 Senior Secured Notes.

"**Expiry Date**" means, in relation to any Documentary Credit granted under this Agreement, the date stated in it to be its expiry date or the latest date on which demand may be made under it being a date falling on or prior to the Final Maturity Date in respect of the Revolving Facility.

"**Facilities**" means any Additional Facility, the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, US$ B3 Facility, the EUR B3 Facility, the Revolving Facility, any Ancillary Facility and any Documentary Credit granted to the Borrowers under this Agreement, and "Facility" means any of them, as the context may require.

"**Facility Agent's Spot Rate of Exchange**" means, in relation to two currencies, the Facility Agent's spot rate of exchange for the purchase of the first-mentioned currency with the second-mentioned currency in the London foreign exchange market at the Specified Time on a particular day.

"**Facility Office**" means the office(s) notified by a Lender to the Facility Agent:

(a) on or before the date it becomes a Lender; or

(b) by not less than five Business Days' notice,

as the office(s) through which it will perform all or any of its obligations under this Agreement or in respect of any other Finance Party, the office in the jurisdiction in which it is resident for tax purposes.

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code or any associated regulations or other official guidance;

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to the implementation of paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Deduction**" means a deduction or withholding from a payment under a Finance Document required by FATCA.

"**Fee Letter**" means (a) the fee letter dated on or around the date of this Agreement entered into between, among others, Ziggo B.V., Bidco and Bidco Parent and the Mandated Lead Arrangers and (b) any other letter signed by a Borrower which sets out any of the fees payable under Clause 18 (*Commission and Fees*).

"**Final Maturity Date**" means:

(a) in respect of the Revolving Facility, 30 June 2020;

(b) in respect of the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, the US$ B3 Facility and the EUR B3 Facility, 15 January 2022; and

(c) in respect of an Additional Facility, as agreed by the Parent and the relevant Additional Facility Lenders in the relevant Additional Facility Accession Deed, but subject to Clause 2.4 (Additional Facilities).

"**Finance Documents**" means:

(a) this Agreement, any Documentary Credit and any Accession Notice;

(b) the Fee Letters;

(c) any Ancillary Facility Documents;

(d) the Security Documents;

(e) the Intercreditor Agreement;

(f) any Supplemental Intercreditor Agreement;

(g) each Additional Facility Accession Deed;

(h) each Utilisation Request;

(i) any Resignation Letter;

(j) any Selection Notice; and

any other agreement or document designated a "**Finance Document**" in writing by the Facility Agent and the Parent.

"**Finance Lease**" means a lease treated as a capital or finance lease pursuant to IFRS provided that, upon a change in IFRS eliminating the difference in treatment of operating leases and capital leases, "Finance 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 Holdco's or, if applicable, Bidco Parent's or any Replacement Issuer's unsecured senior notes with the longest maturity date at the date of the lease) exceeds 90% of the fair value of the asset.

"**Finance Parties**" means the Facility Agent, the Arrangers, the Bookrunners, the Security Agent and the Lenders and "**Finance Party**" means any of them.

"**Financial Indebtedness**" means, without double counting, indebtedness in respect of:

(a) money borrowed or raised and debit balances at banks or other financial institutions;

(b) any bond, note, loan stock, debenture or similar debt instrument;

(c) acceptance or documentary credit facilities;

(d) receivables sold or discounted (otherwise than on a non-recourse basis and other than in the normal course of business for collection);

(e) payments for assets acquired or services supplied deferred for a period of over 180 days (or 360 days if such deferral is in accordance with the terms pursuant to which the relevant assets were or are to be acquired or services were or are to be supplied) after the relevant assets were or are to be acquired or the relevant services were or are to be supplied, or after the relevant invoice date;

(f) any other transaction (including without limitation forward sale or purchase agreements) having the commercial effect of a borrowing or raising of money or any of (a) to (e) above;

(g) guarantees in respect of indebtedness of any person falling within any of paragraphs (a) to (f) above (including for the avoidance of doubt, without double counting, guarantees given by a member of the Bank Group for the indebtedness of the type falling within (a) to (f) above of another member of the Bank Group);

(h) (for the purposes of Clause 25.5 (Cross Default) only) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked-to-market value (or, if any actual amount is due as a result of the termination or close-out of all or part of that derivative transaction, that amount together with the marked-to-market value of any part of that derivative transaction in respect of which no amount is due as a result of a termination or close-out) shall be taken into account);

provided that the following shall not be regarded as Financial Indebtedness:

(i) any indebtedness which has been cash-collateralised, to the extent so cash-collateralised;

(ii) any deposits or prepayments received by any member of the Bank Group from a customer or subscriber for its service;

(iii) indebtedness which is in the nature of equity (other than redeemable shares);

(iv) obligations under Finance Leases;

(v) any indebtedness in respect of any transaction or series of transactions that may be entered into by any member of the Bank Group pursuant to which any member of the Bank Group may sell, convey or otherwise transfer to (1) an Asset Securitisation Subsidiary (in the case of a transfer by any member of the Bank Group) and (2) any other person (in the case of a transfer by an Asset Securitisation Subsidiary), or may grant a security interest in, any receivables (whether now existing or arising in the future) of any member of the Bank Group, and any assets related thereto including, without limitation, all collateral securing such receivables, all contracts and all guarantees or other obligations in respect of such accounts receivable, the proceeds of such receivables and other assets which are customarily transferred, or in respect of which security interests are customarily granted, in connection with asset securitisation involving receivables; and

(vi) any “parallel debt” obligations to the extent such obligations mirror other Financial Indebtedness.

“**Financial Quarter**” means the period commencing on the day immediately following any Quarter Date in each year, and ending on the next succeeding Quarter Date.

“**Fitch**” means Fitch Ratings or any successor thereof.

“**Foreign Pension Plan**” means any plan, fund (including, without limitation, any superannuation fund) or other similar program established or maintained outside the United States by any member of the Bank Group for the benefit of employees of any member of the Bank Group residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code.

“**Full Ownership Date**” means the date on which Bidco owns, directly or indirectly, an aggregate amount of 100% of the shares in Ziggo N.V. or 100% of the shares in the direct Subsidiary of Ziggo N.V..

"**Funded Excluded Subsidiary**" means, in respect of a Funding Passthrough, the Bank Group Excluded Subsidiary or any person in which a member of the Bank Group owns an interest but which is not a member of the Bank Group which:

(a) indirectly receives funding from the Borrower Holdco; and/or

(b) by way of dividend or other distribution, loan or payment of interest on or the repayment of the principal amount of any indebtedness owed by it, directly or indirectly, makes a payment to the Borrower Holdco.

"**Funding Passthrough**" means a series of transactions between the Borrower Holdco, one or more members of the Bank Group and a Funded Excluded Subsidiary where:

(a) in the case of funding being provided by the Borrower Holdco to the Funded Excluded Subsidiary, that funding is:

(i) first made available by the Borrower Holdco to the Parent by way of the subscription for new securities, capital contribution or Subordinated Funding;

(ii) secondly (if relevant) made available by the recipient of the Funding Passthrough under (i) above, to a member of the Bank Group (other than the Parent) which may be followed by one or more transactions between members of the Bank Group (other than the Parent) and finally made available by a member of the Bank Group (other than the Parent) to the Funded Excluded Subsidiary in all such cases by way of either the subscription for new securities, the advancing of loans or capital contribution; or

(b) in the case of a payment to be made by the Funded Excluded Subsidiary to the Borrower Holdco that payment is:

(i) first made by the Funded Excluded Subsidiary to a member of the Bank Group, and thereafter is made between members of the Bank Group (as relevant), by way of dividend or other distribution, loan or payment of interest on or the repayment of the principal amount of any indebtedness owed by such Funded Excluded Subsidiary or relevant member of the Bank Group; and

(ii) finally made by the Parent to the Borrower Holdco by way of dividend or other distribution, loan or the payment of interest on or the repayment of the principal amount of any loan made by way of Subordinated Funding.

"**Funds Flow Memorandum**" means the funds flow memorandum which is in a form consistent with the Structure Memorandum and identified as being delivered in a final form by the Parent to the Facility Agent pursuant to this Agreement.

"**GAAP**" means accounting principles generally accepted in the United States.

"**Group Structure Chart**" means the structure chart of the Bank Group prepared as of the Signing Date in the form delivered to the Facility Agent on or prior to the Signing Date.

"**Guarantors**" means the Original Guarantors and any Acceding Guarantors and "**Guarantor**" means any one of them as the context requires, provided that in either case, such person has not been released from its rights and obligations as a Guarantor hereunder pursuant to Clause 43.7 (*Release of Guarantees and Security*).

“**Hazardous Substance**” means any waste, pollutant, contaminant or other substance (including any liquid, solid, gas, ion, living organism or noise) that may be harmful to human health or other life or the Environment.

“**Hedging Agreement**” means any agreement in respect of an interest rate swap, currency swap, commodity hedging transaction, forward foreign exchange transaction, cap, floor, collar or option transaction or any other treasury transaction or any combination of it or any other transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

“**Holdco**” means Ziggo Bond Company B.V..

“**Holdco Debt**” means any Financial Indebtedness of Holdco and, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent and any Replacement Issuer and, in each case, or one or more of their Subsidiaries (other than a member of the Bank Group) in the form of:

(a) Senior Unsecured Notes; and/or

(b) any Financial Indebtedness incurred after the Signing Date (including any Financial Indebtedness incurred under the bridge facility provided under the Subordinated Bridge Facility Agreement) where the incurrence of such Financial Indebtedness would not result in the pro forma ratio (giving effect to such incurrence and the ultimate use of proceeds thereof, which shall not include any cash balances) on the Quarter Date prior to such incurrence (giving pro forma effect to any movement of cash out of the Bank Group since such date pursuant to any Permitted Payments) exceeding the ratio set out in Clause 23.2(b) (Financial Ratios) for the Quarter Date following such incurrence,

provided that, in respect of any such Financial Indebtedness incurred after the Signing Date, such Financial Indebtedness is designated as “Holdco Debt” by written notice from the Parent to the Facility Agent and the Security Agent by the date when the consolidated financial statements are due to be provided pursuant to Clause 24.2 (*Financial Information*) for the first full Financial Quarter after such incurrence.

“**Holdco Intercompany Debt**” means any Financial Indebtedness owed by any member of the Bank Group to the Ultimate Holdco or to its Subsidiaries (other than another member of the Bank Group) from time to time and:

(a) which is subordinated to the Facilities pursuant to the terms of the Intercreditor Agreement;

(b) (other than in respect of the loan by Holdco to the Parent of certain proceeds from the issuance of the Original Senior Unsecured Notes and, at any time after the Ziggo Acquisition Agreement has terminated in accordance with its terms and the Closing Date has not occurred, any loan by Holdco to the Parent of any proceeds from the issue of any other Senior Unsecured Notes) if not already subject to Security created under the Original Security Documents, Security in favour of the Security Agent on terms satisfactory to the Security Agent is promptly granted by the relevant creditor over its rights; and

(c) if such Financial Indebtedness is in form of a guarantee, then such guarantee is not given by any member of the Bank Group other than any Original Senior Unsecured Notes Guarantor provided that any such guarantee so provided is (i) on subordination and release terms substantially the same as the existing guarantees of any Original Senior Unsecured Notes Guarantor in favour of the Original Senior Unsecured Notes in force on the Signing Date and (ii) subject to the terms of the Intercreditor Agreement or Supplemental Intercreditor Agreement.

"**Holding Company**" of a company means a company of which the first-mentioned company is a Subsidiary.

"**Holding Company Expenses**" means:

(a) costs (including all professional fees and expenses) incurred by any Holding Company of the Parent or any Holding Company of any Permitted Affiliate Parent from time to time in connection with reporting obligations under or otherwise incurred in connection with compliance with applicable laws, applicable rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, this Agreement or any other agreement or instrument relating to Financial Indebtedness of Holdco or any Permitted Affiliate Holdco or any member of the Bank Group;

(b) indemnification obligations of any Holding Company of the Parent or any Holding Company of any Permitted Affiliate Parent from time to time owing to directors, officers, employees or other persons under its charter or by-laws or pursuant to written agreements with any such person with respect to its ownership of the Parent or any Permitted Affiliate Parent or the conduct of the business of the Bank Group;

(c) obligations of any Holding Company of the Parent or any any Holding Company of any Permitted Affiliate Parent from time to time in respect of director and officer insurance (including premiums therefor) with respect to its ownership of the Parent or any Permitted Affiliate Parent or the conduct of the business of the Bank Group;

(d) general corporate overhead expenses, including professional fees and expenses and other operational expenses of any Holding Company of the Parent or any any Holding Company of any Permitted Affiliate Parent from time to time related to the ownership or operation of the business of the Parent or any member of the Bank Group, including acquisitions or dispositions by a member of the Bank Group permitted hereunder (whether or not successful) in each case, to the extent such costs, obligations and/or expenses are not paid by another Subsidiary of such Holding Company;

(e) fees and expenses payable by any Holding Company of the Parent or any Holding Company of any Permitted Affiliate Parent in connection with any transactions to effect or consummate the Ziggo Acquisition, including transactions to consolidate the holding of share capital in Ziggo N.V., which may include the contribution of an Affiliate entity by a Holding Company of the Parent or any Holding Company of any Permitted Affiliate Parent ("Contributed Entity") which Contributed Entity holds share capital in Ziggo N.V., (2) intercompany indebtedness (A) by LGE HoldCo VI B.V., the Contributed Entity or a Restricted Subsidiary to an Affiliate or (B) by an Affiliate to the Parent, the Contributed Entity or a Restricted Subsidiary, in each case, to effect or consummate the Ziggo Acquisition, including transactions to consolidate the holding of share capital in Ziggo N.V., (3) any intercompany Financial Indebtedness by LGE HoldCo VI B.V. to any of its Affiliates as part of any pushdown of LGE HoldCo VI B.V.'s notes (provided that such Financial Indebtedness is extinguished upon, or shortly after, completion such pushdown, (4) the other transactions contemplated by such pushdown, (5) any transaction to effect or consummate the Post-Closing Reorganisation and (6) payment of fees, costs and expenses in connection with the Ziggo Acquisition (including transactions to consolidate the holding of share capital in Ziggo N.V.), such pushdown and the Post-Closing Reorganisation; and

(f) to the extent that it would not constitute unlawful financial assistance within the meaning of sections 2:98c of the Dutch Civil Code (provided that this limitation shall cease to be applicable to a Dutch limited liability company upon the abolishment of sections 2:98c of the Dutch Civil Code), all costs, liabilities and expenses of Bidco and Bidco Parent in relation to the Ziggo Acquisition.

"**IFRS**" means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

"**Impaired Agent**" means the Facility Agent at any time when:

(a) it has failed to make (or has notified a Finance Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;

(b) the Facility Agent otherwise rescinds or repudiates a Finance Document;

(c) (if the Facility Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of "Defaulting Lender"; or

(d) an Insolvency Event has occurred and is continuing with respect to the Facility Agent,

unless, in the case of paragraph (a) above:

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event,

and payment is made within 3 Business Days of its due date; or

(ii) the Facility Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

"**Increase Confirmation**" means a confirmation substantially in the form set out in Schedule 14 (*Form of Increase Confirmation*).

"**Increase Lender**" has the meaning set out in Clause 2.2 (*Increase*).

"**Increased Cost**" means:

(a) any reduction in the rate of return from a Facility or on a Finance Party's (or an Affiliate's) overall capital;

(b) any additional or increased cost; or

(c) any reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having agreed to make available its Commitment or having funded or performed its obligations under any Finance Document.

"**Indebtedness**" means any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent (including interest and other charges relating to it).

"**Information Memorandum**" means the information memorandum dated on or about the Signing Date delivered to the Facility Agent on or prior to the Signing Date.

"**Insolvency Event**" in relation to a Finance Party means that the Finance Party:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

    (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

    (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;

(f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (d) above);

(h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter; or

(i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above.

"**Instructing Group**" means at any time, Lenders the aggregate of whose Available Commitments and participations in outstanding Advances exceeds 50.00 per cent. of the aggregate Available Commitments and outstanding Advances of all of the Lenders (not taking into account any Available Commitments or Advances in relation to which a cancellation or prepayment notice (as applicable) has been served in accordance with Clause 12.1 (*Voluntary Cancellation*) or Clause 13.1 (*Voluntary Prepayment*)) provided that, in relation to a Facility, the "**Instructing Group**" means at any time, Lenders the aggregate of whose Available Commitments under that Facility and participations in outstanding Advances under that Facility exceeds 50.00 per cent. of the aggregate Available Commitments under that Facility and outstanding Advances under that Facility of all of the Lenders (not taking into account any Available Commitments or Advances under that Facility in relation to which a cancellation or prepayment notice (as applicable) has been served in accordance with Clause 12.1 (*Voluntary Cancellation*) or Clause 13.1 (*Voluntary Prepayment*)).

"**Intellectual Property Rights**" means all know-how, patents, trade marks, designs and design rights, trading names, copyrights (including any copyright in computer software), database rights and other intellectual property rights anywhere in the world (in each case whether registered or not and including all applications for the same).

"**Intercreditor Agreement**" means the priority agreement dated 12 September 2006, as amended and restated on 6 October 2006, 17 November 2006 and 28 March 2013 and otherwise amended from time to time between, among others, certain of the Obligors, other members of the Bank Group and the applicable Finance Parties.

"**Intercreditor Agreement Amendment Date**" means the date on which the Intercreditor Agreement is amended in accordance with Clause 24.35 (*Intercreditor Agreement Amendment*) such that the Intercreditor takes the form of the Proposed New Intercreditor Agreement.

"**Interest Date**" means the last day of an Interest Period.

"**Interest Period**" means, save as otherwise provided in this Agreement, any of those periods mentioned in Clause 16.1 (*Interest Periods for Term Facility Advances*).

"**Interpolated Screen Rate**" means, in relation to LIBOR or EURIBOR, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the relevant period on which interest is to accrue; and

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the relevant period on which interest is to accrue,

each as of 11.00 am in respect of LIBOR (and as of 11.00 a.m. (Brussels time) in respect of EURIBOR) on the Quotation Date for such period.

"**Intra-Group Services**" means any of the following (provided that the terms of each such transaction are not materially less favorable, taken as a whole, to any member of the Bank

Group, as the case may be, than those that could be obtained in a comparable transaction in arm's length dealings with a person that is not an Affiliate of the Parent):

(a) the sale of programming or other Content by any member(s) of the Wider Group to one or more members of the Bank Group;

(b) the lease or sublease of office space, other premises or equipment terms by one or more members of the Bank Group to one or more members of the Wider Group or by one or more members of the Wider Group to one or more members of the Bank Group;

(c) the provision or receipt of other services, facilities or other arrangements (in each case not constituting Financial Indebtedness) in the ordinary course of business, by or from one or more members of the Bank Group to or from one or more members of the Wider Group 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 treasury, audit, accounting, banking, strategy, 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 Parent, no less than Cost; and

(d) the extension, in the ordinary course of business and on terms not materially less favourable to the relevant member of the Bank Group than arms' length terms, by or to any member of the Bank Group to or by any such member of the Wider Group of trade credit not constituting Financial Indebtedness in relation to the provision or receipt of Intra-Group Services referred to in paragraphs (a), (b) or (c) above.

"**Investment Company**" has the meaning given to it in the United State Investment Company Act of 1940.

"**ISDA**" means the International Swaps & Derivatives Association, Inc.

"**Joint Venture**" means any joint venture, partnership or similar arrangement between any member of the Bank Group and any other person that is not a member of the Bank Group.

"**Joint Venture Group**" means any Joint Venture and its Subsidiaries from time to time.

"**Law**" means:

(a) common or customary law;

(b) any constitution, decree, judgment, legislation, order, ordinance, regulation, statute, treaty or other legislative measure in any jurisdiction; and

(c) any directive, regulation, practice, requirement which has the force of law and which is issued by any governmental body or any central bank or other fiscal, monetary, regulatory or administrative authority.

"**L/C Bank**" means any Lender which has been appointed as an L/C Bank in accordance with Clause 7.11 (*Appointment and Change of L/C Bank*) and which has not resigned in accordance with paragraph (c) of Clause 7.11 (*Appointment and Change of L/C Bank*).

"**L/C Bank Accession Certificate**" means a duly completed accession certificate substantially in the form set out in Schedule 12 (*Form of L/C Bank Accession Certificate*).

“**L/C Lender**” has the meaning set out in Clause 7.8(b) (*Documentary Credit Indemnities*).

“**L/C Proportion**” means, in relation to a Lender in respect of any Documentary Credit and save as otherwise provided in this Agreement, the proportion (expressed as a percentage) borne by such Lender’s Available Revolving Facility Commitment to the Available Revolving Facility immediately prior to the issue of such Documentary Credit.

“**Latest Ratio Period**” has the meaning given to that term in Clause 24.11 (*Disposals*).

“**Legal Opinions**” means any of the legal opinions referred to in paragraph 5 of Part 1 of Schedule (*Conditions Precedent*) and paragraph 2 of Schedule 8 (*Accession Documents*) delivered pursuant to Clause 3 (*Conditions*) and Clause 27 (*Acceding Group Companies*), respectively.

“**Lender**” means:

(a) an Original Lender;

(b) a person (including each L/C Bank and each Ancillary Facility Lender) which has become a party to this Agreement as a Lender in accordance with the provisions of Clause 26 (Assignments and Transfers);

(c) a person which has become a party to this Agreement as a Lender by executing an Additional Facility Accession Deed,

which in each case has not ceased to be a Lender in accordance with the terms of this Agreement.

“**LIBOR**” means, in relation to any amount to be advanced to or owed by an Obligor under this Agreement in a currency (other than euro) on which interest for a given period is to accrue:

(a) the rate per annum which appears on the Relevant Page for such period at the Specified Time on the Quotation Date for such period;

(b) if no such rate is displayed and the Facility Agent shall not have selected an alternative service on which such rate is displayed as contemplated by the definition of “Screen Rate”, the Interpolated Screen Rate; or

(c) if no such rate is displayed and the Facility Agent shall not have selected an alternative service on which such rate is displayed as contemplated by the definition of “Screen Rate” and it is not possible to calculate an Interpolated Screen Rate, the arithmetic mean (rounded upwards, if not already such a multiple, to the nearest 4 decimal places) of the rates (as notified to the Facility Agent) at which each of the Reference Banks was offering to prime banks in the London interbank market deposits in the relevant currency for such period at or about 11.00 a.m. on the Quotation Date for such period,

provided that, in relation to the US$ B1 Facility, the US$ B2 Facility and the US$ B3 Facility, the rate shall not be less than the LIBOR Floor Percentage.

“**LIBOR Floor Percentage**” means, in relation to the US$ B1 Facility, the US$ B2 Facility and the US$ B3 Facility only, 0.75 per cent. per annum.

“**Licence**” means each approval, consent, authorisation and licence from, and all filings, registrations and agreements with any governmental or regulatory authority, in each case granted, issued, made or entered into pursuant to any Telecommunications, Cable and Broadcasting Laws necessary in order to enable each member of the Bank Group to carry on its business as may be permitted by the terms of this Agreement.

"**Liquidation Transfer**" has the meaning given to such term in Clause 24.30 (*Internal Reorganisations*).

"**Loss Sharing Deed**" means the loss sharing deed dated on or around the date of this Agreement (as amended from time to time) between, amongst others, certain Finance Parties.

"**Majority Acquisition**" has the meaning given in paragraph (k) of the definition of Permitted Acquisition.

"**Management Fees**" means any management, consultancy or similar fees payable by any member of the Bank Group to any Restricted Person.

"**Margin**" means the US$ B1 Facility Margin, the EUR B1 Facility Margin, the US$ B2 Facility Margin, the EUR B2 Facility Margin, the US$ B3 Facility Margin, the EUR B3 Facility Margin, the Additional Facility Margin and the Revolving Facility Margin as applicable and, if applicable, adjusted in accordance with the Additional Facility Accession Deed.

"**Margin Ratchet**" means, in relation to any Margin applicable to an Advance (other than an Additional Facility Advance), following receipt by the Facility Agent of any certificate delivered under Clause 4.1(b) (*Conditions to Utilisation*), the certificate delivered under Clause 24.2(d)(ii) (*Financial Information*) or the certificate delivered under Clause 24.3(c) (*Information - Miscellaneous*), the Margin for that Advance, with effect on the first day of the first Interest Period or Term for that Advance (in the case of a certificate delivered under Clause 4.1(b) (*Conditions to Utilisation*)) or, as applicable, the first day of the immediately succeeding Interest Period or Term for that Advance will be the percentage per annum set out below in the column for the relevant Facility in relation to that Advance opposite the relevant Leverage range as determined from the calculations in the relevant certificate:

Leverage	**US$ B1 Facility, US$ B2 Facility and US$ B3 Facility Margin % p.a.**	**EUR B1 Facility, EUR B2 Facility and EUR B3 Facility Margin % p.a.**	**Revolving Facility Margin % p.a.**
Either (i) Total Net Debt to Annualised EBITDA for the Latest Ratio Period is less than or equal to 3.75:1 or (ii) the ratio of Senior Net Debt to Annualised EBITDA for the Latest Ratio Period is less than or equal to 3.00:1 and the ratio of Total Net Debt to Annualised EBITDA is less than or equal to 4.00:1	2.50	2.75	2.50
Total Net Debt to Annualised EBITDA for the Latest Ratio Period is greater than 3.75:1 unless the ratio of Senior Net Debt to Annualised EBITDA for the Latest Ratio Period is less than or equal to 3.00:1 and the ratio of Total Net Debt to Annualised EBITDA is less than or equal to 4.00:1	2.75	3.00	2.75

If the Parent has failed to deliver a certificate in accordance with Clause 24.2(d)(ii) (*Financial Information*), then until such time as the certificate is delivered (when each Margin will again be determined in accordance with this definition of "Margin Ratchet"), each Margin shall be the higher percentage per annum set out above in the column for the relevant Facility to which that Margin relates.

"**Margin Regulations**" means Regulation T, Regulation U and Regulation X.

"**Margin Stock**" means "margin stock" or "margin securities" as defined in the Margin Regulations.

"**Market Disruption Event**" has the meaning given to such term in Clause 17.2(c) (*Market Disruption*).

"**Marketable Securities**" means any security which is listed on any publicly recognised stock exchange and which has, or is issued by a company which has, a capitalisation of not less than €1,000,000,000 (or its equivalent in other currencies) as at the time such Marketable Securities are acquired by any member of the Bank Group by way of consideration for any disposal permitted under Clause 24.11 (*Disposals*).

"**Material Adverse Effect**" means any event or circumstance which has a material adverse effect on the ability of the Obligors (taken as a whole) to perform their payment obligations under the Finance Documents.

"**Material Subsidiary**" means, at the relevant time, any Subsidiary of the Parent or any Subsidiary of any Permitted Affiliate Parent which accounts for more than five per cent. on an unconsolidated basis of consolidated EBITDA of the Bank Group as shown in the financial statements most recently delivered under Clause 24.2 (*Financial Information*).

"**Maturing Advance**" has the meaning given to such term in Clause 10.2 (*Rollover Advances*).

"**Merged Entity**" has the meaning given to such term in Clause 24.12 (*Acquisitions and Mergers*).

"**Moody's**" means Moody's Investor Services, Inc. or any successor thereof.

"**Multiemployer Plan**" shall mean any multiemployer plan as defined in Section 4001(a)(3) of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute of) any member of the Bank Group or an ERISA Affiliate, and each such plan for the five year period immediately following the latest date on which any member of the Bank Group or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

"**Multi-account Overdraft**" means an Ancillary Facility which is an overdraft facility comprising more than one account.

"**Necessary Authorisations**" means all material approvals, consents, authorisations and licences (other than the Licences) from, all rights granted by and all filings, registrations and agreements with, any government or other regulatory authority necessary in order to enable each member of the Bank Group to carry on its business as may be permitted by the terms of this Agreement as carried on by it at the relevant time.

"**Net Proceeds**" means the aggregate cash (or cash equivalent) proceeds received by any member of the Bank Group in consideration for or otherwise in respect of a relevant disposal, net of all Taxes applicable on, or to any gain resulting from, that disposal and of all reasonable costs, fees and expenses properly incurred by continuing members of the Bank Group in arranging and effecting that disposal.

“**New Equity**” means a subscription for capital stock of the Parent or any other form of equity contribution to a member of the Bank Group, in each case, where such subscription or contribution does not result in a Change of Control and is provided by a member of the Wider Group which is not a member of the Bank Group.

“**New Lender**” has the meaning given to such term in Clause 26.2 (*Conditions of assignment or transfer*).

“**Non-Acceptable L/C Lender**” means a Lender under the Revolving Facility which the Facility Agent has determined:

(a) is not an Acceptable Bank within the meaning of paragraph (a) of the definition of “Acceptable Bank” (other than a Lender which each L/C Bank has agreed is acceptable to it notwithstanding that fact, an Original Lender or any Lender to whom a participation from an Original Lender is transferred within 7 Business Days of the date of this Agreement); or

(b) is a Defaulting Lender; or

(c) has failed to make (or has notified the Facility Agent that it will not make) a payment to be made by it under Clause 31.10 (Lender’s Indemnity) or any other payment to be made by it under the Finance Documents to or for the account of any other Finance Party in its capacity as Lender by the due date for payment unless the failure to pay falls within the description of any of those items set out at (i)-(ii) of the definition of Defaulting Lender.

“**Non-Bank Group Member**” has the meaning given to such term in Clause 24.26 (*Further Assurance*).

“**Non-Consenting Lender**” is a Lender which does not agree to a consent to an amendment to, or a waiver of, any provision of the Finance Documents where:

(a) the Parent or the Facility Agent has requested the Lenders to consent to an amendment to, or waiver, of any provision of the Finance Documents;

(b) the consent or amendment in question requires the agreement of the Lenders affected thereby pursuant to Clause 43.2 (Consents) (and such Lender is one of the Lenders affected thereby);

(c) Lenders representing not less than 80% of the Commitments or Outstandings, as the case may be, of the Lenders affected thereby have agreed to such consent or amendment; and

(d) the Parent has notified the Lender it will treat it as a Non-Consenting Lender.

“**Non-Funding Lender**” is either:

(a) a Lender which fails to comply with its obligation to participate in any Advance where:

(i) all conditions to the relevant Utilisation (including without limitation, delivery of a Utilisation Request) have been satisfied or waived by the Instructing Group in accordance with the terms of this Agreement;

(ii) Lenders representing not less than 80% of the relevant Commitments have agreed to comply with their obligations to participate in such Advance; and

(iii) the Parent has notified the Lender that it will treat it as a Non-Funding Lender;

(b) a Lender which has given notice to a Borrower or the Facility Agent that it will not make, or it has disaffirmed or repudiated any obligation to participate in, an Advance; or

(c) a Defaulting Lender.

"**Obligors**" means the Borrowers and the Guarantors and "**Obligor**" means any of them.

"**Obligors' Agent**" means the Parent in its capacity as agent for the Obligors pursuant to Clause 31.17 (*Obligors' Agent*).

"**Operational Expenditure**" means any expenditure which is or will be treated as operational expenditure in the financial statements of the Bank Group prepared in accordance with IFRS and delivered to the Facility Agent pursuant to Clauses 24.2(a)(i) or (ii) (*Financial Information*).

"**Optional Currency**" means, in relation to any Advance, any currency other than euro or Dollars which:

(a) is readily available to banks in the London interbank market, and is freely convertible into euro on the Quotation Date and the Utilisation Date for the relevant Advance; and

(b) has been approved by the Facility Agent (acting on the instructions of all the Lenders) on or prior to receipt by the Facility Agent of the relevant Utilisation Request.

"**Original Company**" has the meaning given to such term in the definition of Permitted Acquisition.

"**Original Entity**" has the meaning given to such term in Clause 24.12 (*Acquisitions and Mergers*).

"**Original Financial Statements**" means (i) the audited consolidated financial statements of the Parent prepared in accordance with IFRS for the financial year ended 31 December 2012; and (ii) the audited consolidated financial statements of the Senior Unsecured Notes Reporting Entity as at the date of this Agreement prepared in accordance with IFRS for the financial year ended 31 December 2012.

"**Original Lender**" means a person (including each L/C Bank and each Ancillary Facility Lender) which is named in Schedule 1.

"**Original Security Documents**" means the security documents listed in Schedule 10 (*Original Security Documents*).

"**Original Senior Unsecured Notes**" means the €1,208,850,000 aggregate principal amount of 8% senior notes due 2018 issued by Ziggo Bond Company B.V., including, as the context requires, any exchange notes issued by Ziggo Bond Company B.V. in relation to such senior notes in connection with the Ziggo Acquisition.

"**Original Senior Unsecured Notes Guarantor**" means the Parent, Torenspits II B.V., Ziggo B.V., Ziggo Netwerk B.V. and Ziggo Netwerk II B.V..

"**Outstanding L/C Amount**" means:

(a) each sum paid or payable by an L/C Bank to a Beneficiary pursuant to the terms of a Documentary Credit; and

(b) all liabilities, costs (including, without limitation, any costs incurred in funding any amount which falls due from an L/C Bank under a Documentary Credit), claims, losses and expenses which an L/C Bank (or any of the L/C Lenders) incurs or sustains in connection with a Documentary Credit,

in each case which has not been reimbursed or in respect of which cash cover has not been provided by or on behalf of a relevant Borrower.

"**Outstandings**" means, at any time, the Term Facility Outstandings, the Revolving Facility Outstandings, the Additional Facility Outstandings and any Ancillary Facility Outstandings.

"**Paper Form Lender**" has the meaning given to such term in Clause 40.3(b) (*Use of Websites/E-mail*).

"**Parent Affiliate**" means each of the Affiliates of the Parent, any trust of which the Parent or any of its Affiliates is a trustee, any partnership of which the Parent or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the Parent or any of its Affiliates.

"**Pari Passu Debt**" has the meaning given to such term in the Intercreditor Agreement.

"**Pari Passu Debt Documents**" has the meaning given to such term in the Intercreditor Agreement.

"**Participating Member State**" means any member state of the European Union that at the relevant time has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"**Party**" means a party to this Agreement.

"**Patriot Act**" has the meaning given to such term in Clause 40.7 (*Patriot Act*).

"**Paying Lender**" has the meaning given to such term in Clause 8.6(g) (*Adjustment for Ancillary Facilities upon acceleration*).

"**Permitted Acquisition**" means:

(a) any Acquisition of a member of the Bank Group by any other member of the Bank Group as part of the solvent reorganisation of the Bank Group;

(b) the purchase of or investment in Cash Equivalent Investments or Marketable Securities (including without limitation by way of consideration in respect of any disposal as contemplated in the proviso to Clause 24.11 (Disposals) and subject to the conditions set out therein);

(c) the incorporation of a company or the acquisition of an “off-the-shelf” company which is or becomes a member of the Bank Group;

(d) any acquisition by any member of the Bank Group in connection with a disposal permitted by the provisions of Clause 24.11 (Disposals) and any acquisition or subscription by a member of the Bank Group of shares issued by a Subsidiary of the Parent or a Subsidiary of any Permitted Affiliate Parent which in any such case, is a member of the Bank Group which will, after the acquisition of such shares become a wholly-owned direct or indirect Subsidiary of the Parent or a Subsidiary of any Permitted Affiliate Parent as the case may be, provided that if the other shares of such Subsidiary are subject to existing Security and if such shares are required to remain subject to Security in order to comply with the 80% Security Test pursuant to Clause 24.26(b)(i) (Further Assurance), either (i) such newly issued shares shall also be subject to Security (in form and substance substantially similar to any existing Security or otherwise in such form and substance as may be reasonably required by the Facility Agent) upon their issue or (ii) such shares shall be made subject to Security (in form and substance substantially similar to any existing Security or otherwise in such form and substance as may be reasonably required by the Facility Agent) within 10 Business Days of their issue;

(e) any acquisition made by a member of the Bank Group pursuant to the implementation of an Asset Passthrough or a Funding Passthrough;

(f) any acquisition by any member of the Bank Group of any loan receivable, security or other asset by way of capital contribution or in consideration of the issue of any securities or of Subordinated Funding;

(g) the acquisition of any leasehold interest in any assets which are the subject of a sale and leaseback permitted by the provisions of Clause 24.11(b) (Disposals);

(h) arising from the conversion of any company (the “Original Company”) from one form of organisation into another form of organisation provided that (i) if, prior to the time of such conversion, the Security Agent has the benefit of Security over the shares of such Original Company or such Original Company is an Obligor, then the Parent shall ensure that the Security Agent is provided with Security over the equivalent ownership interests in, and substantially all of the assets of, the converted organisation, of at least an equivalent nature and ranking to the Security previously provided by the Original Company and (ii) the Security Agent is satisfied that any possibility of the additional Security referred to in this paragraph (h) being challenged or set aside is not materially greater than any such possibility in relation to the Security entered into by or in respect of the share capital of the Original Company;

(i) any acquisition by any member of the Bank Group of any Senior Unsecured Notes provided that an amount equal to the purchase price paid for the acquisition of any such Senior Unsecured Notes could have been used by such member of the Bank Group to fund a Permitted Payment and provided further that to the extent any such acquisition is made in reliance on any basket amount provided for under the definition of “Permitted Payments”, such amount shall be reduced by an amount equal to the consideration paid for any such acquisition;

(j) investments in any Asset Securitisation Subsidiary in connection with any asset securitisation programme or receivables factoring transaction otherwise permitted by

Clause 24.11(b) (Disposals) that is reasonably necessary or advisable to effect such asset securitisation programme or receivables factoring transaction;

(k) any Acquisition where, upon completion of the Acquisition, the person acquired will be a Subsidiary of the Parent, a Subsidiary of any Permitted Affiliate Parent or another member of the Bank Group where the Parent or such other member of the Bank Group will own directly or indirectly greater than a 50 per cent. interest in the asset or assets constituting the acquired business (a "Majority Acquisition") and where:

(i) the business of the acquired entity or the business acquired, as the case may be, is of substantially the same nature as the business of the Bank Group as at the Signing Date and would not result in the Parent or any Obligor or any other member of the Bank Group being in violation of any applicable law, directive, national statute or administrative regulation relating to money-laundering, unlawful financial activities or unlawful use or appropriation of corporate funds including economic or financial sanctions or trade embargoes imposed by the US (including those administered by the Office of Foreign Assets Control of the US Department of Treasury ("**OFAC**") or equivalent European Union measure);

(ii) in the case of any Majority Acquisition where the Acquisition Cost is €200,000,000 or greater, the Parent delivers to the Facility Agent within 60 days of the date of any such Majority Acquisition:

(A) the most recent six-months management accounts of or relating to the Target together with a certificate signed a director of the Parent certifying the amount of the Cash Flow of the Target for the most recent six months and setting out the supporting calculations;

(B) a certificate signed by an authorised officer of the Parent which certifies that, if the ratio of Senior Net Debt to Annualised EBITDA of the Bank Group was re-calculated for the most recent Ratio Period ending prior to the date of the Acquisition for which financial statements have been delivered pursuant to Clause 24.2 (Financial Information) (the "Relevant Ratio Period") but adding to the:

(1) amount of Senior Net Debt used in such calculation any net increase in the Senior Net Debt of the Bank Group since the end of the Relevant Ratio Period or subtracting from the amount of Senior Net Debt used in such calculation any net deduction in the Senior Net Debt of the Bank Group (in each case taking into account the amount of Senior Net Debt used to fund the Acquisition Cost); and

(2) Annualised EBITDA of the Bank Group, the Annualised EBITDA of the Target for the Relevant Ratio Period,

the ratio of Senior Net Debt to Annualised EBITDA of the Bank Group would be equal to or less than 4.50:1.

(l) any Permitted Transaction;

(m) any purchase or acquisition of any assets in the ordinary course of business; and

(n) acquisitions not falling within paragraphs (a) to (m) above provided that the aggregate consideration for the acquisitions permitted by this paragraph (n) shall not exceed €300,000,000.

All references in this definition to euro or € shall, where applicable, mean the equivalent in any other currency, converted to euro, based on the Facility Agent's Spot Rate of Exchange at the relevant time.

"**Permitted Affiliate Group Designation Date**" means any date on which the Facility Agent provides confirmation to the Parent that the conditions set out in Clause 27.1 (*Permitted Affiliate Group Designation*) are satisfied.

"**Permitted Affiliate Holdco**" means the immediate Holding Company of any Permitted Affiliate Parent and any other Holding Company of any Permitted Affiliate Parent that is an issuer of, or has otherwise incurred, Holdco Debt and, in each case, which is a Subsidiary of the Common Holding Company.

"**Permitted Affiliate Parent**" has the meaning given to such term in Clause 27.1 (*Permitted Affiliate Group Designation*).

"**Permitted Affiliate Transaction**" has the meaning given to it in Clause 24.14(e) (*Restricted Payments*).

"**Permitted Disposal**" has the meaning given to it in Clause 24.11 (*Disposals*).

"**Permitted Financial Indebtedness**" has the meaning given to it in Clause 24.13 (*Restrictions on Financial Indebtedness*).

"**Permitted Joint Venture**" means:

(a) any Acquisition referred to in paragraph (a) of the definition of "Permitted Acquisition" and any Acquisition as a result of a reorganisation of a person that is not a Subsidiary of the Parent or a Subsidiary of any Permitted Affiliate Parent but in which a member of the Bank Group has an interest, provided that such reorganisation does not result in an overall increase in the value of the Bank Group's interest in that person, other than adjustments to the basis of any member of the Bank Group's interest in accordance with IFRS;

(b) the acquisition of any interest in or any investment in, any Joint Venture constituting a Business Division Transaction;

(c) the joint ventures existing on the date of this Agreement with a member of the Wider Group which are established as ZUM B.V., KvK 30277403, Atoomweg 100, Utrecht and ZUMB B.V., KvK 55676294, Atoomweg 100, Utrecht;

(d) the joint venture existing on the date of this Agreement with HBO Netherlands Holdings which is established as HBO Nederland Cooperatief U.A.; or

(e) any Acquisition where, upon completion of the Acquisition, the person acquired will not be a Subsidiary of the Parent, a Subsidiary of any Permitted Affiliate Parent or any other member of the Bank Group where the Parent or another member of the Bank Group will own directly or indirectly no more than a 50 per cent. interest in the asset or assets constituting the acquired business (a "JV Minority Acquisition") and where:

(i) the business of the acquired entity or the business acquired, as the case may be, is of the similar nature as the business of the Bank Group as at the Signing Date;

(ii) in the case of any JV Minority Acquisition where the Acquisition Cost is €200,000,000 or greater, the Parent delivers to the Facility Agent within 60 days of the date of any such JV Minority Acquisition:

(A) the most recent six months management accounts of or relating to the Target, together with a certificate signed by a director of the Parent certifying the amount of the Cash Flow of the Target for the most recent six months and setting out the supporting calculations; and

(B) a certificate signed by an authorised officer of the Parent which certifies that (x) no Default has occurred and is continuing or would be caused by the JV Minority Acquisition and (y) if the ratio of Senior Net Debt to Annualised EBITDA of the Bank Group was re-calculated for the most recent Ratio Period ending prior to the date of the Acquisition for which financial statements have been delivered pursuant to Clause 24.2 (Financial Information) (the “Relevant Ratio Period”) but adding to the:

(1) amount of Senior Net Debt used in such calculation any net increase in the Senior Net Debt of the Bank Group since the end of the Relevant Ratio Period or subtracting from the amount of Senior Net Debt used in such calculation any net deduction in the Senior Net Debt of the Bank Group since the end of the Relevant Ratio Period (in each case taking into account the amount of Senior Net Debt used to fund the Acquisition Cost); and

(2) Annualised EBITDA of the Bank Group, the Annualised EBITDA of the Target for the Relevant Ratio Period,

the ratio of Senior Net Debt to Annualised EBITDA of the Bank Group would be equal to or less than 4.50:1.

All references in this definition to euro or € shall, where applicable, mean the equivalent in any other currency, converted to euro, based on the Facility Agent’s Spot Rate of Exchange at the relevant time.

“**Permitted Payment**” has the meaning given to it in Clause 24.14(c) (*Restricted Payments*).

“**Permitted Security Interest**” has the meaning given to it in Clause 24.8(a) (*Negative Pledge*).

“**Permitted Transaction**” means:

(a) any disposal required, Financial Indebtedness incurred, guarantee, indemnity or Security given, or other transaction arising, under the Senior Secured Finance Documents;

(b) the solvent liquidation or reorganisation of any member of the Bank Group which is not an Obligor so long as any payments or assets distributed as a result of such liquidation or reorganisation are distributed to other members of the Bank Group;

(c) transactions (other than (i) any sale, lease, license, transfer or other disposal and (ii) the granting or creation of Security or the incurring or permitting to subsist of Financial Indebtedness) conducted in the ordinary course of trading on arm's length terms;

(d) any payments, loans, guarantees, indemnities, disposals, Financial Indebtedness, liabilities or other transactions contemplated by or required to achieve the Ziggo Acquisition or any of the steps set out in the Structure Memorandum or the Funds Flow Memorandum;

(e) the Post-Closing Reorganisation;

(f) the Debt Pushdown;

(g) the Spin-Off; and

(h) any transaction with the prior consent of the Instructing Group.

"**Plan**" means an employee benefit plan as defined in section 3(3) of ERISA, which is maintained or contributed to by (or to which there is an obligation to contribute by) any member of the Bank Group or an ERISA Affiliate, and each such plan for the 5 year period immediately following the latest date on which any member of the Bank Group or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to such plan.

"**Post-Closing Reorganisation**" has the meaning given to such term in Clause 14.1 (*Change of Control*).

"**Predecessor Obligor**" has the meaning given to such term in Clause 24.30 (*Internal Reorganisations*).

"**Proceedings**" has the meaning given to such term in Clause 47.1 (*Courts*).

"**Project Company**" means a Subsidiary of a company (or a person in which such company has an interest) which has a special purpose and whose creditors have no recourse to any member of the Bank Group in respect of Financial Indebtedness of that Subsidiary or person, as the case may be, or any of such Subsidiary's or person's Subsidiaries (other than recourse to such member of the Bank Group who had granted a Security Interest over its shares or other interests in such Project Company beneficially owned by it provided that such recourse is limited to an enforcement of such a Security Interest).

"**Proportion**" in relation to a Lender, means:

(a) in relation to an Advance to be made under this Agreement, the proportion borne by such Lender's Available Commitment in respect of the relevant Facility, the relevant Borrowers and the relevant currency to the relevant Available Facility;

(b) in relation to an Advance or Advances outstanding under this Agreement, the proportion borne by such Lender's share of the Euro Amount of such Advance or Advances to the total Euro Amount thereof;

(c) if paragraph (a) above does not apply and there are no Outstandings, the proportion borne by the aggregate of such Lender's Available Commitment to the Available

Facilities (or if the Available Facilities are then zero, by its Available Commitment to the Available Facilities immediately prior to their reduction to zero); and

(d) if paragraph (b) above does not apply and there are any Outstandings, the proportion borne by such Lender's share of the Euro Amount of the Outstandings to the Euro Amount of all the Outstandings for the time being.

"**Proposed New Intercreditor Agreement**" means the new intercreditor agreement in the form set out in Schedule 18 (*Proposed New Intercreditor Agreement*) or such other form as agreed between the Lenders, the Agent and the Parent.

"**Public Utility**" has the meaning given to it in the United States Federal Power Act of 1920.

"**Quarter Date**" means each of 31 March, 30 June, 30 September and 31 December in each financial year of the Parent.

"**Quotation Date**" means, in relation to any currency and any period for which an interest rate is to be determined:

(a) if the relevant currency is USD, the first day of that period;

(b) if the relevant currency is euro, 2 TARGET Days before the first day of that period; or

(c) in relation to any other currency, 2 Business Days before the first day of that period,

provided that if market practice differs in the Relevant Interbank Market for a currency, the Quotation Date for that currency will be determined by the Facility Agent in accordance with market practice in the Relevant Interbank Market (and if quotations would normally be given by leading banks in the Relevant Interbank Market on more than one day, the Quotation Date will be the last of those days).

"**Ratio Period**" has the meaning given to it in Clause 23.1 (*Financial Definitions*).

"**RCF2 Facility**" has the meaning given to the term "Revolving Facility" in the Acquisition Facilities Agreement.

"**RCF2 Outstandings**" has the meaning given to the term "Revolving Facility Outstandings" in the Acquisition Facilities Agreement.

"**RCF2 Facility Refinancing Advance**" means a cashless Advance under the Revolving Facility the proceeds of which are to be deemed distributed, loaned or otherwise transferred, by any means whatsoever, to Bidco at any time after the Closing Date for the purposes of a repayment of the RCF2 Facility in accordance with its terms.

"**Recipient**" has the meaning given to it in Clause 19.6 (*Value Added Tax*).

"**Recovering Finance Party**" has the meaning given to such term in Clause 36.1 (*Payments to Finance Parties*).

"**Reference Banks**" means, subject to Clause 37.3 (*Reference Banks*), the principal London offices of Credit Suisse AG, London Branch, ING Bank N.V. and The Bank of Nova Scotia.

"**Regulation T**" means Regulation T of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or any portion thereof.

“**Regulation U**” means Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or any portion thereof.

“**Regulation X**” means Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or any portion thereof.

“**Regulatory Authority Disposal**” means any direct or indirect sale, lease, transfer, issuance or distribution of any part of a present or future undertaking, shares, property, rights, remedies or other assets by one or a series of transactions related or not (each referred to for the purposes of this definition as a “**disposal**”) by any member of the Bank Group to another member of the Bank Group or any other person, provided that such disposal is required by a regulatory authority or court of competent jurisdiction.

“**Relevant Event**” means a Default in relation to Clause 25.2 (*Non-Payment*).

“**Relevant Interbank Market**” means, in relation to euro, the European Interbank Market and in relation to any other currency, the London interbank market therefor.

“**Relevant Page**” means the page or service on which the Screen Rate is displayed.

“**Renewal Request**” means, in relation to a Documentary Credit, a Utilisation Request therefor, in respect of which the proposed Utilisation Date stated in it is the Expiry Date of an existing Documentary Credit and the proposed Euro Amount is the same or less than the Euro Amount of that existing Documentary Credit.

“**Repayment Date**” means:

(a) in relation to any Revolving Facility Advance or Additional Facility Advance in relation to a revolving facility, the last day of its Term;

(b) in respect of the Additional Facility Outstandings (other than in relation any Additional Facility that is a revolving facility), the US$ B1 Facility Outstandings, the EUR B1 Facility Outstandings, the US$ B2 Facility Outstandings, the EUR B2 Facility Outstandings, the US$ B3 Facility Outstandings and the EUR B3 Facility Outstandings on the relevant Final Maturity Date,

provided that if any such day is not a Business Day in the relevant jurisdiction for payment, the Repayment Date will be the next succeeding Business Day in the then current calendar month (if there is one) or the preceding Business Day (if there is not).

“**Repeating Representations**” means the representations and warranties which are repeated as set out in Clause 22.29(a) (*Times for Making Representations and Warranties*).

“**Replacement Issuer**” means, following any transaction whereby Bidco Parent is no longer the issuer of any Senior Unsecured Notes including the exchange notes issued in relation to the Original Senior Unsecured Notes, the new or acceding issuer of such notes (provided such issuer is a Holding Company of the Parent) or any Holding Company of that new or acceding issuer of such notes, as notified by the Parent to the Facility Agent from time to time.

“**Reportable Event**” means:

(a) an event specified as such in section 4043 of ERISA or any regulation, other than an event in relation to which the requirement to give notice of that event is waived by any regulation; or

(b) a failure to meet the minimum funding standard under section 412 of the Code or section 302 of ERISA, whether or not there has been any waiver of notice or waiver of the minimum funding standard under section 412 of the Code.

"**Reporting Entity**" means:

(a) prior to any Permitted Affiliate Group Designation Date, the Parent; and

(b) on or following any Permitted Affiliate Group Designation Date, the Common Holding Company.

"**Resignation Letter**" means a letter substantially in the form set out in Schedule 15 (*Form of Resignation Letter*).

"**Restricted Guarantors**" means:

(a) each of the Original Guarantors listed in Part 1 of Schedule 2 (The Original Guarantors); and

(b) any other Guarantor that accedes to this Agreement pursuant to Clause 27.3 (Acceding Guarantors), which is (i) incorporated, created or organised under the laws of the United States or any State of the United States (including the District of Columbia) and is a "United States person" (as defined in Section 7701(a)(30) of the Code); or (ii) treated for US federal income tax purposes as a disregarded entity that is a branch of a Guarantor described in sub-paragraph (b)(i) hereof.

"**Restricted Payment**" has the meaning given to it in Clause 24.14 (*Restricted Payments*).

"**Restricted Person**" means the Ultimate Holdco (or any successor thereof), any other company (not being a member of the Bank Group) which is a Subsidiary of, or an Associated Company of, the Ultimate Holdco (or any successor thereof) (other than Associated Companies of the Ultimate Holdco which are its Associated Companies by virtue of controlling the Ultimate Holdco (or any successor thereof) or owning beneficially and/or legally directly or indirectly 10 per cent. or more of the equity interests in the Ultimate Holdco (or any successor thereof)).

"**Restricted Subsidiary**" means any Subsidiary of the Parent or any Subsidiary of any Permitted Affiliate Parent, other than an Unrestricted Subsidiary.

"**Revised Definitions**" has the meaning given to it in Clause 24.4 (*Change in Accounting Practices*).

"**Revised Ratios**" has the meaning given to it in Clause 24.4 (*Change in Accounting Practices*).

"**Revolving Facility**" means the revolving loan facility (including any Ancillary Facility and the Documentary Credit facility) granted to the relevant Borrower pursuant to Clause 2.1(g) (*The Facilities*).

"**Revolving Facility Excluded Amount**" means 0.25 multiplied by Annualised EBITDA for the Latest Ratio Period.

"**Revolving Facility Instructing Group**" means:

(a) before any Utilisation of the Revolving Facility under this Agreement, a Lender or group of Lenders whose Available Revolving Facility Commitments amount in aggregate to more than 50% of the Available Revolving Facility; and

(b) thereafter, a Lender or group of Lenders to whom in aggregate more than 50% of the aggregate amount of the Revolving Facility Outstandings are (or if there are no Revolving Facility Outstandings at such time, immediately prior to their repayment, were then) owed,

in each case calculated in accordance with the provisions of Clause 43.9 (*Calculation of Consent*) and provided that the "Revolving Facility Instructing Group" as used in paragraph 4.1(j)(i) of Clause 4.1 (*Conditions to Utilisation*) in relation to a Rollover Advance in respect of an Additional Facility Advance in relation to a revolving facility shall mean a Lender or group of Lenders to whom in aggregate more than 50% of the aggregate amount of that Additional Facility Advance is owed calculated in accordance with the provisions of Clause 43.9 (*Calculation of Consent*), and, in each case, not taking into account any Available Revolving Facility Commitments or Revolving Facility Outstandings in relation to which a cancellation or prepayment notice (as applicable) has been served in accordance with Clause 12.1 (*Voluntary Cancellation*) or Clause 13.1 (*Voluntary Prepayment*).

"**Revolving Facility Margin**" means, subject to the Margin Ratchet, 2.50 per cent. per annum.

"**Revolving Facility Outstandings**" means, at any time, the aggregate outstanding amount of each Revolving Facility Advance and of each Revolving Lenders Participation in an Outstanding L/C Amount.

"**Rollover Advance**" has the meaning given to such term in Clause 10.2 (*Rollover Advances*).

"**Screen Rate**" means:

(a) in relation to LIBOR, the London interbank offered rate administered by the British Bankers Association (or any other person which takes over the administration of that rate) for the relevant currency and period displayed on pages LIBOR01 or LIBOR02 of the Reuters screen (or any replacement Reuters page which displays that rate); and

(b) in relation to EURIBOR, the euro interbank offered rate administered by the Banking Federation of the European Union (or any other person which takes over the administration of that rate) for the relevant period displayed on page EURIBOR01 of the Reuters screen (or any replacement Reuters page which displays that rate),

or, in each case, on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters. If such page or service ceases to be available, the Facility Agent may (following consultation with the Parent and the Lenders) specify another page or service displaying the relevant rate.

"**SEC**" means the United States Securities and Exchange Commission.

"**Security**" means the Security Interests created or purported to be created pursuant to the Security Documents.

"**Security Documents**" means:

(a) each of the Original Security Documents;

(b) any security documents required to be delivered by an Acceding Obligor pursuant to Clauses 27.2 (Acceding Borrowers) and 27.3 (Acceding Guarantors);

(c) any other document executed at any time by any member of the Bank Group or by a member of the Wider Group conferring or evidencing any Security Interest for or in respect of any of the obligations of the Obligors under this Agreement whether or not specifically required by this Agreement; and

(d) any other document executed at any time pursuant to Clause 24.26 (Further Assurance) or any similar covenant in any of the Security Documents referred to in paragraphs (a) to (c) above,

in each case, to the extent the Security in relation to any Security Document has not been released.

"**Security Interest**" means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind securing any obligation of any person or any other arrangement having the effect of conferring rights of retention or other disposal rights over an asset (including without limitation title transfer and/or retention arrangements having a similar effect or a deposit of money with the primary intention of affording a right of set-off) and includes any agreement to create any of the foregoing but does not include (a) liens arising in the ordinary course of business by operation of law and not by way of contract and (b) any grant of indefeasible rights of use or equivalent arrangements with respect to network capacity, communications, fibre capacity or conduit.

"**Senior Net Debt**" has the meaning given to it in Clause 23.1 (*Financial Definitions*).

"**Senior Secured Finance Documents**" means:

(a) any Finance Document;

(b) any Senior Secured Notes Document;

(c) any Pari Passu Debt Document; and

any other agreement or document designated a "**Senior Secured Finance Document**" in writing by the Facility Agent and the Parent.

"**Senior Secured Notes**" means the Existing Senior Secured Notes, any Additional Senior Secured Notes and any Senior Secured Notes Refinancing.

"**Senior Secured Notes Documents**" means any Senior Secured Notes, the SSN 2017 Indenture, the SSN 2020 Indenture and any other indenture for any Senior Secured Notes, the Intercreditor Agreement, any guarantee given by any member of the Bank Group in respect of any Senior Secured Notes, any security documents granting security in favour of the holders of any Senior Secured Notes (or any trustee for such holders or security agent or trustee for such holders or trustee), any note depository agreement, any fee letter and any indemnity letter in relation thereto.

"**Senior Secured Notes Refinancing**" means any notes issued by the Parent, any Borrower, any Permitted Affiliate Parent or any other SSN Finance Subsidiary for the purposes of refinancing all or a portion of (i) the Senior Secured Notes or (ii) the Facilities or (iii) any other Financial Indebtedness of the Bank Group which is secured and ranks *pari passu* as to right of payment with the Facilities pursuant to and in compliance with the terms of the Intercreditor Agreement (provided, in each case of (i) to (iii) above that such Financial Indebtedness being refinanced would have been permitted to be incurred at the time of issuance of any such notes), in each case, outstanding from time to time (including all fees, expenses, commissions, make-whole and any other contractual premium payable under such Financial Indebtedness being refinanced and any reasonable fees, costs and expenses incurred in connection with such refinancing) and designated as "Senior Secured Notes Refinancing" by written notice from the Parent to the Facility Agent and the Security Agent by the date when the consolidated financial statements are due to be provided pursuant to Clause 24.2 (*Financial Information*) for the first full Financial Quarter after the issuance of the relevant notes, in respect of which the following terms apply:

(a) the principal amount of any such notes shall not exceed the principal amount of, and any outstanding interest on, the Financial Indebtedness being refinanced (plus all fees, expenses, commissions, make-whole or other contractual premium payable in connection with such refinancing) unless any excess principal amount constitutes Additional Senior Secured Notes; and

(b) such notes satisfy the requirements of paragraphs (a), (b), (c), (d) and (e) of the definition of Additional Senior Secured Notes.

"**Senior Unsecured Notes**" means high yield debt securities or other instruments not mandatorily convertible into equity, in each case issued by Holdco or, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent or any Replacement Issuer including the Original Senior Unsecured Notes, Additional Senior Unsecured Notes and any Senior Unsecured Refinancing provided that such high yield debt securities or other instruments not mandatorily convertible into equity are designated as "Holdco Debt" by written notice from the Parent to the Facility Agent and the Security Agent by the date when the consolidated financial statements are due to be provided pursuant to Clause 24.2 (*Financial Information*) for the first full Financial Quarter after their issuance.

"**Senior Unsecured Notes Reporting Entity**" means:

(a) prior to the Closing Date, Holdco;

(b) on and from the Closing Date but prior to any Permitted Affiliate Group Designation Date, Bidco Parent or any Replacement Issuer; and

(c) on and from the Closing Date and following any Permitted Affiliate Group Designation Date, the Common Holding Company.

"**Senior Unsecured Refinancing**" means any Financial Indebtedness incurred by Holdco or, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent or any parent company of the Parent that becomes the issuer of Senior Unsecured Notes originally issued by Bidco Parent for the purposes of refinancing all or a portion of any Additional Senior Unsecured Notes and/or any Senior Unsecured Refinancing and/or any Senior Secured Notes and/or any Financial Indebtedness permitted to be incurred or outstanding pursuant to Clause 24.13 (*Restrictions on Financial Indebtedness*), in each case, including any Financial Indebtedness incurred for the purpose of the payment of all principal, interest, fees, expenses, commissions, make-whole and any other contractual premium payable under such Financial Indebtedness being refinanced and any reasonable fees, costs and expenses incurred in connection with such refinancing, in respect of which the following terms apply:

(a) the principal amount of any such Financial Indebtedness shall not exceed the principal amount of, and any outstanding interest on, the Financial Indebtedness being refinanced (plus all fees, expenses, commissions, make-whole or other contractual premium payable in connection with such refinancing) unless any excess principal amount constitutes Additional Senior Unsecured Notes;

(b) it is unsecured, except that where such Financial Indebtedness is issued by Holdco or, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent or any parent company of the Parent that becomes the issuer of Senior Unsecured Notes originally issued by Bidco Parent, it may be secured by a pledge of the shares in Holdco or, on and from the Closing Date only, any Permitted Affiliate Holdco, Bidco Parent or any parent company of the Parent that becomes the issuer of Senior Unsecured Notes originally issued by Bidco Parent or, in each case, or one of their Holding Companies and, in relation to the Original Senior Unsecured Notes or, at any time after the Acquisition Agreement has terminated in accordance with its terms and the Closing Date has not occurred, any other Senior Unsecured Notes, it may be secured by a pledge of the shares in the Parent and over the proceeds loan from Holdco to the Parent; and

(c) if such Financial Indebtedness is guaranteed, it is not guaranteed by any member of the Bank Group other than any Original Senior Unsecured Notes Guarantor, provided that any such guarantee or guarantees so provided are (i) granted on subordination and release terms substantially the same as the existing guarantees of any Original Senior Unsecured Notes Guarantor in favour of the Original Senior Unsecured Notes in force on the Signing Date and (ii) subject to the terms of the Intercreditor Agreement or a Supplemental Intercreditor Agreement,

provided that such Financial Indebtedness is designated as (i) “Senior Unsecured Refinancing” and “Holdco Debt” by written notice from the Parent to the Facility Agent and the Security Agent and (ii) “Senior Unsecured Notes” in accordance with the Intercreditor Agreement including by written notice from the Parent to each Agent (as defined in the Intercreditor Agreement) , in each case, by the date when the consolidated financial statements are due to be provided pursuant to Clause 24.2 (*Financial Information*) for the first full Financial Quarter after the incurrence of the relevant Financial Indebtedness.

“**Sharing Payment**” has the meaning given to such term in Clause 36.1(c) (*Payments to Finance Parties*).

“**Signing Date**” means the date of this Agreement.

“**Solvent Liquidation**” has the meaning given to such term in Clause 24.30 (*Internal Reorganisations*).

“**Specified Time**” means a time determined in accordance with Schedule 17 (*Timetable*).

“**SSN 2017 Indenture**” means the indenture dated as of 9 October 2010 among Ziggo Finance B.V. as issuer, Deutsche Trustee Company Limited as trustee and security trustee and the other parties thereto as amended from time to time.

“**SSN 2020 Indenture**” means the indenture dated as of 28 March 2013 among Ziggo B.V. as issuer, Deutsche Trustee Company Limited as trustee and ING Bank N.V. as security agent and the other parties thereto as amended from time to time.

“**SSN Finance Subsidiary**” means any Subsidiary directly and wholly-owned by the Parent or any Subsidiary directly and wholly-owned by any Permitted Affiliate Parent engaged in the business of effecting or facilitating the issuance of Senior Secured Notes and on-lending the proceeds to any other member of the Bank Group and in either case having no Subsidiaries.

“**Standard & Poor’s**” means Standard & Poor’s Ratings Group or any successor thereof.

“**Structure Memorandum**” means the structure paper entitled “Zanzibar Structuring Offer and Refinancing” describing the proposed structure for the Ziggo Acquisition and delivered by the Parent to the Facility Agent on or prior to the Signing Date as amended, supplemented or replaced by any new structure paper delivered by the Parent to the Facility Agent from time to time provided that such amended, supplemented or replaced structure paper is not materially adverse to the interests of the Lenders unless the Instructing Group has provided consent.

“**Subject Party**” has the meaning given to it in Clause 19.6 (*Value Added Tax*).

“**Subordinated Bridge Facility Agreement**” means the bridge facility agreement dated on or about the Signing Date between, among others, Bidco Parent as borrower.

“**Subordinated Funding**” means any Financial Indebtedness made available to any member of the Bank Group by any member of the Wider Group that is not a member of the Bank Group which:

(a) constitutes Holdco Intercompany Debt; or

(b) constitutes Equity Equivalent Funding,

provided that (i) (other than in respect of the loan by Holdco to the Parent of certain proceeds from the issuance of the Original Senior Unsecured Notes and, at any time after the Ziggo Acquisition Agreement has terminated in accordance with its terms and the Closing Date has not occurred, any loan by Holdco to the Parent of any proceeds from the issue of any other Senior Unsecured Notes) Security is promptly granted by the relevant creditor over its rights and (ii) the relevant debtor and creditor are party to the Intercreditor Agreement as a Debtor or Subordinated Creditor (as such terms are defined in the Intercreditor Agreement), or where the relevant debtor and creditor are party to such other subordination arrangements as may be satisfactory to the Facility Agent, acting reasonably.

“**Subscriber**” means any person who has entered into an agreement (which has not expired or been terminated) with an Obligor to be provided with services by an Obligor through the operation of telecommunications and/or television systems operated by the Bank Group in accordance with applicable Telecommunications, Cable and Broadcasting Laws (including any part of such system and all modifications, substitutions, replacements, renewals and extensions made to such systems).

“**Subsidiary**” of a person means any company or entity directly or indirectly controlled by such person, for which purpose control means ownership of more than 50 per cent. of the economic and/or voting share capital (or equivalent right of ownership of such company or entity).

For the purposes of Clause 23 (*Financial Covenants*) and Clause 24.2 (*Financial Information*) any provision of this Agreement where the financial terms defined in Clause 23 (*Financial Covenants*) are used, “Subsidiary” of a person includes any legal entity which is accounted for under applicable IFRS as a Subsidiary of that person.

“**Successful Syndication**” has the meaning given to that term in the Fee Letter referred to in paragraph (a) of the definition of “Fee Letter”.

“**Supplemental Agreement**” means the supplemental agreement dated 10 February 2014 between, among others, the Parent and the Facility Agent.

“**Supplemental Intercreditor Agreement**” means an intercreditor agreement that subordinates any guarantees granted by any member of the Bank Group in respect of any Additional Senior Unsecured Notes and/or any Senior Unsecured Refinancing on terms satisfactory to the Facility Agent or on terms substantially the same as the Intercreditor Agreement.

“**Syndication End Date**” means the earlier of Successful Syndication and the date falling 30 days from the Signing Date.

“**Target**” means any assets or entity which is or are the subject of an Acquisition in accordance with the terms of this Agreement.

“**TARGET2**” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilise a single shared platform and which was launched on 19 November 2007.

“**TARGET Day**” means any day on which TARGET2 is open for the settlement of payments in euro.

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Telecommunications, Cable and Broadcasting Laws**” means all laws, statutes, regulations and judgments relating to broadcasting or telecommunications or cable television or broadcasting applicable to any member of the Bank Group, and/or the business carried on by, any member of the Bank Group (for the avoidance of doubt, not including laws, statutes, regulations or judgments relating solely to consumer credit, data protection or intellectual property).

“**Term**” means:

(a) in relation to a Revolving Facility Advance or an Additional Facility Advance in relation to a revolving facility, the period for which such Advance is borrowed as specified in the relevant Utilisation Request; and

(b) in relation to any Documentary Credit, the period from the date of its issue until its Expiry Date.

“**Term Facilities**” means each Additional Facility (other than any Additional Facility which by its terms is a revolving loan facility) the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, the US$ B3 Facility and the EUR B3 Facility and “**Term Facility**” means any of them, as the context requires.

“**Term Facility Advance**” means any Additional Facility Advance (other than any Additional Facility Advance under any Additional Facility which by its terms is a revolving loan facility), any US$ B1 Facility Advance, any EUR B1 Facility Advance, any US$ B2 Facility Advance, any EUR B2 Facility Advance, any US$ B3 Facility Advance and any EUR B3 Facility Advance and "**Term Facility Advances**" shall be construed accordingly.

"**Term Facility Outstandings**" means, at any time, the aggregate of the Additional Facility Outstandings (other than any Additional Facility Outstandings under any Additional Facility which by its terms is a revolving loan facility), the US$ B1 Facility Outstandings, the EUR B1 Facility Outstandings, the US$ B2 Facility Outstandings, the EUR B2 Facility Outstandings, the US$ B3 Facility Outstandings and the EUR B3 Facility Outstandings at such time.

"**Termination Date"** means:

(a) in relation to the Revolving Facility, the date which is 15 days prior to the Final Maturity Date in respect of the Revolving Facility;

(b) in relation to the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, the US$ B3 Facility and the EUR B3 Facility, the date which is 15 days prior to the Final Maturity Date in respect of the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, the US$ B3 Facility and the EUR B3 Facility (as applicable);

(c) in relation to each Ancillary Facility, the relevant Ancillary Facility Termination Date; and

(d) in relation to each Additional Facility, the Additional Facility Termination Date specified in the relevant Additional Facility Accession Deed.

"**Testing Time**" has the meaning given to such term in Clause 24.26 (*Further Assurance*).

"**Total Assets**" means the consolidated total assets of the Bank Group as shown on the most recent balance sheet (excluding the footnotes thereto) of the Bank Group delivered in accordance with Clause 24.2(a)(i) or (ii) (*Financial Information*), as applicable, (and, in the case of any determination relating to any incurrence of indebtedness or any investment, on a pro forma basis including any property or assets being acquired in connection therewith).

"**Total Commitments**" means the aggregate of the Commitments as the same may be increased in accordance with Clause 2.2 (*Increase*) or Clause 2.4 (*Additional Facilities*) or reduced in accordance with this Agreement.

"**Total Net Debt**" has the meaning given to it in Clause 23.1 (*Financial Definitions*).

"**Transaction Security Documents**" has the meaning given to that term in the Existing Senior Credit Facilities Agreement as in force on the Signing Date.

"**Transfer Agreement**" means a duly completed assignment and assumption substantially in the form set out in Schedule 6 (*Form of Transfer Agreement*).

"**Transfer Date**" means, in relation to any Transfer Deed or any Transfer Agreement, the effective date of such transfer as specified in such Transfer Deed or such Transfer Agreement.

"**Transfer Deed**" means a duly completed deed of transfer and accession substantially in the form set out in Schedule 5 (*Form of Transfer Deed*) whereby an existing Lender seeks to transfer to a New Lender all or a part of such existing Lender's rights, benefits and obligations under this Agreement as contemplated in Clause 26 (*Assignments and Transfers*) and such

New Lender agrees to accept such transfer and to be bound by this Agreement and to accede to the Intercreditor Agreement and the Loss Sharing Deed.

"**Transferor**" has the meaning given to such term in Clause 26.5 (*Transfer Agreements*).

"**Ultimate Holdco**" means:

(a) at any time prior to the Closing Date, Ziggo N.V., together with its successors; and

(b) at any time on and from the Closing Date, Liberty Global plc, together with its successors.

"**United States**" or "**US**" means the United States of America, its territories, possessions and other areas subject to the jurisdiction of the United States of America.

"**Unpaid Sum**" means any sum due and payable by an Obligor under any Finance Document (other than any Ancillary Facility Document) but unpaid.

"**Unrestricted Cash**" has the meaning given to that term under IFRS.

"**Unrestricted Subsidiary**" means each Subsidiary of the Parent or Subsidiary of any Permitted Affiliate Parent that is not an Obligor, whose on-going funding requirements are not funded directly or indirectly (in whole or in part) by any member of the Bank Group by way of drawings under the Facilities and which is designated by the Parent or any Permitted Affiliate Parent in writing as an Unrestricted Subsidiary.

"**US Borrower"** means a member of the Bank Group that is a Borrower incorporated or formed under the laws of the United States or any State of the United States (including the District of Columbia) or that resides or has a domicile in the United States.

"**US Bidco**" means any borrower under the Acquisition Facilities Agreement incorporated or formed under the laws of the United States or any State of the United States (including the District of Columbia) or that resides or has a domicile, a place of business or property in the United States.

"**US Guarantor**" means any Guarantor that is a US Obligor.

"**US Obligor**" means any Obligor, any Material Subsidiary or any member of the Bank Group which is a partnership, or a partner of any partnership, that is incorporated or formed under the laws of the United States or any State of the United States (including the District of Columbia) in the United States.

"**US$ B1 Facility**" means a term loan facility granted to the relevant Borrowers pursuant to Clause 2.1 (*The Facilities*).

"**US$ B1 Facility Margin**" means, subject to the Margin Ratchet, 2.50 per cent. per annum.

"**US$ B1 Facility Outstandings**" means, at any time, the aggregate principal amount of the US$ B1 Facility Advances outstanding under this Agreement.

"**US$ B2 Facility**" means a term loan facility granted to the relevant Borrowers pursuant to Clause 2.1 (*The Facilities*).

"**US$ B2 Facility Margin**" means, subject to the Margin Ratchet, 2.50 per cent. per annum.

"**US$ B2 Facility Outstandings**" means, at any time, the aggregate principal amount of the US$ B2 Facility Advances outstanding under this Agreement.

"**US$ B3 Facility**" means a term loan facility granted to the relevant Borrowers pursuant to Clause 2.1 (*The Facilities*).

"**US$ B3 Facility Margin**" means, subject to the Margin Ratchet, 2.50 per cent. per annum.

"**US$ B3 Facility Outstandings**" means, at any time, the aggregate principal amount of the US$ B3 Facility Advances outstanding under this Agreement.

"**US$ B4 Facility**" has the meaning given to that term in the Acquisition Facilities Agreement.

"**US$ B4 Facility Commitment**" has the meaning given to that term in the Acquisition Facilities Agreement.

"**US$ B4 Facility Refinancing Amount**" means the principal amount outstanding under the US$ B4 Facility as at the date of any relevant proposed increase in Commitments or the Additional Facility Commencement Date (as applicable) in relation to a refinancing of the US$ B4 Facility pursuant to a deemed Advance under this Agreement in accordance with paragraph 2.2(a)(iii)(A) of Clause 2.2 (*Increase*) or paragraph 2.6(a) of Clause 2.6 (*Acquisition Facilities Refinancing*).

"**Utilisation**" means the utilisation of a Facility under this Agreement, whether by way of an Advance, the issue of a Documentary Credit or the utilisation of any Ancillary Facility.

"**Utilisation Date**" means:

(a) in relation to an Advance, the date on which such Advance is (or is requested) to be made;

(b) in relation to a utilisation by way of Ancillary Facility, the date on which such Ancillary Facility is established; and

(c) in relation to a utilisation by way of Documentary Credit, the date on which such Documentary Credit is to be issued, in each case,

in accordance with the terms of this Agreement.

"**Utilisation Request**" means:

(a) in relation to an Advance a duly completed notice substantially in the form set out in Part 1 to Schedule 4 (Form of Utilisation Request (Advances)); or

(b) in relation to a Documentary Credit, a duly completed notice substantially in the form set out in Part 2 to Schedule 4 (Form of Utilisation Request (Documentary Credits)).

"**VAT**" means:

(a) value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature imposed in compliance with the Council Directive 2006/112/EC on the common system of value added tax as implemented by a member state of the European Union; and

(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

"**Vendor Financing Arrangements**" means any arrangement, contractual or otherwise, pursuant to which credit or other financing is provided or arranged by a supplier (or any of its Affiliates) of assets (including equipment) and/or related services to a member of the Bank Group in connection with such supply of assets and/or services.

"**Website Lenders**" has the meaning given to such term in Clause 40.3(a) (*Use of Websites/E-mail*).

"**Wider Group**" means the Ultimate Holdco and its Subsidiaries from time to time (other than a member of the Bank Group).

"**Ziggo Acquisition**" means the acquisition by Bidco directly or indirectly of:

(a) shares in Ziggo N.V. pursuant to the Ziggo Acquisition Agreement that together with any other shares in Ziggo N.V. held by Affiliates of Liberty Global plc, represent at least 65 per cent. of the outstanding shares in Ziggo N.V. (the "**Initial Acquisition**"); and

(b) after the Initial Acquisition, any additional shares in Ziggo N.V. from minority shareholders in that entity and the acquisition of any other related assets to facilitate the occurrence of the Full Ownership Date.

"**Ziggo Acquisition Agreement**" means the merger protocol agreement dated on or about the date of this Agreement between among others, Bidco and Ziggo N.V. in relation to the Ziggo Acquisition delivered to the Facility Agent on or prior to the Signing Date.

1.2 Construction

Unless a contrary indication appears, any reference in this Agreement to:

(a) **"Bidco"**, **"US Bidco"**, **"Bidco Parent"**, any **"Permitted Affiliate Parent"**, any **"Permitted Affiliate Holdco"**, the **"Facility Agent"**, the **"Global Coordinator"**, a **"Mandated Lead Arranger"**, a **"Bookrunner"**, the **"Security Agent"**, an **"L/C Bank"**, an **"Ancillary Facility Lender"** or a **"Lender"** shall be construed so as to include their respective and any subsequent successors, transferees and permitted assigns in accordance with their respective interests;

(b) "**agreed form**" means, in relation to any document, in the form agreed by or on behalf of the Facility Agent and the Parent on or prior to the Signing Date;

(c) "**assets**" includes present and future properties, revenues and rights of every description;

(d) a Borrower providing "**cash cover**" for a Documentary Credit or an Ancillary Facility means that Borrower paying an amount in the currency of the Documentary Credit (or, as the case may be, Ancillary Facility) to an interest-bearing account in the name of that Borrower and the following conditions being met:

    (i) the account is with the Security Agent or with the L/C Bank or Ancillary Facility Lender for which that cash cover is to be provided;

(ii) subject to paragraph 7.9(b) of Clause 7.9 (Cash Cover by Borrower), until no amount is or may be outstanding under that Documentary Credit or Ancillary Facility, withdrawals from the account may only be made to pay a Finance Party amounts due and payable to it under this Agreement in respect of that Documentary Credit or Ancillary Facility; and

(iii) that Borrower has executed a security document over that account, in form and substance satisfactory to the Security Agent or the L/C Bank or Ancillary Facility Lender, each acting reasonably, with which that account is held, creating a first ranking security interest over that account;

(e) "**company**" includes any body corporate;

(f) "**determines**" or "**determined**" means, save as otherwise provided herein, a determination made in the absolute discretion of the person making the determination;

(g) the "**equivalent**" on any given date in one currency (the "**first currency**") of an amount denominated in another currency (the "**second currency**") is a reference to the amount of the first currency which could be purchased with the second currency at the Facility Agent's Spot Rate of Exchange at the Specified Time on the relevant date for the purchase of the first currency with the second currency or for the purposes of determining any amounts testing any covenant or determining whether an Event of Default has occurred under this Agreement:

(i) in the case of any basket or threshold amount qualifying a covenant:

(A) in order to determine how much of such basket or threshold has been used at any time, for each transaction entered into in reliance upon the utilisation of such basket or in reliance upon such threshold not being reached prior to such time, the date upon which such transaction was entered into; and

(B) in order to determine the permissibility of a proposed transaction, on the date upon which the permissibility of that transaction is being tested for the purposes of determining compliance with that covenant; and

(ii) in the case of any basket or threshold amount relating to an Event of Default, the date on which the relevant event is being assessed for the purposes of determining whether such Event of Default has occurred,

provided that in the case of Financial Indebtedness proposed to be incurred to refinance other Financial Indebtedness denominated in a currency other than euro or other than the currency in which such refinanced Financial Indebtedness is denominated, if such refinancing would cause any applicable euro-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro denominated restriction shall be deemed not to be exceeded so long as the principal amount of such refinancing Financial Indebtedness does not exceed the principal amount of such Financial Indebtedness being refinanced in the applicable currency at the then current exchange rate;

(h) "**guarantee**" means (other than in Clause 30 (Guarantee and Indemnity)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;

(i) "**month**" is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next succeeding calendar month save that, where any such period would otherwise end on a day which is not a Business Day, it shall end on the next succeeding Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the immediately preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that later month (provided that in any reference to "months" only the last month in a period shall be construed in the aforementioned manner);

(j) a Lender's "**participation**" in relation to a Documentary Credit, shall be construed as a reference to the relevant amount that is or may be payable by that Lender in relation to that Documentary Credit;

(k) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

(l) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, department or of any regulatory or other authority;

(m) a "**repayment**" shall include a "**prepayment**" and references to "**repay**" or "**prepay**" shall be construed accordingly;

(n) "**wholly-owned Subsidiary**" of a company shall be construed as a reference to any company which has no other members except that other company and that other company's wholly-owned Subsidiaries or nominees for that other company or its wholly-owned Subsidiaries;

(o) the "**winding-up**", "**dissolution**" or "**administration**" of a company shall be construed so as to include any equivalent or analogous proceedings under the Law of the jurisdiction in which such company is incorporated, established or organised or any jurisdiction in which such company carries on business, including the seeking of liquidation, winding up, reorganisation, dissolution, administration, arrangement, adjustment, protection from creditors or relief of debtors;

(p) a Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "continuing" if it has not been remedied or waived;

(q) a Borrower "**repaying**" or "**prepaying**" a Documentary Credit or Ancillary Facility Outstandings means:

  (i) that Borrower providing cash cover for that Documentary Credit or in respect of the Ancillary Facility Outstandings;

  (ii) the maximum amount payable under the Documentary Credit or Ancillary Facility being reduced or cancelled in accordance with its terms; or

(iii) the relevant L/C Bank or Ancillary Facility Lender being satisfied that it has no further liability under that Documentary Credit or Ancillary Facility, and the amount by which a Documentary Credit is, or Ancillary Facility Outstandings are, repaid or prepaid under paragraphs (i) and (ii) above is the amount of the relevant cash cover or reduction;

(r) an amount "**borrowed**" includes any amount utilised by way of Documentary Credit or under an Ancillary Facility;

(s) a Lender funding its participation in a Utilisation includes a Lender participating in a Documentary Credit;

(t) an "**outstanding amount**" of a Documentary Credit at any time is the maximum amount that is or may be payable by a Borrower in respect of that Documentary Credit at that time; and

(u) when determining the euro equivalent amount for the purposes of the "**Instructing Group**" and/or "**Non-Consenting Lender**" and for all other purposes other than under Clause 23 (Financial Covenants), the Facility Agent shall determine the amount of:

(i) any undrawn commitments denominated in Dollars or any other Optional Currency on the basis of the Facility Agent's Spot Rate of Exchange on the date of this Agreement (in the case of the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, the US$ B3 Facility, the EUR B3 Facility and/or the Revolving Facility) or on the date of the relevant Additional Facility Accession Deed (in the case of an Additional Facility); and

(ii) any participations in Utilisations denominated in euro or Dollars or any other Optional Currency on the basis of the Facility Agent's Spot Rate of Exchange on the date of receipt by the Facility Agent of the Utilisation Request for the relevant Advance.

1.3 Accounting Expressions

Unless a contrary indication appears, any reference in this Agreement to "audited consolidated accounts" or "audited consolidated financial statements" or any analogous terms shall be construed as a reference to the financial statements and such other information provided in accordance with Clause 24.2 (*Financial Information*) as the context so requires.

1.4 Currency

"**EUR**", "**€**" and "**euro**" denote the lawful currency of each Participating Member State and "**US$**", "**$**" and "**Dollars**" denote the lawful currency of the United States.

1.5 Statutes

Any reference in this Agreement to a statute or a statutory provision shall, save where a contrary intention is specified, be construed as a reference to such statute or statutory provision as the same shall have been, or may be, amended or re enacted.

1.6 Time

Any reference in this Agreement to a time shall, unless otherwise specified, be construed as a reference to London time.

1.7 References to Agreements

Unless otherwise stated, any reference in this Agreement to any agreement, indenture or any other document (including any reference to this Agreement) shall be construed as a reference to:

(a) such agreement, indenture or any other document as amended, varied, novated or supplemented from time to time;

(b) any other agreement, indenture or any other document whereby such agreement or document is so amended, varied, supplemented or novated; and

(c) any other agreement, indenture or any other document entered into pursuant to or in accordance with any such agreement or document.

1.8 No Personal Liability

No personal liability shall attach to any director, officer or employee of any member of the Bank Group or Wider Group for any representation or statement made by that member of the Bank Group or Wider Group in a certificate signed by such director, officer or employee.

1.9 Intercreditor Agreement

(a) This Agreement is entered into subject to, and with the benefit of, the terms of the Intercreditor Agreement.

(b) Notwithstanding anything to the contrary in this Agreement, the terms of the Intercreditor Agreement will prevail if there is a conflict between the terms of this Agreement and the terms of the Intercreditor Agreement.

1.10 Intercreditor Agreement Terms

For the purposes of the Intercreditor Agreement:

(a) **"Accession Deed"** means an Accession Notice;

(b) **"Additional Lender Accession Deed"** means an Additional Facility Accession Deed or an Increase Confirmation;

(c) **"Agent"** means the Facility Agent;

(d) **"Ancillary Document"** means an Ancillary Facility Document;

(e) **"Ancillary Lender"** means an Ancillary Facility Lender;

(f) **"Assignment Agreement"** means a Transfer Agreement;

(g) **"Issuing Bank"** means and L/C Bank;

(h) **"Legal Reservations"** means any relevant reservations or qualifications as to matters of law contained in any legal opinion delivered under this Agreement;

(i) **"Letter of Credit"** means a Documentary Credit;

(j) **"Majority Lenders"** means the Instructing Group; and

(k) **"Transaction Security Documents"** means the Security Documents.

1.11 Dutch terms

In this Agreement, where it relates to a Dutch entity, a reference to:

(a) a "**necessary actions to authorise**" where applicable, includes without limitation:

(i) any action required to comply with the Works Councils Act of the Netherlands (*Wet op de ondernemingsraden*); and

(ii) obtaining an unconditional positive or neutral advice (*advies*) from the competent works council(s).

(b) a "**Security Interest**" includes any mortgage (hypotheek), pledge (pandrecht), retention of title arrangement (eigendomsvoorbehoud), right of retention (recht van retentie), right to reclaim goods (recht van reclame), and, in general, any right in rem (beperkt recht), created for the purpose of granting security (goederenrechtelijk zekerheidsrecht);

(c) a "**winding-up**", "**administration**" or "**dissolution**" includes a Dutch entity being declared bankrupt (failliet verklaard) or dissolved (ontbonden);

(d) a "**moratorium**" includes surseance van betaling and "**granted a moratorium**" includes surseance verleend;

(e) any step or procedure taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under Section 36 of the Tax Collection Act of the Netherlands (Invorderingswet 1990);

(f) a "**trustee in bankruptcy**" includes a curator;

(g) an "**administrator**" includes a bewindvoerder;

(h) an "**attachment**" includes a beslag;

(i) "**gross negligence**" means grove schuld;

(j) "**negligence**" means schuld;

(k) "**wilful misconduct**" means opzet; and

(l) a "**merger**" means a fusie.

1.12 Permitted Affiliate Group Designation Date

On and from any Permitted Affiliate Group Designation Date any obligation in this Agreement of the Parent to procure that members of the Bank Group comply with any covenant shall be construed such that the Parent shall be obliged to procure that only its Subsidiaries that are members of Bank Group comply with that obligation and the relevant Permitted Affiliate Parent shall be obliged to procure that its Subsidiaries that are members of Bank Group comply with that obligation.

2. THE FACILITIES

2.1 The Facilities

The Lenders grant upon the terms and subject to the conditions of this Agreement:

(a) **US$ B1 Facility** – to the US Borrower only, a Dollar term loan facility in a maximum amount of the aggregate US$ B1 Facility Commitments (being an amount of US$ 0 on the date of this Agreement) ("**US$ B1 Facility**");

(b) **EUR B1 Facility** – to the Borrowers (other than to the US Borrower), a euro term loan facility in a maximum amount of the aggregate EUR B1 Facility Commitments (being an amount of €1,221,000,000 on the date of this Agreement) ("**EUR B1 Facility**");

(c) **US$ B2 Facility** – to the US Borrower only, a Dollar term loan facility in a maximum amount of the aggregate US$ B2 Facility Commitments (being an amount of US$ 0 on the date of this Agreement) ("**US$ B2 Facility**");

(d) **EUR B2 Facility -** to the Borrowers (other than to the US Borrower), a euro term loan facility in a maximum amount of the aggregate EUR B2 Facility Commitments (being an amount of €786,000,000 on the date of this Agreement) ("**EUR B2 Facility**");

(e) **US$ B3 Facility** – to the US Borrower only, a Dollar term loan facility in a maximum amount of the aggregate US$ B3 Facility Commitments (being an amount of US$ 0 on the date of this Agreement) ("**US$ B3 Facility**");

(f) **EUR B3 Facility -** to the Borrowers (other than to the US Borrower), a euro term loan facility in a maximum amount of the aggregate EUR B3 Facility Commitments (being an amount of €1,294,000,000 on the date of this Agreement) ("**EUR B3 Facility**"); and

(g) to the Borrowers (other than to the US Borrower), a multi-currency revolving loan facility, as may be incurred pursuant to Clause 2.2(a) (*Increase*) below up to a maximum aggregate principal amount of the Revolving Facility Commitment (being an amount of €650,000,000 on the date of this Agreement) (the "**Revolving Facility**"), which shall be available for drawing in euro, Dollars or any Optional Currency.

2.2 Increase

(a) Notwithstanding Clause 2.1 (*The Facilities*) above, and in addition to paragraph (b) below, the Parent may with the prior consent of a Lender, any bank, financial institution, trust, fund or any other entity selected by the Parent (each an "**Increase Lender**") and by giving 10 Business Days prior notice to the Facility Agent, increase the Commitments under any Facility by including any new Commitments of any Increase Lender provided that:

(i) other than in relation to an increase in Commitments to facilitate a refinancing of the US$ B4 Facility, the EUR B4 Facility and/or any Bidco Additional Facility under the Acquisition Facilities Agreement, no Event of Default is continuing;

(ii) other than in relation to an increase in Commitments to facilitate a refinancing of the US$ B4 Facility, the EUR B4 Facility and/or any Bidco Additional Facility under the Acquisition Facilities Agreement, it shall be a condition to any Utilisation of any new Commitment that the Parent shall certify in the relevant Utilisation Request that the ratio of Senior Net Debt to Annualised EBITDA shall be no greater than 4.50:1 on a pro forma basis (taking into account such drawing and the use of proceeds of such drawing);

(iii) if such an increase in Commitments relates to a refinancing of the US$ B4 Facility, the EUR B4 Facility and/or any Bidco Additional Facility under the Acquisition Facilities Agreement:

(A) an Advance or Advances (as applicable) under the relevant Facility shall be deemed to have been borrowed by a Borrower notified by the Parent to the Facility Agent in an amount notified by the Parent to the Facility Agent of up to the US$ B4 Facility Refinancing Amount, the EUR B4 Facility Refinancing Amount and/or the Bidco Additional Facility Refinancing Amount; and

(B) accrued interest on that Advance or such Advances under the Acquisition Facilities Agreement will be carried forward into the relevant Facility and the first Interest Period payment date for that deemed Advance or such Advances shall correspond with the end of the Interest Period selected in the relevant utilisation request for the relevant Advance or Advances under the Acquisition Facilities Agreement,

and for the avoidance of doubt, there shall be no requirement to meet any incurrence test or certify compliance with any financial covenants in relation to such increase in Commitments; and

(iv) each Increase Lender confirms its willingness to assume and does assume all the obligations of a Lender corresponding to that part of the increased Commitments which it is to assume as if it had been an Original Lender by executing an Increase Confirmation.

(b) The Parent may by giving prior notice to the Facility Agent by no later than the date falling 30 Business Days after the effective date of a cancellation of:

(i) the Available Commitments of a Defaulting Lender in accordance with Clause 12.5 (*Right of Cancellation in Relation to a Defaulting Lender*); or

(ii) the Commitments of a Lender in accordance with Clause 21 (*Illegality*), request that the Commitments relating to any Facility be increased (and the Commitments under that Facility shall be so increased) in an aggregate amount in the relevant currency of up to the amount of the Available Commitments or Commitments relating to that Facility so cancelled and the increased Commitments will be assumed by one or more Increase Lenders each of which confirms its willingness to assume and does assume all the obligations of a Lender corresponding to that part of the increased Commitments which it is to assume as if it had been an Original Lender by executing an Increase Confirmation.

(c) Each Increase Lender shall become a party to this Agreement as a "Lender" and any Increase Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender.

(d) The Commitments of the other Lenders shall continue in full force and effect.

(e) An increase in the Commitments relating to a Facility shall take effect on the date specified by the Parent in any relevant notice referred to in paragraph (a) or (b) above (as applicable) or any later date on which the conditions set out in paragraph (f) below are satisfied.

(f) An increase in the Commitments relating to a Facility will only be effective on:

(iii) the execution by the Facility Agent of an Increase Confirmation from the relevant Increase Lender; and

(iv) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase:

(A) the Increase Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement and the Loss Sharing Deed; and

(B) the performance by the Facility Agent of all necessary "know your client" or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Commitments by that Increase Lender, the completion of which the Facility Agent shall promptly notify to the Parent, the Increase Lender and each L/C Bank.

(g) The Parent may pay to any Increase Lender a fee in the amount and at the times agreed between the Parent and the Increase Lender.

(h) Each Increase Lender, by executing an Increase Confirmation, confirms (for the avoidance of doubt) that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective.

(i) The execution by the Parent of an Increase Confirmation constitutes confirmation by each Guarantor that its obligations under Clause 30 (*Guarantee and Indemnity*) shall continue unaffected except that those obligations shall extend to the Total Commitments as increased by the addition of the new Commitments of any Increase Lender and shall be owed to each Finance Party including the relevant Lender.

(j) Clause 26.6 (*Limitation of Responsibility of Transferor*) shall apply *mutatis mutandis* in this Clause 2.2 (*Increase*) in relation to any Increase Lender as if references in that Clause to:

(i) a "Transferor" were references to all the Lenders immediately prior to the relevant increase;

(ii) the "New Lender" were references to that "Increase Lender"; and

(iii) a "re-transfer" and "re-assignment" were references to respectively a "**transfer**" and "**assignment**".

2.3 Purpose

(a) The US$ B1 Facility and the EUR B1 Facility shall be applied:

(i) towards financing:

(A) the repayment in full of existing Financial Indebtedness of the Bank Group under the Existing Senior Credit Facilities Agreement; and

(B) the repayment in full of existing Financial Indebtedness of the Bank Group under the Existing Credit Agreement in order to fund the repurchase or redemption of the 2017 Senior Secured Notes;

(C) the repayment or redemption of any other Financial Indebtedness of the Bank Group incurred prior to the Signing Date; and

(D) payments under any Hedging Agreement entered into prior to the Signing Date hedging exposures of the Bank Group;

(ii) towards financing any original issue discount, fees, costs and expenses (including, without limitation, legal fees, interest payments, make-whole premiums and any other redemption amounts) due and payable in connection with (a)(i) above and any other fees, costs and expenses (including, without limitation, legal fees) incurred by the Obligors in connection with the negotiation and preparation of the Finance Documents; and

(iii) for the general corporate purposes of the Bank Group.

(b) The US$ B2 Facility and the EUR B2 Facility shall be applied:

(i) towards financing the repurchase or redemption of any 2020 Senior Secured Notes pursuant to a change of control offer, tender offer or otherwise;

(ii) towards financing any original issue discount, fees, costs and expenses (including, without limitation, legal fees, interest payments, make-whole premiums and any other redemption amounts) due and payable in connection with (b)(i) above and any other fees, costs and expenses (including, without limitation, legal fees) incurred by the Obligors in connection with the negotiation and preparation of the Finance Documents; and

(iii) for the general corporate purposes of the Bank Group.

(c) The US$ B3 Facility and the EUR B3 Facility shall be applied:

(i) towards financing, directly or indirectly, a dividend payment, loan or other payment to Ziggo Bond Company B.V. ("**Ziggo Bond Company**"), the proceeds of which will be used by Ziggo Bond Company, directly or indirectly, to finance:

(A) the repurchase or redemption of any Original Senior Unsecured Notes; and/or

(B) the repayment of any intercompany liability that has arisen as a result of the issuance by Bidco Parent of Additional Senior Unsecured Notes in exchange for the Original Senior Unsecured Notes;

(ii) towards financing any original issue discount, fees, costs and expenses (including, without limitation, legal fees, interest payments, make-whole premiums and any other redemption amounts) due and payable in connection with (c)(i) above and any other fees, costs and expenses (including, without limitation, legal fees) incurred by the Obligors in connection with the negotiation and preparation of the Finance Documents; and

(iii) for the general corporate purposes of the Bank Group.

(d) The Revolving Facility shall be applied for the purposes of financing any original issue discount, the ongoing working capital requirements and the general corporate purposes of the Bank Group and may be utilised by way of Revolving Facility Advances, Documentary Credits or, subject to the provisions of Clause 8 (*Ancillary Facilities*), Ancillary Facilities.

(e) The Borrowers shall apply all amounts borrowed under this Agreement in or towards satisfaction of the purposes referred to in paragraphs (a) to (d) above (as applicable) and none of the Finance Parties shall be obliged to concern themselves with such application.

2.4 Additional Facilities

(a) The execution by the Parent and any Additional Facility Borrower of an Additional Facility Accession Deed constitutes confirmation by each Guarantor that its obligations under Clause 30 (*Guarantee and Indemnity*) shall continue unaffected except that those obligations shall extend to the Total Commitments as increased by the addition of the relevant Lender's Commitment and shall be owed to each Finance Party including the relevant Lender.

(b) The Parent may notify the Facility Agent by no less than 2 Business Days notice that it wishes to establish one or more additional facilities (each an "**Additional Facility**") by delivery to the Facility Agent of a duly completed Additional Facility Accession Deed, duly executed by the Parent, each Additional Facility Lender for the Additional Facility and each Additional Facility Borrower for the relevant Additional Facility, provided, in respect of each Additional Facility, that:

(i) no Event of Default is continuing;

(ii) the terms of that Additional Facility provide that no Utilisation may be made if, at the time of such Utilisation, an Event of Default is continuing or would result from such Utilisation;

(iii) it shall be a condition to any Utilisation of any Additional Facility that the Parent shall certify in the relevant Utilisation Request that the ratio of Senior Net Debt to Annualised EBITDA shall be no greater than 4.50:1 on a pro forma basis (taking into account such drawing and the use of proceeds of such drawing);

(iv) each Additional Facility Borrower for that Additional Facility is an Obligor;

(v) the principal amount, interest rate, interest periods, Final Maturity Date, use of proceeds, repayment schedule, availability, fees, incorporation of relevant clauses relating to, or in connection with, any Additional Facility which is a revolving facility and related provisions and the currency of that Additional Facility shall be agreed by the relevant Additional Facility Borrowers and the relevant Additional Facility Lenders (and, in the case of currency and incorporation of the relevant clauses relating to, or in connection with, any Additional Facility which is a revolving facility, the Facility Agent) and set out in the relevant Additional Facility Accession Deed;

(vi) the relevant Additional Facility Accession Deed shall specify whether that Additional Facility is in form of a term loan or a revolving loan; and

(vii) subject to paragraph (iv) above, the general terms of that Additional Facility shall be consistent in all material respects with the terms of this Agreement.

(c) An increase in the Total Commitments pursuant to an Additional Facility under this Clause 2.4 (*Additional Facilities*) will only be effective on:

(i) the execution by the Facility Agent of an Additional Facility Accession Deed which has been duly executed by each other relevant party thereto; and

(ii) in relation to an Additional Facility Lender which is not a Lender immediately prior to the relevant Additional Facility becoming effective:

(A) the Additional Facility Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement and the Loss Sharing Deed; and

(B) the performance by the Facility Agent of all necessary "know your client" or other similar checks under all applicable laws and regulations in relation to the Additional Facility Commitments, the completion of which the Facility Agent shall promptly notify to the Parent and the Additional Facility Lender.

(d) Subject to the conditions in this Clause 2.4 (*Additional Facilities*) being met, from the relevant Additional Facility Commencement Date for an Additional Facility, the Additional Facility Lenders for that Additional Facility shall make available the Additional Facility in a maximum aggregate amount not exceeding the aggregate Additional Facility Commitments in respect of that Additional Facility as set out in the relevant Additional Facility Accession Deed.

(e) Each Additional Facility Lender, by executing an Additional Facility Accession Deed, confirms (for the avoidance of doubt) that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the Additional Facility becomes effective.

(f) The Parent may pay to any Additional Facility Lender a fee in the amount and at the times agreed between the Parent and that Additional Facility Lender.

(g) Each Additional Facility Lender shall become a party to this Agreement and be entitled to share in the Security in accordance with the terms of the Intercreditor Agreement and the Security Documents *pari passu* with the Lenders under the other Facilities provided that the Additional Facility Borrowers and the relevant Additional Facility Lender may agree that an Additional Facility shares in the Security on a junior basis to the other Facilities which, if so agreed, shall be set out in the relevant Additional Facility Accession Deed.

(h) Each party to this Agreement (other than each proposed Additional Facility Lender, the Parent and each Additional Facility Borrower) irrevocably authorises and instructs the Facility Agent to execute on its behalf any Additional Facility Accession Deed which has been duly completed and signed on behalf of each proposed Additional Facility Lender, the Parent and each proposed Additional Facility Borrower and each Obligor agrees to be bound by such accession.

(i) On the Additional Facility Commencement Date:

(i) each Additional Facility Lender party to that Additional Facility Accession Deed, each other Finance Party and the Obligors shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had each Additional Facility Lender been an Original Lender, with the rights and/or obligations assumed by it as a result of that accession and with the Commitment specified by it as its Additional Facility Commitment; and

(ii) each Additional Facility Lender shall become a party to this Agreement as an "**Additional Facility Lender**".

(j) With the prior written consent of the Parent, the Facility Agent is authorised and instructed to enter into such documentation as is reasonably required to amend this Agreement and any other Finance Document (in accordance with the terms of this Clause 2.4 (*Additional Facilities*)) to reflect the terms of each Additional Facility without the consent of any Lender other than each applicable Additional Facility Lender.

(k) Clause 26.6 (*Limitation of Responsibility of Transferor*) shall apply *mutatis mutandis* in this Clause 2.4 (*Additional Facilities*) in relation to any Additional Facility Lender as if references in that Clause to:

(i) a "Transferor" were references to all the Lenders immediately prior to the relevant Additional Facility becoming effective ;

(ii) the "New Lender" were references to that "Additional Facility Lender"; and

(iii) a "re-transfer" and "re-assignment" were references to respectively a "**transfer**" and "**assignment**".

2.5 Finance Parties' Rights and Obligations

(a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

(b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt.

(c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under the Finance Documents.

2.6 Acquisition Facilities Refinancing

At any time subject only to the conditions set out in Clause 2.4 (*Additional Facilities*) being met other than:

(a) the conditions in sub-paragraphs 2.4(b)(i), 2.4(b)(ii) and 2.4(b)(iii) of Clause 2.4 (*Additional Facilities*);

(b) for the avoidance of doubt, any requirement to meet any incurrence test or certify compliance with any financial covenants,

the Parent shall be entitled to notify the Facility Agent in accordance with Clause 2.4 (*Additional Facilities*) that it wishes to establish one or more Additional Facilities with Additional Facility Commitments in an amount of up to the US$ B4 Facility Refinancing Amount, the EUR B4 Facility Refinancing Amount and/or the Bidco Additional Facility Refinancing Amount and on the Additional Facility Commencement Date:

(c) an Advance or Advances (as applicable) shall be deemed to have been borrowed by a Borrower notified by the Parent to the Facility Agent in such amount of up to the US$ B4 Facility Refinancing Amount, the EUR B4 Facility Refinancing Amount and/or the Bidco Additional Facility Refinancing Amount on such date; and

(d) accrued interest on that Advance or such Advances under the Acquisition Facilities Agreement will be carried forward into the relevant Additional Facility and the first Interest Period payment date under each relevant Additional Facility shall correspond with the end of the Interest Period selected in the relevant Utilisation Request for the relevant Advance or Advances under the Acquisition Facilities Agreement.

2.7 Re-allocation of Commitments

(a) If requested by the Parent and agreed by a Lender (with a written notice of such agreement to the Facility Agent) on such date as the Parent and such Lender and the Facility Agent agree, all or part of that Lender’s unfunded Commitments under the EUR B1 Facility, EUR B2 Facility and/or EUR B3 Facility (each a “**Reduced Facility**”) may be cancelled and immediately re-allocated to the US$ B1 Facility, US$ B2 Facility and US$ B3 Facility (as applicable) (each a “**Redenominated Facility**”).

(b) On the date agreed by the Parent and any relevant Lender under Clause (a), the relevant Lender’s Commitments in respect of each Reduced Facility will be reduced by the agreed Euro Amount (the “**Re-allocated Commitments**”), and the Re-allocated Commitments will be added to the Redenominated Facility in Dollars at the Facility Agent’s Spot Rate of Exchange (or such other rate as agreed between the Parent and the relevant Lender).

2.8 Consolidation of Term Facilities

(a) The Parent and each Borrower shall, at the appropriate time, select an Interest Period for each US$ B1 Facility Advance, US$ B2 Facility Advance, US$ B3 Facility Advance, EUR B1 Facility Advance, EUR B2 Facility Advance and EUR B3 Facility Advance so that each such Interest Period ends on the date that is the latest to occur of (i) the date falling immediately after the last day of the Availability Period for any of the Term Facilities (other than an Additional Facility) and (ii) the date falling immediately after the date falling 9 months after the latest to occur of the first Utilisation Date for each of the US$ B1 Facility, the US$ B2 Facility, the US$ B3 Facility, the EUR B1 Facility, the EUR B2 Facility and the EUR B3 Facility (the "**First Consolidation Date**"). Each Finance Party agrees that notwithstanding any other provision of this Agreement, the Parent and each Borrower shall be entitled to select an Interest Period of any length so as to comply with its obligations in this paragraph (a).

(b) On the First Consolidation Date:

(i) each US$ B2 Facility Commitment and each US$ B3 Facility Commitment of a Lender shall be automatically deemed to be a US$ B1 Facility Commitment of that Lender (and for this purpose shall be aggregated with any existing US$ B1 Facility Commitment of that Lender) and all of that Lender's US$ B2 Facility Commitments and US$ B3 Facility Commitments shall be automatically cancelled in full;

(ii) each EUR B2 Facility Commitment and each EUR B3 Facility Commitment of a Lender shall be automatically deemed to be a EUR B1 Facility Commitment of that Lender (and for this purpose shall be aggregated with any existing EUR B1 Facility Commitment of that Lender) and all of that Lender's EUR B2 Facility Commitments and EUR B3 Facility Commitments shall be automatically cancelled in full;

(iii) the US$ B1 Facility Advances, the US$ B2 Facility Advances and the US$ B3 Facility Advances shall be consolidated into one or more Advances under the US$ B1 Facility (such number of Advances to be determined at the election of the Parent and each Borrower provided that the Parent and each Borrower must provide notice to the Facility Agent setting out such election no later than 5 Business Days prior to the First Consolidation Date) and the Lenders shall be deemed to have participated in such Advances pro rata to their US$ B1 Facility Commitments (after giving effect to paragraph (i) above);

(iv) the EUR B1 Facility Advances, the EUR B2 Facility Advances and the EUR B3 Facility Advances shall be consolidated into one or more Advances under the EUR B1 Facility (such number of Advances to be determined at the election of the Parent and each Borrower provided that the Parent and each Borrower must provide notice to the Facility Agent setting out such election no later than 5 Business Days prior to the First Consolidation Date) and the Lenders shall be deemed to have participated in such Advances pro rata to their EUR B1 Facility Commitment (after giving effect to paragraph (ii) above); and

(v) any Advance (for the avoidance of doubt, excluding any US$ B1 Facility Advance or EUR B1 Facility Advance) which is consolidated into a US$ B1 Facility Advance or a EUR B1 Facility Advance in accordance with paragraphs (iii) or (iv) respectively above shall be deemed to have been repaid in full.

(c) All of the Parties acknowledge and agree that any consolidation of Advances under paragraphs (b)(iii) and (b)(iv) above and any repayment of an Advance under paragraph (b)(v) above will, in each case, occur on a cashless basis.

(d) The Parent and each Borrower shall procure that the first Interest Period in relation to each Advance made under the US$ B1 Facility and/or the EUR B1 Facility commencing on the First Consolidation Date is for a period of 3 months or more.

(e) Paragraphs (a) to (d) above shall not apply if the First Consolidation Date occurs simultaneously with the Second Consolidation Date.

(f) The Parent and each Borrower shall, at the appropriate time, select an Interest Period for each US$ B1 Facility Advance, US$ B2 Facility Advance, US$ B3 Facility Advance, US$ B4 Facility Advance (as defined in the Acquisition Facilities Agreement) which has become an Advance under this Agreement pursuant to the Debt Pushdown, EUR B1 Facility Advance, EUR B2 Facility Advance, EUR B3 Facility Advance and EUR B4 Facility Advance (as defined in the Acquisition Facilities Agreement) which has become an Advance under this Agreement pursuant to the Debt Pushdown so that each such Interest Period ends on the date that is the latest to occur of (i) the Debt Pushdown Date, (ii) the First Consolidation Date and (iii) the date falling immediately after the date falling 9 months after the latest to occur of the first utilisation date for each of the US$ B4 Facility and the EUR B4 Facility (the "**Second Consolidation Date**"). Each Finance Party agrees that notwithstanding any other provision of this Agreement, the Parent and each Borrower shall be entitled to select an Interest Period of any length so as to comply with its obligations in this paragraph (f).

(g) On the Second Consolidation Date:

(i) each US$ B2 Facility Commitment, each US$ B3 Facility Commitment and each US$ B4 Facility Commitment that has become a Commitment under this Agreement pursuant to the Debt Pushdown of a Lender shall be automatically deemed to be a US$ B1 Facility Commitment of that Lender (and for this purpose shall be aggregated with any existing US$ B1 Facility Commitment of that Lender) and all of that Lender's US$ B2 Facility Commitments, US$ B3 Facility Commitments and Commitments under this Agreement that relate to a US$ B4 Facility Commitment shall be automatically cancelled in full;

(ii) each EUR B2 Facility Commitment, each EUR B3 Facility Commitment and each EUR B4 Facility Commitment that has become a Commitment under this Agreement pursuant to the Debt Pushdown of a Lender shall be automatically deemed to be a EUR B1 Facility Commitment of that

Lender (and for this purpose shall be aggregated with any existing EUR B1 Facility Commitment of that Lender) and all of that Lender's EUR B2 Facility Commitments, EUR B3 Facility Commitments and Commitments under this Agreement that relate to a EUR B4 Facility Commitment shall be automatically cancelled in full;

(iii) the US$ B1 Facility Advances, the US$ B2 Facility Advances, the US$ B3 Facility Advances and the US$ B4 Facility Advances (as defined in the Acquisition Facilities Agreement) which have become Advances under this Agreement pursuant to the Debt Pushdown shall be consolidated into one or more Advances under the US$ B1 Facility (such number of Advances to be determined at the election of the Parent and each Borrower provided that the Parent and each Borrower must provide notice to the Facility Agent setting out such election no later than 5 Business Days prior to the Second Consolidation Date) and the Lenders shall be deemed to have participated in such Advances pro rata to their US$ B1 Facility Commitments (after giving effect to paragraph (i) above);

(iv) the EUR B1 Facility Advances, the EUR B2 Facility Advances and the EUR B3 Facility Advances and the EUR B4 Facility Advances (as defined in the Acquisition Facilities Agreement) which have become an Advances under this Agreement pursuant to the Debt Pushdown shall be consolidated into one or more Advances under the EUR B1 Facility (such number of Advances to be determined at the election of the Parent and each Borrower provided that the Parent and each Borrower must provide notice to the Facility Agent setting out such election no later than 5 Business Days prior to the Second Consolidation Date) and the Lenders shall be deemed to have participated in such Advances pro rata to their EUR B1 Facility Commitment (after giving effect to paragraph (ii) above); and

(v) any Advance (for the avoidance of doubt, excluding any US$ B1 Facility Advance or EUR B1 Facility Advance) which is consolidated into a US$ B1 Facility Advance or a EUR B1 Facility Advance in accordance with paragraphs (b)(iii) or (b)(iv) respectively above shall be deemed to have been repaid in full.

(h) All of the Parties acknowledge and agree that any consolidation of Advances under paragraphs (g)(iii) and (g)(iv) above and any repayment of an Advance under paragraph [] above will, in each case, occur on a cashless basis.

(i) The Parent and each Borrower shall procure that the first Interest Period in relation to each Advance made under the US$ B1 Facility and/or the EUR B1 Facility commencing on the Second Consolidation Date is for a period of 3 months or more.

(j) If the First Consolidation Date has occurred at any time prior to the Second Consolidation Date, the provisions of paragraphs (f) and (g) shall be interpreted as if references to US$ B2 Facility Advances, US$ B3 Facility Advances, EUR B2 Facility Advances, EUR B3 Facility Advances, US$ B2 Facility Commitments, US$ B3 Facility Commitments, EUR B2 Facility Commitments and EUR B3 Facility Commitments were not included in such paragraphs *mutatis mutandis*.

3. CONDITIONS

3.1 Initial Conditions Precedent

(a) The obligations of the Lenders to make the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, US$ B3 Facility, the EUR B3 Facility and the Revolving Facility available shall be conditional upon the Facility Agent having confirmed to the Parent that it has received the documents and evidence listed in Part 1 of Schedule 3 (Conditions Precedent) and that each is, unless otherwise indicated in that Schedule, satisfactory, in form and substance, to the Facility Agent, (acting reasonably) or the requirement to provide such documents and evidence has been waived by the Instructing Group. The Facility Agent shall notify the Parent and the Lenders promptly upon being so satisfied.

(b) Other than in relation to any Advances requested under the US$ B1 Facility and the EUR B1 Facility for the purposes set out in Clauses 2.3(a)(i)(A) and 2.3(a)(ii), the obligations of the Lenders to make the US$ B1 Facility, the EUR B1 Facility, the US$ B2 Facility, the EUR B2 Facility, US$ B3 Facility, the EUR B3 Facility and the Revolving Facility available shall also be conditional upon the Parent having confirmed to the Facility Agent that it has received a confirmation from the agent under the Existing Senior Credit Facilities Agreement that it has received an amount equal to all amounts due under the Existing Senior Credit Facilities Agreement.

(c) The obligations of the Lenders to make the US$ B3 Facility and the EUR B3 Facility available at any time prior to the date on which the Ziggo Acquisition Agreement terminates for the purposes of paragraphs 2.3(c)(i) and 2.3(c)(ii) of Clause 2.3 (*Purpose*) shall also be conditional upon the Parent having:

(i) confirmed to the Facility Agent that the offer in relation to the Ziggo Acquisition has been declared unconditional; and

(ii) delivered to the Facility Agent a copy of the Funds Flow Memorandum;

(iii) confirmed to the Facility Agent that the Structure Memorandum has not been amended, supplemented or replaced in a manner that is materially adverse to the interests of the Lenders (unless the Instructing Group has consented to such amendment, supplement or replacement); and

(iv) provided to the Facility Agent:

(A) evidence that an irrevocable redemption notice has been issued prior to or will be issued simultaneously with the funding of any Advance under the US$ B3 Facility or the EUR B3 Facility, in respect of the redemption of all the outstanding Original Senior Unsecured Notes in accordance with the terms of the indenture governing the Original Senior Unsecured Notes; or

(B) a copy of the executed indenture in connection with the exchange notes relating to the Original Senior Unsecured Notes (to the extent that any such exchange notes have been issued), providing that all such exchange notes will automatically on the Closing Date be further exchanged for new notes to be issued by Bidco Parent; or

(C) a combination of (A) and (B) above, such that no Original Senior Unsecured Notes will remain outstanding following such redemption and/or exchange,

provided, however, that in the event that the exchange offer relating to the Original Senior Unsecured Notes has expired, or has been terminated or withdrawn, and the Parent confirms in writing to the Facility Agent that no exchange notes in respect of the Original Senior Unsecured Notes have been or will be issued in the exchange offer, satisfaction of the conditions specified above in clauses (i) and (iv) shall not be required, provided that the Parent shall have provided to the Facility Agent evidence that an irrevocable redemption notice has been issued prior to or will be issued simultaneously with the funding of any Advance under the US$ B3 Facility or the EUR B3 Facility, in respect of the redemption of all or a portion of the outstanding Original Senior Unsecured Notes in accordance with the terms of the indenture governing the Original Senior Unsecured Notes.

The Facility Agent shall notify the Lenders promptly upon receipt of such deliverables.

(d) The obligations of the Lenders to make the US$ B3 Facility and the EUR B3 Facility available at any time shall also be conditional upon the Parent having confirmed to the Facility Agent that it has received a positive or neutral works council advice (*advies*) (unconditional or with conditions that are acceptable to the Parent and that can be satisfied) with regard to the Utilisation of such Facilities.

3.2 Further Conditions Precedent

Subject to Clause 3.1 (*Initial Conditions Precedent*), the Lenders will only be obliged to comply with Clause 4.2 (*Lenders' Participations*) in relation to any Utilisation if, on the date of the Utilisation Request and on the proposed Utilisation Date:

(a) other than in the case of a Rollover Advance, an RCF2 Facility Refinancing Advance and/or any Utilisation to which Clause 3.3 (*Utilisations during the Certain Funds Period*) applies, no Default is continuing or would result from the proposed Utilisation;

(b) in relation to a Utilisation to which Clause 3.3 (*Utilisations during the Certain Funds Period*) applies, the representations and warranties in Clause 22.2 (*Status*) to Clause 22.5 (*Non-violation*) (inclusive) to be made by each Obligor are true in all material respects in each case by reference to the facts and circumstances then subsisting; and

(c) in relation to a Utilisation under the US$ B3 Facility and the EUR B3 Facility only, the Parent has confirmed to the Facility Agent that the Structure Memorandum has not been amended, supplemented or replaced in a manner that is materially adverse to the interests of the Lenders (unless the Instructing Group has consented to such amendment, supplement or replacement).

3.3 Utilisations during the Certain Funds Period

(a) Subject to Clause 3.1 (*Initial Conditions Precedent*), during the Certain Funds Period, a Lender will only be obliged to comply with Clause 4.2 (*Lenders' Participations*) in relation to a Certain Funds Utilisation if, on the date of the Utilisation Request and on the proposed Utilisation Date:

(i) the Facility Agent has made the notifications contemplated by Clause 3.1 (*Initial Conditions Precedent*); and

(ii) it is not unlawful in any applicable jurisdiction for that Lender to perform any of its obligations to lend or participate or maintain its participation in any Loan.

(b) During the Certain Funds Period (save in respect of a Lender in circumstances where, pursuant to paragraph (a)(ii), that Lender is not obliged to comply with Clause 4.2 (*Lenders' Participations*)), none of the Finance Parties shall be entitled to:

(i) cancel any of its Commitments;

(ii) rescind, terminate or cancel this Agreement or the Facilities or exercise any similar right or remedy or make or enforce any claim under the Finance Documents it may have to the extent to do so would prevent or limit the making of a Certain Funds Utilisation;

(iii) save in respect of a Lender in circumstances where, pursuant to paragraph (a)(i), that Lender is not obliged to comply with Clause 4.2 (*Lenders' Participations*), refuse to participate in the making of a Certain Funds Utilisation;

(iv) exercise any right of set off or counterclaim in respect of a Utilisation to the extent to do so would prevent or limit the making of a Certain Funds Utilisation;

(v) cancel, accelerate or cause repayment or prepayment of any amounts owing under this Agreement or under any other Finance Document or exercise any enforcement rights under any Security Document to the extent to do so would prevent or limit the making of a Certain Funds Utilisation; or

(vi) take any other action or make or enforce any claim (in its capacity as a Lender) to the extent that such action, claim or enforcement would directly or indirectly prevent or limit the making of a Certain Funds Utilisation,

provided that immediately upon the expiry of the Certain Funds Period all such rights, remedies and entitlements shall be available to the Finance Parties notwithstanding that they may not have been used or been available for use during the Certain Funds Period.

3.4 Deferred Acquisition Costs

Where a member of the Bank Group has made an Acquisition permitted by Clause 24.12 (*Acquisitions and Mergers*), no Borrower may request, or apply the proceeds of, any Advance for the purpose of paying any consideration referred to in paragraph (a) of the definition of Acquisition Cost in relation to that Acquisition, unless the Parent delivers to the Facility Agent on or before the date of each relevant request:

(a) where the Acquisition Cost of the acquisition was greater than €200,000,000 and no more than €250,000,000, a certificate signed by an authorised officer of the Parent and certifying; or

(b) where the Acquisition Cost of the acquisition was greater than €250,000,000, financial projections which demonstrate,

that the Borrower will be in compliance with Clause 10 (*Repayment of Revolving Facility Outstandings*), Clause 11 (*Repayment of Term Facility Outstandings*) and the undertakings set out in Clause 23 (*Financial Covenants*) for the period from the Utilisation Date of such Advance (taking into account (i) the Acquisition Cost of such acquisition (but deducting from that Acquisition Cost the value of any consideration referred to in paragraph (a) of the definition of Acquisition Cost which has yet to be paid or delivered), (ii) the amount of such Advance and (iii) financial projections relating to the acquired business or asset(s)) to the Final Maturity Date.

4. UTILISATION

4.1 Conditions to Utilisation

Save as otherwise provided in this Agreement, an Advance will be made by the Lenders to a Borrower or a Documentary Credit will be issued by an L/C Bank at a Borrower's request if:

(a) in the case of an Advance, the Facility Agent has received from such Borrower or, in the case of the US Borrower, the Parent or the US Borrower a duly completed Utilisation Request in the relevant form, and in the case of a Documentary Credit, both the Facility Agent and the relevant L/C Bank have received from a Borrower a duly completed Utilisation Request in the relevant form, in each case, no earlier than the day which is 10 Business Days prior to the requested Utilisation Date and, unless otherwise agreed with the Facility Agent (and, in relation to a Documentary Credit only, the L/C Bank) no later than the Specified Time, receipt of which shall oblige such Borrower or the US Borrower (as applicable) to utilise the amount requested on the Utilisation Date stated therein upon the terms and subject to the conditions contained in this Agreement;

(b) in the case of an Advance under the EUR B3 Facility or the US$ B3 Facility, for the purposes of a Margin Ratchet calculation the Facility Agent has received from the Parent a certificate signed by an authorised officer of the Parent establishing at the date of such certificate the ratios of (i) Senior Net Debt to Annualised EBITDA and (ii) Total Net Debt to Annualised EBITDA, in each case, for the immediately preceding Ratio Period but after giving pro forma effect to such Advance and the use of any proceeds of such Advance;

(c) the proposed Utilisation Date is a Business Day for the proposed currency of the Advance or Documentary Credit, as the case may be, which is within the Availability Period and is or precedes the relevant Termination Date;

(d) as a result of the proposed Utilisation:

(i) in the case of a Utilisation by way of a US$ B1 Facility Advance, immediately after the making of such Advance there will be no more than 10 US$ B1 Facility Loans outstanding;

(ii) in the case of a Utilisation by way of a EUR B1 Facility Advance, immediately after the making of such Advance there will be no more than 10 EUR B1 Facility Loans outstanding;

(iii) in the case of a Utilisation by way of a US$ B2 Facility Advance, immediately after the making of such Advance there will be no more than 10 US$ B2 Facility Loans outstanding;

(iv) in the case of a Utilisation by way of a EUR B2 Facility Advance, immediately after the making of such Advance there will be no more than 10 EUR B2 Facility Loans outstanding;

(v) in the case of a Utilisation by way of a US$ B3 Facility Advance, immediately after the making of such Advance there will be no more than 10 US$ B3 Facility Loans outstanding;

(vi) in the case of a Utilisation by way of a EUR B3 Facility Advance, immediately after the making of such Advance there will be no more than 10 EUR B3 Facility Loans outstanding; and

(vii) in the case of a Utilisation by way of a Revolving Facility Advance, immediately after the making of such Advance there will be no more than 25 Revolving Facility Advances then outstanding;

(e) in the case of a Utilisation by way of a Revolving Facility Advance, the proposed Euro Amount (or its equivalent) of such Revolving Facility Advance is (i) equal to the amount of the Available Revolving Facility Commitment at such time, (ii) less than such amount but equal to a minimum of €5,000,000, or an integral multiple of €1,000,000 or (iii) in relation to an RCF2 Facility Refinancing Advance, equal to the amount required to provide for the repayment in full of the RCF2 Facility;

(f) the Utilisation Date for a Revolving Facility Advance is on a date not earlier than the first Utilisation Date for the US$ B1 Facility Advance;

(g) in the case of a Utilisation by way of Documentary Credit, the proposed Euro Amount (or its equivalent) of such Documentary Credit is equal to or more than €1,000,000 or such lesser amount as the relevant L/C Bank may agree (acting reasonably);

(h) in the case of a Utilisation by way of a Documentary Credit, the proposed Term of the Documentary Credit ends on or before the Final Maturity Date in respect of the Revolving Facility and immediately after the making of such Utilisation there will be no more than 25 Documentary Credits then outstanding;

(i) in the case of a Utilisation by way of a Documentary Credit which is not substantially in the form set out in Schedule 13 (*Form of Documentary Credit*), the relevant L/C Bank shall have approved the terms of such Documentary Credit (acting reasonably); and

(j) in the case of any Utilisation, on the date of the Utilisation Request, the date of any Conversion Notice and the proposed Utilisation Date:

(i) in the case of a Rollover Advance or a Documentary Credit which is being renewed pursuant to Clause 7.2 (*Renewal of Documentary Credits*), the Facility Agent shall not have received instructions from a Revolving Facility Instructing Group, requiring the Facility Agent to refuse such rollover or renewal of a Documentary Credit by reason of the Acceleration Date having occurred; and

(ii) in the case of any Utilisation other than that referred to in sub-paragraph (i) above and other than an RCF2 Facility Refinancing Advance or a Utilisation during the Certain Funds Period, the Repeating Representations made by the persons identified as making those representations are true in all material respects by reference to the circumstances then existing and no Default is continuing or would result from the proposed Utilisation;

(k) in the case of any Utilisation of the Revolving Facility, the aggregate amount of the Revolving Facility Outstandings and the RCF2 Outstandings (provided that, for the purposes of such calculation, if the RCF2 Outstandings exceed €450,000,000 they shall be deemed to be €450,000,000) as a result of the proposed Utilisation will not exceed the Revolving Facility Commitment from time to time;

(l) in the case of any Utilisation of the US$ B1 Facility, a pro rata amount is simultaneously utilised under the EUR B1 Facility;

(m) in the case of any Utilisation of the US$ B2 Facility, a pro rata amount is simultaneously utilised under the EUR B2 Facility;

(n) in the case of any Utilisation of the US$ B3 Facility, a pro rata amount is simultaneously utilised under the EUR B3 Facility;

(o) in the case of any Utilisation of the EUR B1 Facility, a pro rata amount is simultaneously utilised under the US$ B1 Facility;

(p) in the case of any Utilisation of the EUR B2 Facility, a pro rata amount is simultaneously utilised under the US$ B2 Facility;

(q) in the case of any Utilisation of the EUR B3 Facility, a pro rata amount is simultaneously utilised under the US$ B3 Facility; and

(r) in the case of any Utilisation at any time prior to the earlier of (i) the Debt Pushdown Date, (ii) the Acquisition Facilities End Date and (iii) the date on which the Ziggo Acquisition Agreement has terminated in accordance with its terms, the Parent has delivered to the Facility Agent a copy of any amendments to schedule 5 of the Ziggo Acquisition Agreement made since a copy of the Ziggo Acquisition Agreement was last delivered to the Facility Agent (provided that no Lender shall be under an obligation to make available any Advances under Clause 4.2 (*Lenders' Participations*) if any such amendments are materially adverse to the interests of the Lenders, other than where such amendments have been consented to by the Instructing Group).

4.2 Lenders' Participations

(a) Each Lender will participate through its Facility Office in each Advance made pursuant to Clause 4.1 (*Conditions to Utilisation*) in its respective Proportion.

(b) The Agent shall determine the Euro Amount of each Revolving Facility Advance which is to be made in an Optional Currency and notify each Lender of the amount, currency and the Euro Amount of each Loan, the amount of its participation in that Loan and, if different, the amount of that participation to be made available in accordance with Clause 34.1 (*Payment to the Facility Agent*) by the Specified Time.

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7. DOCUMENTARY CREDITS

7.1 Issue of Documentary Credits

(a) Each L/C Bank shall issue Documentary Credits pursuant to Clause 4.1 (*Conditions to Utilisation*) by:

(i) completing the issue date and the proposed Expiry Date of any Documentary Credit to be issued by it; and

(ii) executing and delivering such Documentary Credit to the relevant Beneficiary on the relevant Utilisation Date.

(b) The Facility Agent shall notify each L/C Lender and the relevant L/C Bank of the details of any requested Documentary Credit (including the Euro Amount of it, and, if such Documentary Credit is not to be denominated in euro, the relevant currency in which it will be denominated and the amount of it) and its participation in that Documentary Credit.

7.2 Renewal of Documentary Credits

(a) Each Borrower may request that a Documentary Credit issued on its behalf be renewed by delivering to the Facility Agent and the relevant L/C Bank a Renewal Request which complies with Clause 4.1 (*Conditions to Utilisation*).

(b) The terms of each renewed Documentary Credit shall be the same as those of the relevant Documentary Credit immediately prior to its renewal, except that (as stated in the Renewal Request therefor):

(i) its amount may be less than the amount of such Documentary Credit immediately prior to its renewal; and

(ii) its Term shall start on the date which was the Expiry Date of that Documentary Credit immediately prior to its renewal, and shall end on the proposed Expiry Date specified in the Renewal Request.

(c) If the conditions set out in this Clause 7.2 (*Renewal of Documentary Credits*)) have been met, the relevant L/C Bank shall amend and re-issue the relevant Documentary Credit pursuant to a Renewal Request.

7.3 Reduction of a Documentary Credit

(a) If, on the proposed Utilisation Date of a Documentary Credit, any of the Lenders under the Revolving Facility is a Non-Acceptable L/C Lender and:

(i) that Lender has failed to provide cash collateral to the relevant L/C Bank in accordance with Clause 7.4 (*Cash Collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*); and

(ii) either:

(A) the relevant L/C Bank has not required the relevant Borrower which requested the Documentary Credit to provide cash cover pursuant to Clause 7.9 (*Cash Cover by Borrower*); or

(B) the relevant Borrower which requested the Documentary Credit has failed to provide cash cover to the relevant L/C Bank in accordance with Clause 7.9 (*Cash Cover by Borrower*),

the relevant L/C Bank may reduce the amount of that Documentary Credit by an amount equal to the amount of the participation of that Non-

Acceptable L/C Lender in respect of that Documentary Credit and that Non-Acceptable L/C Lender shall be deemed not to have any participation (or obligation to indemnify the relevant L/C Bank) in respect of that Documentary Credit for the purposes of the Finance Documents.

(b) The relevant Borrower shall notify the Facility Agent (with a copy to the relevant L/C Bank) of each reduction made pursuant to this Clause 7.3 (*Reduction of a Documentary Credit*).

(c) This Clause 7.3 (*Reduction of a Documentary Credit*) shall not affect the participation of each other Lender in that Documentary Credit.

7.4 Cash collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover

(a) If, at any time, a Lender under the Revolving Facility is a Non-Acceptable L/C Lender, the relevant L/C Bank may, by notice to that Lender, request that Lender to pay and that Lender shall pay, on or prior to the date falling 3 Business Days after the request by such L/C Bank, an amount equal to that Lender's L/C Proportion of the outstanding amount of a Documentary Credit issued by such L/C Bank and in the currency of that Documentary Credit to an interest-bearing account held in the name of that Lender with such L/C Bank.

(b) The Non-Acceptable L/C Lender to whom a request has been made in accordance with paragraph (a) above shall enter into a security document or other form of collateral arrangement over the account, in form and substance satisfactory to the relevant L/C Bank, as collateral for any amounts due and payable under the Finance Documents by that Lender to the L/C Bank in respect of that Documentary Credit.

(c) Until no amount is or may be outstanding under that Documentary Credit, withdrawals from the account specified in paragraph (a) above may only be made to pay to the relevant L/C Bank amounts due and payable to the relevant L/C Bank by the Non-Acceptable L/C Lender under the Finance Documents in respect of that Documentary Credit.

(d) Each Lender under the Revolving Facility shall notify the Facility Agent and the Parent:

(i) on the date of this Agreement or on any later date on which it becomes such a Lender in accordance with Clause 2.2 (*Increase*) or Clause 26 (*Assignments and Transfers*) whether it is a Non-Acceptable L/C Lender; and

(ii) as soon as practicable upon becoming aware of the same, that it has become a Non-Acceptable L/C Lender,

and an indication in a Transfer Deed, a Transfer Agreement or in an Increase Confirmation to that effect will constitute a notice under paragraph (i) to the Facility Agent and, upon delivery in accordance with Clause 26.12 (*Copy of*

Transfer Deed, Transfer Agreement or Increase Confirmation to Parent), to the Parent.

(e) Any notice received by the Facility Agent pursuant to paragraph (d) above shall constitute notice to each L/C Bank of that Lender's status and the Facility Agent shall, upon receiving each such notice, promptly notify each L/C Bank of that Lender's status as specified in that notice.

(f) If a Lender who has provided cash collateral in accordance with this Clause 7.4 (*Cash Collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*):

(i) ceases to be a Non-Acceptable L/C Lender; and

(ii) no amount is due and payable by that Lender in respect of a Documentary Credit,

that Lender may, at any time it is not a Non-Acceptable L/C Lender, by notice to the relevant L/C Bank request that an amount equal to the amount of the cash provided by it as collateral in respect of that Documentary Credit (together with any accrued interest) standing to the credit of the relevant account held with that L/C Bank be returned to it and that L/C Bank shall pay that amount to the Lender within 3 Business Days after the request from the Lender (and shall cooperate with the Lender in order to procure that the relevant security or collateral arrangement is released and discharged).

7.5 Revaluation of Documentary Credits

(a) If any Documentary Credit is denominated in a currency other than euro, the Facility Agent shall at six monthly intervals after the date of the Documentary Credit recalculate the Euro Amount of that Documentary Credit by notionally converting into euro, the outstanding amount of that Documentary Credit on the basis of the Facility Agent's Spot Rate of Exchange on the date of calculation.

(b) The relevant Borrower shall, if requested by the Facility Agent within 2 days of any calculation under paragraph (a) above, ensure that within 3 Business Days sufficient Revolving Facility Outstandings are repaid (subject to Break Costs, if applicable, but otherwise without penalty or premium which might otherwise be payable), to prevent the Euro Amount of the Revolving Facility Outstandings exceeding the aggregate amount of all of the Revolving Facility Commitments adjusted to reflect any cancellations or reductions, following any adjustment under paragraph (a) above.

7.6 Immediately Payable

(a) If a Documentary Credit or any amount outstanding under a Documentary Credit becomes immediately payable under this Agreement, the relevant Borrower that requested (or on behalf of which the Parent requested) the issue of that Documentary Credit shall repay or prepay that Documentary Credit or that amount within 3 Business Days of demand.

(b) Each L/C Bank shall promptly notify the Facility Agent of any demand received by it under and in accordance with any Documentary Credit (including details of the Documentary Credit under which such demand has been received and the amount demanded). The Facility Agent shall promptly notify the Parent, the relevant Borrower for whose account the Documentary Credit was issued and each of the Lenders under the Revolving Facility.

7.7 Claims under a Documentary Credit

(a) Each Borrower irrevocably and unconditionally authorises each L/C Bank to pay any claim made or purported to be made under a Documentary Credit requested by it (or by the Parent on its behalf) and which appears on its face to be in order (a "**claim**").

(b) Each Borrower shall within 3 Business Days of demand pay to the Facility Agent for the account of the relevant L/C Bank an amount equal to the amount of any claim under that Documentary Credit.

(c) On receipt of any demand or notification under Clause 7.6 (*Immediately Payable*), the relevant Borrower shall (unless the Parent notifies the Facility Agent otherwise) be deemed to have delivered to the Facility Agent a duly completed Utilisation Request requesting a Revolving Facility Advance:

(i) in an amount and currency equal to the amount and currency of the relevant claim (if applicable, net of any available cash cover);

(ii) for a Term of three months or such other period of up to six months as notified by the relevant Borrower to the relevant L/C Bank promptly following such demand or notification; and

(iii) with a Utilisation Date on the date of receipt of the relevant demand or notification.

The proceeds of any such Revolving Facility Advance shall be used to pay the relevant claim.

(d) Each Borrower acknowledges that each L/C Bank:

(i) is not obliged to carry out any investigation or seek any confirmation from any other person before paying a claim; and

(ii) deals in documents only and will not be concerned with the legality of a claim or any underlying transaction or any available set-off, counterclaim or other defence of any person.

(e) The obligations of each Borrower under this Clause 7.7 (*Claims under a Documentary Credit*) will not be affected by:

(i) the sufficiency, accuracy or genuineness of any claim or any other document; or

(ii) any incapacity of, or limitation on the powers of, any person signing a claim or other document.

(f) Without prejudice to any other matter contained in this Clause 7.7 (*Claims under a Documentary Credit*), the relevant L/C Bank shall notify the relevant Borrowers as soon as reasonably practicable after receiving a claim.

7.8 Documentary Credit Indemnities

(a) The relevant Borrower shall within 3 Business Days of demand indemnify an L/C Bank against any cost, loss or liability incurred by such L/C Bank (otherwise than by reason of such L/C Bank's gross negligence, wilful misconduct or wilful breach of the terms of this Agreement) in acting as an L/C Bank under any Documentary Credit requested by such Borrower.

(b) Each Lender having a Revolving Facility Commitment (an "**L/C Lender**") shall (according to its L/C Proportion) promptly on demand indemnify an L/C Bank against any cost, loss or liability incurred by such L/C Bank (otherwise than by reason of such L/C Bank's gross negligence, wilful misconduct or wilful breach of the terms of this Agreement) in acting as an L/C Bank under any Documentary Credit (except to the extent that such L/C Bank has been reimbursed by an Obligor pursuant to a Finance Document).

(c) If any L/C Lender is not permitted (by its constitutional documents or any applicable Law) to comply with paragraph (b) above, then that L/C Lender will not be obliged to comply with paragraph (b) above and shall instead be deemed to have taken, on the date the relevant Documentary Credit is issued (or if later, on the date that L/C Lender's participation in the Documentary Credit is transferred or assigned to that L/C Lender in accordance with the terms of this Agreement), an undivided interest and participation in the Documentary Credit in an amount equal to its L/C Proportion of that Documentary Credit. On receipt of demand from the Facility Agent, that L/C Lender shall pay to the Facility Agent (for the account of the relevant L/C Bank) an amount equal to its L/C Proportion of the amount demanded under paragraph (b) above.

(d) The Borrower which requested the Documentary Credit shall within 3 Business Days of demand reimburse any L/C Lender for any payment it makes to an L/C Bank under this Clause 7.8 (*Documentary Credit Indemnities*) in respect of that Documentary Credit unless such Lender or an Obligor has already reimbursed such L/C Bank in respect of that payment.

(e) The obligations of each L/C Lender and Borrower under this Clause 7.8 (*Documentary Credit Indemnities*) are continuing obligations and will extend to the ultimate balance of sums payable by that L/C Lender in respect of any Documentary Credit, regardless of any intermediate payment or discharge in whole or in part.

(f) The obligations of any L/C Lender or Borrower under this Clause 7.8 (Documentary Credit Indemnities) will not be affected by any act, omission, matter or thing which, but for this Clause 7.8 (*Documentary Credit Indemnities*) would reduce, release or prejudice any of its obligations under this Clause 7.8 (*Documentary Credit Indemnities*) (without limitation and whether or not known to it or any other person) including:

(i) any time, waiver or consent granted to, or composition with, any Obligor, any beneficiary under a Documentary Credit or any other person;

(ii) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Bank Group;

(iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor, any beneficiary under a Documentary Credit or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor, any beneficiary under a Documentary Credit or any other person;

(v) any amendment or restatement (however fundamental) or replacement of a Finance Document, any Documentary Credit or any other document or security;

(vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document, any Documentary Credit or any other document or security; or

(vii) any insolvency or similar proceedings.

7.9 Cash Cover by Borrower

(a) If a Lender which is a Non-Acceptable L/C Lender fails to provide cash collateral (or notifies the relevant L/C Bank that it will not provide cash collateral) in accordance with Clause 7.4 (*Cash Collateral by Non-Acceptable L/C Lender and Borrower's option to provide cash cover*) and that L/C Bank notifies the Obligors' Agent (with a copy to the Facility Agent) that it requires the relevant Borrower of the relevant Documentary Credit or proposed Documentary Credit to provide cash cover to an account with that L/C Bank in an amount equal to that Lender's L/C Proportion of the outstanding amount of that Documentary Credit and in the currency of that Documentary Credit then that Borrower shall do so within 5 Business Days after the notice is given.

(b) Notwithstanding paragraph (d) of Clause 1.2 (*Construction*), the relevant Borrower shall be entitled to withdraw amounts up to the level of that cash cover from the account if:

(i) the relevant L/C Bank is satisfied that the relevant Lender is no longer a Non-Acceptable L/C Lender; or

(ii) the relevant Lender's obligations in respect of the relevant Documentary Credit are transferred to a New Lender in accordance with the terms of this Agreement; or

(iii) an Increase Lender has agreed to undertake the obligations in respect of the relevant Lender's L/C Proportion of the Documentary Credit.

(c) To the extent that a Borrower has complied with its obligations to provide cash cover in accordance with this Clause 7.9 (*Cash Cover by Borrower*), the relevant Lender's L/C Proportion in respect of that Documentary Credit will remain (but that Lender's obligations in relation to that Documentary Credit may be satisfied in accordance with paragraph 1.2(d)(ii) of Clause 1.2 (*Construction*)). However, the relevant Borrower's obligation to pay any Documentary Credit fee in relation to the relevant Documentary Credit to the Facility Agent (for the account of that Lender) in accordance with Clause 18 (*Commission and Fees*) will be reduced proportionately as from the date on which it complies with that obligation to provide cash cover (and for so long as the relevant amount of cash cover continues to stand as collateral).

(d) The relevant L/C Bank shall promptly notify the Facility Agent of the extent to which the relevant Borrower provides cash cover pursuant to this Clause 7.9 (*Cash Cover by Borrower*) and of any change in the amount of cash cover so provided.

7.10 Rights of Contribution

No Obligor will be entitled to any right of contribution or indemnity from any Finance Party in respect of any payment it may make under this Clause 7 (*Documentary Credits*).

7.11 Appointment and Change of L/C Bank

(a) The Parent, with the prior written consent of the relevant Lender, may designate any Lender with a Revolving Facility Commitment as an L/C Bank or as a replacement therefor, but not with respect to Documentary Credits already issued by any other L/C Bank.

(b) Any Lender so designated shall become an L/C Bank under this Agreement by delivering to the Facility Agent an executed L/C Bank Accession Certificate.

(c) An L/C Bank may resign as issuer of further Documentary Credits at any time if (i) the Parent and the Instructing Group consent to such resignation or so require; (ii) there is, in the reasonable opinion of each L/C Bank, an actual or potential conflict of interest in it continuing to act as L/C Bank; or (iii) its Revolving Facility Commitment is reduced to zero, provided that an L/C Bank shall not resign until a replacement L/C Bank is appointed.

8. ANCILLARY FACILITIES

8.1 Utilisation of Ancillary Facilities

(a) Each Borrower may, subject to paragraph (b) below, at any time at least 35 days prior to the Termination Date in respect of the Revolving Facility by delivery of a notice (a "**Conversion Notice**") to the Facility Agent, request an Ancillary Facility to be established (or, in the case of the Existing Ancillary Facility, designate such Existing Ancillary Facility as established) by the conversion of any Lender's Available Revolving Facility Commitment (or any part of it) into an Ancillary Facility Commitment with effect from the date (in this Clause 8 (*Ancillary Facilities*), the "**Effective Date**") specified in the Conversion Notice (being, other than in relation to the Existing Ancillary Facility, a date not less than 5 Business Days after the date such Conversion Notice is received by the Facility Agent).

(b) Each Conversion Notice shall specify:

(i) the proposed Borrower(s) (or any Affiliate of the Borrower(s) that is a member of the Bank Group) which may use the Ancillary Facility;

(ii) the nominated Ancillary Facility Lender;

(iii) the type of Ancillary Facility and the currency or currencies in which the relevant Borrower wishes such Ancillary Facility to be available;

(iv) the proposed Euro Amount of the original Ancillary Facility Commitment, being an amount (i) equal to the Available Revolving Facility Commitment of the nominated Ancillary Facility Lender or, if less, (ii) equal to or more than €1,000,000;

(v) the Effective Date and expiry date for the Ancillary Facility (such expiry date not to extend beyond the Final Maturity Date in respect of the Revolving Facility);

(vi) if the Ancillary Facility is an overdraft facility comprising more than one account, its maximum gross amount (that amount being the "**Designated Gross Amount**") and its maximum net amount (that amount being the "**Designated Net Amount**"); and

(vii) such other details as to the nature, amount, fees for and operation of the proposed Ancillary Facility as the Facility Agent and the nominated Ancillary Facility Lender may reasonably require.

(c) The Facility Agent shall promptly notify the Parent, the nominated Ancillary Facility Lender and the Lenders of each Conversion Notice received pursuant to paragraph (a) above.

(d) Any Lender nominated as an Ancillary Facility Lender which has notified the Facility Agent of its consent to such nomination shall be authorised to make the proposed Ancillary Facility available in accordance with the Conversion Notice (as approved by the Facility Agent) with effect on and from the Effective Date.

No other Lender shall be obliged to consent to the nomination of the Ancillary Facility Lender.

(e) Any material variation from the terms of the Ancillary Facility or any proposed increase or reduction or extension of the Ancillary Facility Commitment shall be effected on and subject to the provisions of this Clause 8 (*Ancillary Facilities*) *mutatis mutandis* as if such Ancillary Facility were newly requested (including, for the avoidance of doubt, that such newly requested Ancillary Facility shall only take effect from a date not less than 5 Business Days after the date the Facility Agent has received notice of the modification or variation or extension), provided that the Euro Amount of the Ancillary Facility Outstandings under each Ancillary Facility provided by an Ancillary Facility Lender shall at no time exceed the Available Revolving Facility Commitment of that Ancillary Facility Lender.

(f) Each relevant Borrower may (subject to compliance with the applicable terms of the relevant Ancillary Facility) at any time by giving written notice to the Facility Agent and the relevant Ancillary Facility Lender cancel any Ancillary Facility Commitment pursuant to and in accordance with Clause 12.1 (*Voluntary Cancellation*), provided that on the date of such cancellation, that part of such Ancillary Facility Commitment as shall have been so cancelled shall be converted back into the Revolving Facility Commitment of the relevant Lender unless the Revolving Facility Commitments are also cancelled on such date.

(g) The Ancillary Facility Commitment of any Ancillary Facility Lender shall terminate and be cancelled on the date agreed therefor between the relevant Ancillary Facility Lender and the relevant Borrower, provided such date shall be no later than the Termination Date in respect of the Revolving Facility (the "**Ancillary Facility Termination Date**"). Any Ancillary Facility Outstandings on the applicable Ancillary Facility Termination Date shall be repaid in full by the relevant Borrower on such date.

(h) The Revolving Facility Commitment of each Lender at any time shall be reduced by the amount of any Ancillary Facility Commitment of such Lender at such time but such reduced Commitment shall, subject to any other provisions of this Agreement, automatically be increased by the amount of any portion of its Ancillary Facility Commitment which ceases to be made available to the relevant Borrowers for any reason (other than as a result of Utilisation of it) in accordance with the terms of such Ancillary Facility or is cancelled pursuant to paragraphs (f) or (g) above.

8.2 Operation of Ancillary Facilities

(a) Subject to paragraph (b) below, the terms governing the operation of any Ancillary Facility (including the rate of interest (including default interest), fees, commission and other remuneration in respect of such Ancillary Facility) shall be those determined by agreement between the Ancillary Facility Lender and the relevant Borrower, provided that such terms shall be based upon the normal commercial terms and market rates of the relevant Ancillary Facility Lender.

(b) In the case of any inconsistency or conflict between the terms of any Ancillary Facility, the applicable Ancillary Facility Documents and this Agreement, the terms and provisions of the applicable Ancillary Facility Document shall prevail unless the contrary intention is expressly provided for in this Agreement.

(c) Each relevant Borrower and Ancillary Facility Lender will promptly upon request by the Facility Agent, supply the Facility Agent with such information relating to the operation of each Ancillary Facility (including without limitation details of the Ancillary Facility Outstandings and the Euro Amount thereof) as the Facility Agent may from time to time reasonably request (and each relevant Borrower consents to such documents and information being provided to the Facility Agent and the other Lenders).

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8.5 Continuation of Ancillary Facilities

(a) A Borrower and an Ancillary Facility Lender may, as between themselves only, agree to continue to provide the same banking facilities following the Termination Date applicable to the Revolving Facility or, as the case may be, following the cancellation of the Revolving Commitments under this Agreement.

(b) If any arrangement contemplated in paragraph (a) above is to occur, the relevant Borrower and the Ancillary Facility Lender shall each confirm that to be the case in writing to the Facility Agent. Upon such Termination Date or, as the case may be, date of cancellation, any such facility shall continue as between the said entities on a bilateral basis and not as part of, or under, the Finance Documents. Save for any rights and obligations against any Finance Party under the Finance Documents prior to such Termination Date or, as the case may be, date of cancellation, no such rights or obligations in respect of such Ancillary Facility shall, as between the Finance Parties, continue and the Security shall not support any such facility in respect of any matters that arise after such Termination Date or, as the case may be, date of cancellation.

8.6 Adjustment for Ancillary Facilities upon acceleration

(a) If a default occurs under any Ancillary Facility, no Ancillary Facility Lender may demand repayment of any monies or demand cash cover for any Ancillary Facility Outstandings, or take any analogous action in respect of any Ancillary Facility, until the Acceleration Date.

(b) If an Acceleration Date occurs, the claims of each Lender with a Revolving Facility Commitment and each Ancillary Facility Lender in respect of amounts outstanding to them under the Revolving Facility and Ancillary Facilities respectively shall be adjusted in accordance with this Clause 8.6 (*Adjustment for Ancillary Facilities upon acceleration*) by making all necessary transfers of such portions of such claims such that following such transfers the Revolving Facility Outstandings and Ancillary Facility Outstandings (together with the rights to receive interest, fees and charges in relation thereto) of (i) each Lender with a Revolving Facility Commitment and (ii) each Ancillary Facility Lender, in each case as at the Acceleration Date shall be an amount corresponding pro rata to the proportion that the sum of such Lender's Revolving Facility Commitment and/or (as the case may be) Ancillary Facility Commitment bears to the sum of all of the Revolving Facility Commitments and the Ancillary Commitments, each as at the Acceleration Date.

(c) No later than the third Business Day following the Acceleration Date each of the Ancillary Facility Lenders shall notify the Facility Agent in writing of the Euro Amount of its Ancillary Facility Outstandings as at the close of business on the Acceleration Date, such amount to take account of any clearing of debits which were entered into the clearing system of such Ancillary Facility Lenders prior to the Acceleration Date and any amounts credited to the relevant accounts prior to close of business on the Acceleration Date.

(d) On receipt of the information referred to in paragraph (a) above, the Facility Agent will promptly determine what adjustment payments (if any) are necessary as between the Lenders participating in the Revolving Facility and each Ancillary Facility Lender in order to ensure that, following such adjustment payments, the requirements of paragraph (b) above are complied with.

(e) The Facility Agent will notify all the Lenders as soon as practicable of its determinations pursuant to paragraph (d) above, giving details of the adjustment payments required to be made. Such adjustment payments shall be payable by the relevant Lenders and shall be made to the Facility Agent within 5 Business Days following receipt of such notification from the Facility Agent. The Facility Agent shall distribute the adjustment payments received, among the Ancillary Facility Lenders and the Lenders participating in the Revolving Facility in order to satisfy the requirements of paragraph (b) above.

(f) If at any time following the Acceleration Date, the amount of Revolving Facility Outstandings of any Lender or Ancillary Facility Outstandings of any Ancillary Facility Lender used in the Facility Agent's calculation of the adjustments required under paragraph (d) above should vary for any reason (other than as a result of currency exchange fluctuation or other reason which affects all relevant Lenders equally), further adjustment payments shall be made on the same basis (*mutatis mutandis*) provided for in this Clause 8.3 (*Adjustment for Ancillary Facilities upon acceleration*).

(g) In respect of any amount paid by any Lender (a "**Paying Lender**") pursuant to either of paragraphs (e) or (f) above, as between a relevant Borrower and the Paying Lender, the amount so paid shall be immediately due and payable by such relevant Borrower to the Paying Lender and the payment obligations of such relevant Borrower to the Lender(s) which received such payment shall be treated as correspondingly reduced by the amount of such payment.

(h) Each Lender shall promptly supply to the Facility Agent such information as the Facility Agent may from time to time request for the purpose of giving effect to this Clause 8.6 (*Adjustment for Ancillary Facilities upon acceleration*).

(i) If an Ancillary Facility Lender has the benefit of any Security Interest securing any of its Ancillary Facilities, the realisations from such security when enforced will be treated as an amount recovered by such Ancillary Facility Lender in its capacity as a Lender which is subject to the sharing arrangements in Clause 36 (*Sharing among the Finance Parties*) to the intent that such realisation should benefit all Lenders pro rata.

(j) Prior to the application of the provisions of paragraph (b) above, an Ancillary Facility Lender that has provided a Multi-account Overdraft shall set-off any Available Credit Balance on any account comprised in that Multi-account Overdraft.

(k) All calculations to be made pursuant to this Clause 8.3 shall be made by the Facility Agent based upon information provided to it by the Lenders and Ancillary Lenders and using the Euro Amount equivalent where applicable.

(l) This Clause 8.6 shall not oblige any Lender to accept the transfer of a claim relating to an amount outstanding under an Ancillary Facility which is not denominated (pursuant to the relevant Finance Document) in euro or where the Borrower is not an existing Borrower under the applicable Revolving Facility (excluding that Ancillary Facility).

8.7 Repayment of Ancillary Facilities

(a) No Ancillary Facility Lender may demand repayment or prepayment of any amounts under its Ancillary Facility unless:

(i) the Revolving Facility Commitments have been cancelled in full, or the Facility Agent has declared all Outstandings under the Revolving Facility immediately due and payable; or

(ii) the Ancillary Facility Outstandings under that Ancillary Facility can be repaid by a Revolving Facility Advance (and not less than 7 Business Days notice is given to the relevant Borrower before payment becomes due).

(b) For the purposes of repaying Ancillary Facility Outstandings (so long as paragraph (a)(i) above does not apply) a Revolving Facility Advance may be borrowed irrespective of whether a Default is outstanding or any other applicable condition precedent not satisfied.

(c) The share of the Ancillary Facility Lender in a Revolving Facility Advance being used to refinance that Ancillary Facility Lender's Ancillary Facility will be that amount which will result (so far as possible) in:

(i) the proportion which its share of all Outstandings under the Revolving Facility bears to the aggregate amount of the Outstandings under the Revolving Facility,

being equal to:

(ii) the proportion which its Available Commitment with respect to the Revolving Facility bears to the aggregate of the Available Commitments with respect to the Revolving Facility,

in each case, assuming the repayment of the relevant Ancillary Facility has taken place. The share of the other Lenders in any such Revolving Facility Advance will be adjusted accordingly.

8.8 Affiliates of Lenders as Ancillary Lenders

(a) Subject to the terms of this Agreement, an Affiliate of a Lender may become an Ancillary Facility Lender. In such case, the Lender and its Affiliate shall be treated as a single Lender whose Revolving Facility Commitment is the amount set out opposite the relevant Lender's name in Schedule 1 and/or the amount of any Revolving Facility Commitment transferred to or assumed by that Lender under this Agreement, to the extent (in each case) not cancelled, reduced or transferred by it under this Agreement. For the purposes of calculating the Lender's Available Commitment with respect to the Revolving Facility, the Lender's Commitment shall be reduced to the extent of the aggregate of the Ancillary Commitments of its Affiliates.

(b) The Parent shall specify any relevant Affiliate of a Lender in any Conversion Notice delivered by the Parent to the Facility Agent pursuant to Clause 8.1 (*Utilisation of Ancillary Facilities*).

(c) An Affiliate of a Lender which becomes an Ancillary Facility Lender shall accede to this Agreement as an Ancillary Facility Lender, and the Intercreditor Agreement as a Senior Lender.

(d) If a Lender assigns all of its rights and benefits or transfers all of its rights and obligations to a New Lender (in accordance with Clause 26 (*Assignments and Transfers*), its Affiliate shall cease to have any obligations under this Agreement or any Ancillary Facility Document.

(e) Where this Agreement or any other Finance Document imposes an obligation on an Ancillary Facility Lender and the relevant Ancillary Facility Lender is an Affiliate of a Lender which is not a party to that document, the relevant Lender shall ensure that the obligation is performed by its Affiliate.

8.9 Affiliates of Borrowers

(a) Subject to the terms of this Agreement, an Affiliate of a Borrower that is a member of the Bank Group may with the approval of the relevant Ancillary Facility Lender become a Borrower with respect to an Ancillary Facility.

(b) The Parent shall specify any relevant Affiliate of the Borrower in any Conversion Notice delivered by the Parent to the Facility Agent pursuant to Clause 8.1 (*Utilisation of Ancillary Facilities*).

(c) If any Borrower ceases to be a Borrower under this Agreement in accordance with Clause 26.19 (*Resignation of a Borrower*), any of its Affiliates that are not Affiliates of another Borrower shall cease to have any rights under this Agreement or any Ancillary Facility Document.

(d) Where this Agreement or any other Finance Document imposes an obligation on a Borrower under an Ancillary Facility and the relevant Borrower is an Affiliate of a Borrower which is not a party to that document, the relevant Borrower shall ensure that the obligation is performed by its Affiliate.

(e) Any reference in this Agreement or any other Finance Document to a Borrower being under no obligations (whether actual or contingent) as a Borrower under such Finance Document shall be construed to include a reference to any Affiliate of a Borrower being under no obligations under any Finance Document or Ancillary Facility Document.

9. OPTIONAL CURRENCIES

9.1 Selection of Currency

Each Borrower under the Revolving Facility or an Additional Facility shall select the currency of a Revolving Facility Advance or an Additional Facility Advance made to it (which shall be Dollars, euro or an Optional Currency) in the Utilisation Request relating to the relevant Revolving Facility Advance or Additional Facility Advance.

9.2 Unavailability of Optional Currency

(a) If before the Specified Time on the Quotation Date for the relevant Revolving Facility Advance or an Additional Facility Advance:

(i) a Lender notifies the Facility Agent that the relevant Optional Currency is not readily available to it in the amount required; or

(ii) a Lender notifies the Facility Agent that compliance with its obligation to participate in the Revolving Facility Advance or Additional Facility Advance in the proposed Optional Currency would contravene a Law or regulation applicable to it,

the Facility Agent will give notice to the relevant Borrower to that effect by the Specified Time. In this event, any Lender that gives notice pursuant to this Clause 9.2 will be required to participate in the relevant Revolving Facility Advance in euro (in an amount equal to that Lender's Proportion of the Euro Amount of the relevant Revolving Facility Advance or, in respect of a Rollover Advance, an amount equal to that Lender's Proportion of the Euro Amount of any amount that the Lenders are actually required to advance in accordance with Clause 10.2 (*Rollover Advances*)), and its participation will be treated as a separate Advance denominated in euro during that Term.

(b) Any part of a Revolving Facility Advance or Additional Facility Advance treated as a separate Advance under this Clause 9 (*Optional Currencies*) will not be taken into account for the purposes of any limit on the number of Advances or currencies outstanding at any one time.

10. REPAYMENT OF REVOLVING FACILITY OUTSTANDINGS

10.1 Repayment of Revolving Facility Advances

The Borrower shall (subject to Clause 10.2 (*Rollover Advances*)) repay the full amount of each Revolving Facility Advance and each Additional Facility Advance in relation to a revolving facility drawn by it on its Repayment Date.

10.2 Rollover Advances

Without prejudice to each Borrower's obligation to repay the full amount of each Revolving Facility Advance and each Additional Facility Advance in relation to a revolving facility made to it on the applicable Repayment Date, where, on the same day on which such Borrower is due to repay a Revolving Facility Advance or an applicable Additional Facility Advance (a "**Maturing Advance**") such Borrower has also requested that one or more Revolving Facility Advances or an applicable Additional Facility Advances in the same currency as and in an amount which is equal to or less than the Maturing Advance be made to it (a "**Rollover Advance**"), subject to the Lenders being obliged to make such Rollover Advance under Clause 4.1 (*Conditions to Utilisation*), the aggregate amount of the Rollover Advance shall be treated as if applied in or towards repayment of the Maturing Advance so that:

(a) if the amount of the Maturing Advance exceeds the aggregate amount of the Rollover Advance

(i) the relevant Borrower will only be required to pay an amount in cash in the relevant currency equal to that excess; and

(ii) each Lender's participation (if any) in the Rollover Advance shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation (if any) in the Maturing Advance and that Lender will not be required to make its participation in the Rollover Advance available in cash; and

(b) if the amount of the Maturing Advance is equal to or less than the aggregate amount of the Rollover Advance:

(i) the relevant Borrower will not be required to make any payment in cash; and

(ii) each Lender will be required to make its participation in the Rollover Advance available in cash only to the extent that its participation (if any) in the Rollover Advance exceeds that Lender's participation (if any) in the Maturing Advance and the remainder of that Lender's participation in the Rollover Advance shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the Maturing Advance.

10.3 Cash Collateralisation of Documentary Credits

(a) If not previously repaid in accordance with paragraph (b) below, each Borrower must repay each Documentary Credit issued on its behalf in full on the date stated in that Documentary Credit to be its Expiry Date.

(b) A Borrower may give the Facility Agent not less than 5 Business Days prior written notice of its intention to repay all or any portion of a Documentary Credit requested by it prior to its stated Expiry Date and, having given such notice, shall procure that the relevant Outstanding L/C Amount in respect of such Documentary Credit is reduced in accordance with such notice by providing cash cover therefor in accordance with Clause 1.2(d) (*Construction*) (in each case) or by reducing the Outstanding L/C Amount of such Documentary Credit or by cancelling such Documentary Credit and returning the original to the relevant L/C Bank or the Facility Agent on behalf of the Lenders.

10.4 Final Repayment

The Parent shall procure that all amounts outstanding under the Revolving Facility shall be repaid in full on its Final Maturity Date.

11. REPAYMENT OF TERM FACILITY OUTSTANDINGS

11.1 Repayment of US$ B1 Facility Outstandings, EUR B1 Facility Outstandings, US$ B2 Facility Outstandings, EUR B2 Facility Outstandings, US$ B3 Facility Outstandings and EUR B3 Facility Outstandings

The Borrowers under the US$ B1 Facility, the EUR B1 Facility, US$ B2 Facility, the EUR B2 Facility, the US$ B3 Facility and the EUR B3 Facility shall repay (or procure the repayment of) the aggregate outstanding principal amount of the US$ B1 Facility Advance, the EUR B1 Facility Advance, the US$ B2 Facility Advance, the EUR B2 Facility Advance, the US$ B3 Facility Advance and the EUR B3 Facility Advance respectively, in full in one instalment on the applicable Final Maturity Date.

11.2 No Reborrowing of Facility Advances

No Borrower may reborrow any part of any US$ B1 Facility Advance, EUR B1 Facility Advance, US$ B2 Facility Advance, EUR B2 Facility Advance, US$ B3 Facility Advance or EUR B3 Facility Advance which is repaid.

11.3 Repayment of Additional Facility Outstandings

The Borrowers under each Additional Facility shall repay (or procure the repayment of) the aggregate outstanding principal amount of the Additional Facility Advances under that Additional Facility on the Final Maturity Date applicable to such Additional Facility.

12. CANCELLATION

12.1 Voluntary Cancellation

The Parent may, by giving to the Facility Agent not less than 3 Business Days prior written notice to that effect (unless the Instructing Group under the relevant Facility has given its prior consent to a shorter period) cancel any Available Facility in whole or any part (but if in part, in an amount that reduces the Euro Amount of such Facility by a minimum amount of €5,000,000 and an integral multiple of €1,000,000) and any such cancellation shall (subject to the provisions of Clause 8.1(f) (*Utilisation of Ancillary Facilities*)), reduce the relevant Available Commitments of the Lenders rateably.

12.2 Notice of Cancellation

Any notice of cancellation given by the Parent pursuant to Clause 12.1 (*Voluntary Cancellation*) shall specify the date upon which such cancellation is to be made and the amount of such cancellation.

12.3 Cancellation of Available Commitments

(a) At the end of the Availability Period, any Available Commitments in respect of the US$ B1 Facility shall automatically be cancelled and the Available US$ B1 Facility Commitment of each Lender shall automatically be reduced to zero.

(b) At the end of the Availability Period, any Available Commitments in respect of EUR B1 Facility shall automatically be cancelled and the Available EUR B1 Facility Commitment of each Lender shall automatically be reduced to zero.

(c) At the end of the Availability Period, any Available Commitments in respect of the US$ B2 Facility shall automatically be cancelled and the Available US$ B2 Facility Commitment of each Lender shall automatically be reduced to zero.

(d) At the end of the Availability Period, any Available Commitments in respect of EUR B2 Facility shall automatically be cancelled and the Available EUR B2 Facility Commitment of each Lender shall automatically be reduced to zero.

(e) At the end of the Availability Period, any Available Commitments in respect of the US$ B3 Facility shall automatically be cancelled and the Available US$ B3 Facility Commitment of each Lender shall automatically be reduced to zero.

(f) At the end of the Availability Period, any Available Commitments in respect of EUR B3 Facility shall automatically be cancelled and the Available EUR B3 Facility Commitment of each Lender shall automatically be reduced to zero.

(g) On each Termination Date any Available Commitments in respect of the Facility to which such Termination Date relates shall automatically be cancelled and the Commitment of each Lender in relation to such Facility shall automatically be reduced to zero.

(h) No Available Commitments which have been cancelled under this Agreement may thereafter be reinstated.

12.4 Right of Repayment and Cancellation in relation to a Single Lender

(a) If:

(i) any sum payable to any Lender, Ancillary Facility Lender or L/C Bank by an Obligor is required to be increased under Clause 19.2 (*Tax Gross-up*);

(ii) any Lender, Ancillary Facility Lender or L/C Bank claims indemnification from a Borrower under Clause 19.3 (*Tax Indemnity*) or the Parent under Clause 20 (*Increased Costs*); or

(iii) any Lender, Ancillary Facility Lender or L/C Bank invokes Clause 17.2 (*Market Disruption*),

then, subject to paragraph (c) below:

(A) if the circumstance relates to a Lender, the Parent may:

(1) arrange for the transfer or assignment in accordance with this Agreement of the whole (but at par only) of that Lender's Commitment and participation in the Utilisations to a new or existing Lender willing to accept that transfer or assignment; or

(2) give the Facility Agent notice of cancellation of that Lender's Commitment and the Parent's intention to procure the repayment of that Lender's participation in the Utilisation, whereupon the Commitment of that Lender shall immediately be reduced to zero;

(B) if the circumstance relates to an Ancillary Facility Lender, the Parent may give the Facility Agent notice of cancellation of that Ancillary Facility Lender's Ancillary Commitment and the Parent's intention to procure the repayment of the utilisations of any Ancillary Facility granted by that Ancillary Facility Lender, whereupon the Ancillary Commitment of that Ancillary Facility Lender shall immediately be reduced to zero; and

(C) if the circumstance relates to an L/C Bank, the Parent may give the Facility Agent notice of repayment of any outstanding Documentary Credit issued by such L/C Bank and cancellation of the appointment of such L/C Bank as an L/C Bank under this Agreement in relation to any Documentary Credit to be issued in the future or the provision of full cash cover in respect of such L/C Bank's maximum contingent liability under each outstanding Documentary Credit.

(b) On the last day of each Interest Period or Term which ends after the Parent has given notice under paragraph (a)(iii)(A)(2), (a)(iii)(B) or (a)(iii)(C) above (or, if earlier, the date specified by the Parent in that notice), each Borrower to which a Utilisation or utilisation of an Ancillary Facility is outstanding shall repay that Lender's participation in that Utilisation or the utilisation of the Ancillary Facility granted by that Ancillary Facility Lender (together with all interest and other amounts accrued under the Finance Documents) or, as the case may be, provide full cash cover in respect of any Documentary Credit issued by that L/C Bank or any contingent liability under an Ancillary Facility.

(c) The Parent may only exercise its rights under paragraph (a) above if:

(i) in the case of paragraphs (a)(i) and (a)(ii) above, the circumstance giving rise to the requirement or indemnification continues or, in the case of (a)(iii) no more than 90 days have elapsed since the relevant invoking of Clause 17.2 (*Market Disruption*); and

(ii) it gives the Facility Agent and the relevant Lender not less than 5 Business Days prior notice.

(d) The replacement of a Lender pursuant to paragraph (a)(iii)(A)(1) above shall be subject to the following conditions:

(i) no Finance Party shall have any obligation to find a replacement Lender;

(ii) any replaced Lender shall not be required to refund, or to pay or surrender to any other Lender, any of the fees or other amounts received by that replaced Lender under any Finance Document; and

(iii) any replacement of a Lender which is the Facility Agent shall not affect its role as the Facility Agent.

(e) Prepayments made pursuant to this Clause 12.4 (*Right of Repayment and Cancellation in relation to a Single Lender*) shall be applied against the outstanding Advances pro rata.

12.5 Right of Cancellation in Relation to a Defaulting Lender

Without prejudice to the Parent's rights under Clause 2.2 (*Increase*):

(a) If any Lender becomes a Defaulting Lender, the Parent may, at any time whilst the Lender continues to be a Defaulting Lender, give the Facility Agent 3 Business Days notice of cancellation of each Available Commitment of that Lender.

(b) On the notice referred to in paragraph (a) above becoming effective, each Available Commitment of the Defaulting Lender shall immediately be reduced to zero.

(c) The Facility Agent shall as soon as practicable after receipt of a notice referred to in paragraph (a) above, notify all the Lenders.

13. VOLUNTARY PREPAYMENT

13.1 Voluntary Prepayment

(a) Any Borrower may, by giving to the Facility Agent not less than 5 Business Days prior written notice to that effect (unless the Instructing Group under the relevant Facility has given its prior consent to a shorter period):

(i) repay any US$ B1 Facility Advance drawn by it under the US$ B1 Facilities in whole or in part (but if in part, in an amount that reduces the Euro Amount of the US$ B1 Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000), together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable);

(ii) repay any EUR B1 Facility Advance drawn by it under the EUR B1 Facilities in whole or in part (but if in part, in an amount that reduces the Euro Amount of the EUR B1 Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000), together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable);

(iii) repay any US$ B2 Facility Advance drawn by it under the US$ B2 Facilities in whole or in part (but if in part, in an amount that reduces the Euro Amount of the US$ B2 Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000), together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable);

(iv) repay any EUR B2 Facility Advance drawn by it under the EUR B2 Facilities in whole or in part (but if in part, in an amount that reduces the Euro Amount of the EUR B2 Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000), together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable);

(v) repay any US$ B3 Facility Advance drawn by it under the US$ B3 Facilities in whole or in part (but if in part, in an amount that reduces the Euro Amount of the US$ B3 Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000), together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable); and

(vi) repay any EUR B3 Facility Advance drawn by it under the EUR B3 Facilities in whole or in part (but if in part, in an amount that reduces the Euro Amount of the EUR B3 Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000), together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable).

(b) Any Additional Facility Borrower may, by giving to the Facility Agent not less than 5 Business Days prior written notice to that effect (unless the Instructing Group under the relevant Facility has given its prior consent to a shorter period), repay any Additional Facility Advance by such minimum amount as is agreed by the Parent and the relevant Additional Facility Lender.

(c) Any Borrower may, by giving to the Facility Agent not less than 5 Business Days prior written notice to that effect (unless the Revolving Facility Instructing Group has given its prior consent to a shorter period) repay a Revolving Facility Advance drawn by it in whole or in part (but if in part, in an amount that reduces the Euro Amount of the Revolving Facility Advance by a minimum amount of €5,000,000 and an integral multiple of €1,000,000 together with accrued interest on the amount repaid without premium or penalty but subject to the payment of any Break Costs (if applicable).

13.2 Application of Repayments

Any voluntary prepayment made under Clause 13.1 (*Voluntary Prepayment*) shall be applied in repayment of any of the Term Facility Outstandings, any Revolving Facility Outstandings or any outstandings in relation to any Additional Facility that is a revolving facility, in whole or in part, as selected by the Parent at its discretion.

13.3 Release from Obligation to Make Advances

A Lender for whose account a repayment is to be made under Clause 12.4 (*Right of Repayment and Cancellation in Relation to a Single Lender*) shall not be obliged to participate in the making of Advances (including Revolving Facility Advances) or in the issue or counter-guarantee in respect of Documentary Credits or in the provision of Ancillary Facilities on or after the date upon which the Facility Agent receives the relevant notice of intention to repay such Lender’s share of the Outstandings, on which date all of such Lender’s Available Commitments shall be cancelled and all of its Commitments shall be reduced to zero.

13.4 Notice of Prepayment or Cancellation

Any notice of prepayment given by a Borrower pursuant to Clause 13.1 (*Voluntary Prepayment*) or Clause 12.4 (*Right of Repayment and Cancellation in Relation to a Single Lender*) and a notice of cancellation pursuant to Clause 12.2 (*Notice of Cancellation*) shall be irrevocable, shall specify the date upon which such prepayment is to be made and the amount of such prepayment and shall oblige that Borrower to make such prepayment on such date, provided that a notice or prepayment or cancellation may be conditional and not irrevocable provided that the Parent or a Borrower shall within 10 Business Days’ notice from the Facility Agent indemnify any Lender in respect, and in the amount, of such Lender’s Break Costs as specified in such notice should cancellation or prepayment not occur on the date specified in the notice of cancellation or prepayment.

13.5 Restrictions on Repayment

No Borrower may repay all or any part of any Advance (including, at any time, a Revolving Facility Advance) except at the times and in the manner expressly provided for in this Agreement.

13.6 Cancellation upon Repayment

No amount repaid under this Agreement may subsequently be reborrowed other than any amount of a Revolving Facility Advance or Additional Facility Advance in relation to a revolving facility repaid in accordance with Clauses 10.1 (*Repayment of Revolving Facility Advances*) or 13.1(c) (*Voluntary Prepayment*) or any Documentary Credit repaid in accordance with this Agreement on or prior to the Final Maturity Date in respect of the Revolving Facility or an Additional Facility that is a revolving facility and upon any repayment (other than in respect of a Revolving Facility Advance or an Additional Facility that is a revolving facility, as aforesaid) the Commitment of each Lender in relation to the relevant Facility shall be cancelled in an amount equal to each Lender's Proportion of the amount repaid. For the avoidance of doubt, unless expressly agreed to the contrary in the relevant Ancillary Facility Documents, this Clause 13.6 (*Cancellation upon Repayment*) shall not apply to any Ancillary Facility.

14. MANDATORY PREPAYMENT AND CANCELLATION

14.1 Change of Control

(a) "**Change of Control**" means:

(i) the Controlling Company (A) ceases to be the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent; and (B) ceases, by virtue of any powers conferred by the articles of association or other documents regulating the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, as applicable, to, directly or indirectly, direct or cause the direction of management and policies of the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, as applicable;

(ii) the sale, lease, transfer, conveyance or other disposition (other than by way of a merger or consolidation) in one or a series of related transactions, of all or substantially all of the assets of the Parent, a Permitted Affiliate Parent (after any Permitted Affiliate Group Designation Date) and the Restricted Subsidiaries (taken as a whole), as applicable, to any "person" (as such term is used in sections 13(d) and 14(d) of the Exchange Act) other than a Permitted Holder;

(iii) on or prior to the Closing Date, Ziggo N.V. ceases to be the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of 100% of the total voting power of the Voting Stock of the Parent;

(iv) the Parent ceases to be the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly of 100% of the total voting power of the Voting Stock of Torenspits II B.V.;

(v) at any time after a Permitted Affiliate Group Designation Date, any Permitted Affiliate Holdco ceases to be the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) directly or indirectly of 100% of the total voting power of the Voting Stock of any Permitted Affiliate Parent; or

(vi) Torenspits II B.V. or any Permitted Affiliate Parent ceases to be the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of each of the Obligors,

provided that a Change of Control shall not be deemed to have occurred pursuant to clause (i) of this definition upon the consummation of the Ziggo Acquisition, a Post-Closing Reorganisation or a Spin-Off.

(b) Notwithstanding the foregoing, upon consummation of (i) the Post-Closing Reorganisation, "Controlling Company" will mean New Intermediate Holdco and its successors (ii) a Spin-Off, "Controlling Company" will mean the Spin Holdco and its successors or (iii) the Subordinated Debt Pushdown but prior to a Permitted Affiliate Group Designation Date, "Controlling Company" will mean the direct Holding Company of the Pushdown Issuer.

(c) For the purpose of this Clause 14 (*Mandatory Prepayment and Cancellation*) only:

(i) "**Capital Stock**" of any Person means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of interests in (howsoever designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity;

(ii) "**Controlling Company**" means, subject to paragraph (b) above:

(A) at any time on or prior to the Closing Date, Ziggo Bond Company Holding;

(B) at any time on or after the Closing Date, the immediate Holding Company of Bidco Parent and its successors; and

(C) at any time on or after a Permitted Affiliate Group Designation Date, the Common Holding Company and its successors;

(iii) “**Exchange Act**” means the United States Securities Exchange Act of 1934, as amended;

(iv) “**New Intermediate Holdco**” means the direct Subsidiary of the Ultimate Holdco following a Post-Closing Reorganisation;

(v) “**Permitted Holder**” means, collectively:

(A) the Ultimate Holdco;

(B) in the event of a Spin-Off, the Spin Holdco and any Subsidiary of the Spin Holdco; and

(C) each Affiliate or Related Person of a Permitted Holder described in (A) above, and any successor to such Permitted Holder, Affiliate or Related Person;

(D) any Person who is acting as an underwriter in connection with any public or private offering of Capital Stock of the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, acting in such capacity; and

(E) any “person” or “group” of related persons (as such terms are used in sections 13(d) and 14(d) of the Exchange Act) whose acquisition of “beneficial ownership” (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act) of Voting Stock or all or substantially all of the assets of the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, and its Restricted Subsidiaries (taken as a whole) would constitute a Change of Control in respect of which the Parent, or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, as applicable, has provided a notice to the Facility Agent under Clause (d)(i) (*Change of Control*) and the Facility Agent has not, within sixty Business Days of receipt of such notice, provided a notice to the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, as applicable, under Clause (d)(ii) (*Change of Control*) cancelling the Facilities and/or declaring all outstanding Advances to be immediately due and payable;

(vi) “**Person**” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organisation, limited liability company, government or any agency of political subdivision hereof or any other entity;

(vii) “**Post-Closing Reorganisation**” means, at any time after the Closing Date, (A) a distribution or other transfer of the Controlling Company and its Subsidiaries or a Holding Company of Controlling Company and its Subsidiaries to the Ultimate Holdco or another direct Subsidiary of the Ultimate Holdco through one or more mergers, transfers, consolidations or other similar transactions such that Controlling Company or such Holding Company will become the direct Subsidiary of the Ultimate Holdco or such other direct Subsidiary of the Ultimate Holdco; and/or (B) the issuance by the Controlling Company of Capital Stock to the Ultimate Holdco or another direct Subsidiary of the Ultimate Holdco and, as consideration therefor, the assignment or transfer by the Ultimate Holdco or a direct Subsidiary of the Ultimate Holdco of assets to the Controlling Company, as the case may be;

(viii) "**Preferred Stock**", as applied to the Capital Stock of any corporation, means Capital Stock of any class or classes (however designated) which 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 corporation, over shares of Capital Stock of any other class of such corporation;

(ix) "**Pushdown Issuer**" means the new issuer of the exchange notes in relation to the Original Senior Unsecured Notes following any Subordinated Debt Pushdown;

(x) "**Related Person**" with respect to any Permitted Holder, means:

(A) any controlling equity holder or majority (or more) owned Subsidiary of such Permitted Holder; or

(B) in the case of an individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof; or

(C) any trust, corporation, partnership or other person for which one or more of the Permitted Holders and other Related Persons of any thereof constitute the beneficiaries, stockholders, partners or owners thereof, or Persons beneficially holding in the aggregate a majority (or more) controlling interest therein;

(xi) "**Spin-Off**" means, at any time after the Closing Date, a transaction by which all outstanding ordinary shares of the Controlling Company or any of its Holding Companies directly or indirectly owned by the Ultimate Holdco are distributed to all of the Ultimate Holdco's shareholders in proportion to such shareholders' holdings in the Ultimate Holdco at the time of such transaction either directly or indirectly through the distribution of shares in a company holding the Controlling Company's shares or such Holding Company's shares;

(xii) "**Spin Holdco**" means the company the shares of which are distributed to the shareholders of the Ultimate Holdco pursuant to the Spin-Off;

(xiii) "**Subordinated Debt Pushdown**" means a push down by Bidco Parent of the exchange notes to be issued by it in relation to the Original Senior Unsecured Notes and the obligations thereunder through its corporate structure such that such notes continue to be issued by a Holding Company of the Parent;

(xiv) "**Ziggo Bond Company Holding**" means Ziggo Bond Company Holding B.V. (a company registered in the Netherlands), together with its successors (by merger, consolidation, transfer, conversion of legal form or otherwise); and

(xv) "**Voting Stock**" of a Person means all classes of Capital Stock of such Person then outstanding and normally entitled to vote in the election of directors.

(d) Upon becoming aware of a Change of Control:

(i) the Parent or, after a Permitted Affiliate Group Designation Date, a Permitted Affiliate Parent, as applicable, shall promptly notify the Facility Agent; and

(ii) if the Instructing Group so require, the Facility Agent shall, by not less than 30 Business Days' notice to the Parent, cancel each Facility and declare all outstanding Advances, together with accrued interest and all other relevant amounts accrued under the Finance Documents immediately due and payable, whereupon each Facility will be cancelled and all such outstanding amounts will become immediately due and payable.

14.2 Mandatory Prepayment from Disposal Proceeds

(a) Other than as provided in paragraph (b) below, on a Permitted Disposal (other than (i) the first €200,000,000 Net Proceeds of each Content Transaction or (ii) a disposal in accordance with paragraphs 24.11(b)(i) to 24.11(b)(xxxii) of Clause 24.11 (*Disposals*)), the Parent shall procure that an amount of the Facilities is prepaid so as to ensure that the financial ratios set out in Clause 23.2 (*Financial Ratios*) for the Latest Ratio Period (as defined in Clause 24.11 (*Disposals*)) in respect of the relevant disposal would not be breached if such financial ratios were tested for that Latest Ratio Period taking into account (on a pro forma basis) all disposals made since the last day of that Latest Ratio Period and the amount of such prepayment (but ignoring such Net Procceeds). Such amount shall be applied against the Facilities in accordance with Clause 14.3 (*Application of Mandatory Prepayments and Cancellations*).

(b) No prepayment in accordance with paragraph (a) above is required:

(i) where the amount of any such prepayment would be less than €200,000,000 (or its equivalent in other currencies); and

(ii) in connection with any Permitted Disposal where an amount equal to the amount of any such prepayment is reinvested in assets in the Business of the Bank Group (for the avoidance of doubt, including Permitted Acquisitions, Capital Expenditure, Operational Expenditure and Permitted Joint Ventures). Any amount that has not been:

(A) contracted to be so reinvested within 12 months of the relevant Permitted Disposal; and

(B) so reinvested within 18 months of the relevant Permitted Disposal ("**Reinvestment End Date**"),

shall be applied in prepayment of the Facilities in accordance with Clause 14.3 (*Application of Mandatory Prepayments and Cancellations*) provided that on the Reinvestment End Date, the Parent shall procure that an amount of the Facilities is prepaid so as to ensure that the financial ratios set out in Clause 23.2 (*Financial Ratios*) for the Latest Ratio Period would not be breached if such financial ratios were tested for that Latest Ratio Period taking into account (on a pro forma basis) all disposals made since the last day of that Latest Ratio Period and the amount of such prepayment but without taking into account in the calculation of Cash any Net Proceeds that have not been reinvested as at such Reinvestment End Date.

14.3 Application of Mandatory Prepayments and Cancellations

(a) A prepayment of Utilisations or cancellation of Available Commitments made under Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) shall be applied in the following order:

(i) first, in prepayment of Advances made under the Term Facilities as contemplated in paragraphs (b) to (e) inclusive below;

(ii) secondly, in prepayment of, at the election of the Parent, Revolving Facility Outstandings and/or outstanding Additional Facility Advances in relation to an Additional Facility that is a revolving facility such that:

(A) any such Facility is prepaid on a pro rata basis; and

(B) Revolving Facility Advances and applicable Additional Facility Advances shall be prepaid before any Outstanding L/C Amounts (which shall then be prepaid on a pro rata basis)),

and cancellation, in each case, of the corresponding Revolving Facility Commitments and Additional Facility Commitments; and

(iii) then, in:

(A) repayment of the Ancillary Facility Outstandings (and cancellation of corresponding Ancillary Facility Commitments); and

(D) cancellation of Ancillary Facility Commitments; and

(iv) finally, (on a pro rata basis) cancellation of the Revolving Facility Commitments and the Additional Facility Commitments in relation to any Additional Facility that is a revolving facility.

(b) Unless the relevant Borrower makes an election under paragraph (d) below or notifies the Facility Agent that it intends to reinvest the Net Proceeds in assets in the Business of the Bank Group in accordance with Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) above, it shall prepay Advances promptly upon receipt of the Net Proceeds of the disposal.

(c) A prepayment under Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) shall prepay the Advances made under the Term Facilities at the discretion of the relevant Borrower.

(d) Subject to paragraph (e) below, a Borrower may elect that any prepayment under Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) be applied in prepayment of an Advance on the last day of the Interest Period or Term relating to that Advance. If the relevant Borrower makes that election then a proportion of the Advance equal to the amount of the relevant prepayment will be due and payable on the last day of its Interest Period or Term.

(e) If a Borrower has made an election under paragraph (d) above but a Default has occurred and is continuing, that election shall no longer apply and a proportion of the Advance in respect of which the election was made equal to the amount of the relevant prepayment shall be immediately due and payable (unless the Instructing Group otherwise agree in writing).

14.4 Miscellaneous Provisions

(a) All prepayments under this Agreement shall be made together with accrued interest on the amount prepaid and any other amounts due under this Agreement in respect of that prepayment and, subject to Clause 32.2 (*Break Costs*), without premium or penalty.

(b) No prepayment or cancellation is permitted except in accordance with the express terms of this Agreement.

(c) Any prepayment in part of any Advance shall be applied against the participations of the Lenders in that Advance *pro rata*.

15. INTEREST ON REVOLVING FACILITY ADVANCES

15.1 Duration

The duration of the Term for each Revolving Facility Advance shall, save as otherwise provided in this Agreement, be a period of any number of days from and including 1 day to and including 30 days or 1, 2, 3 or 6 months or such other period of up to 12 months as all the Lenders having a Revolving Facility Commitment may agree with the

Borrower prior to submission of the relevant Utilisation Request provided that such period shall end on or before the Final Maturity Date in respect of the Revolving Facility, in each case, as the Borrower may select in the relevant Utilisation Request.

15.2 Interest Payment Date for Revolving Facility Advances

On each Repayment Date (and, if the Term of any Revolving Facility Advance or Additional Facility Advance in relation to a revolving facility exceeds 6 months, on the expiry of each period of 6 months during such Term), the relevant Borrowers shall pay accrued interest on each Revolving Facility Advance and Additional Facility Advance in relation to a revolving facility made to it.

15.3 Interest Rate for Revolving Facility Advances

The rate of interest applicable to each Revolving Facility Advance during its Term shall be the rate per annum which is the sum of the Revolving Facility Margin and, in relation to any Revolving Facility Advance denominated in euro, EURIBOR, or in relation to any Revolving Facility Advance denominated in any other currency, LIBOR, for the relevant Term.

16. INTEREST ON TERM FACILITY ADVANCES

16.1 Interest Periods for Term Facility Advances

The period for which a Term Facility Advance is outstanding shall be divided into successive periods (each an "**Interest Period**") each of which (other than the first) shall start on the last day of the preceding such period.

16.2 Duration

The duration of each Interest Period shall, save as otherwise provided in this Agreement, be 1, 2, 3 or 6 months in respect of each Term Facility, or, in each case, such other period of up to 12 months as all the Lenders holding Commitments (in the case of the first Interest Period for a Term Facility Advance, and thereafter, Outstandings) under the relevant Facility may agree with the Borrower, in each case, as the Borrower may select by no later than 9:30a.m. on the date falling 3 Business Days before the first day of the relevant Interest Period, provided that:

(a) if such Borrower fails to give such notice of selection in relation to an Interest Period, the duration of that Interest Period shall, subject to the other provisions of this Clause 16 (*Interest on Term Facility Advances*), be 3 months; and

(b) any Interest Period that would otherwise end during the month preceding or extend beyond a Repayment Date relating to the Term Facility Outstandings shall be of such duration that it shall end on that Repayment Date if necessary to ensure that there are Advances under the relevant Term Facility with Interest Periods ending on the relevant Repayment Date in a sufficient aggregate amount to make the repayment due on that Repayment Date.

16.3 Consolidation and Division of Term Facility Advances

(a) Subject to paragraph (b) below, if two or more Interest Periods:

(i) relate to Term Facility Advances under the same Term Facility made to the same Borrower in the same currency; and

(ii) end on the same date,

those Term Facility Advances will, unless that Borrower (or the Parent on its behalf) specifies to the contrary for the next Interest Period, be consolidated into, and treated as, a single Term Facility Advance on the last day of the Interest Period.

(b) Subject to the requirements of Clause 16.2 (*Duration*), a Borrower (or the Parent on its behalf) may, by no later than 9:30a.m. on the date falling 3 Business Days before the first day of the relevant Interest Period, direct that any Term Facility Advance borrowed by it shall, at the beginning of the next Interest Period relating to it, be divided into (and thereafter, save as otherwise provided in this Agreement, be treated in all respects as) 2 or more Advances in such amounts (equal in aggregate to the Euro Amount of the Term Facility Advance being so divided) as shall be specified by that Borrower or the Parent in such notice provided that no such direction may be made if:

(i) as a result of so doing, there would be more than 10 Advances outstanding under the relevant Term Facility; or

(ii) any Term Facility Advance thereby coming into existence would have a Euro Amount of less than €25,000,000.

16.4 Payment of Interest for Term Facility Advances

On the last day of each Interest Period (or if such day is not a Business Day, on the immediately succeeding Business Day in the then current month (if there is one) or the preceding Business Day (if there is not)), and if the relevant Interest Period exceeds 6 months, on the expiry of each 6 month period during that Interest Period, the relevant Borrower shall pay accrued interest on the Term Facility Advance to which such Interest Period relates.

16.5 Interest Rate for Term Facility Advances

The rate of interest applicable to a Term Facility Advance at any time during an Interest Period relating to it shall be the rate per annum which is the sum of the Margin and, in relation to any relevant Advance denominated in euro, EURIBOR, or in relation to any relevant Advance denominated in any other currency, LIBOR, for such Interest Period.

16.6 Interest on Additional Facilities

The rate of interest on any Additional Facility and the timing of payment of such interest shall be regulated by the relevant Additional Facility Accession Deed.

16.7 Notification

The Facility Agent shall promptly notify the relevant Borrowers and the Lenders of each determination of LIBOR, EURIBOR, and any change to the proposed length of a Term or Interest Period or any interest rate occasioned by the operation of Clause 17 (*Market Disruption and Alternative Interest Rates*).

17. MARKET DISRUPTION AND ALTERNATIVE INTEREST RATES

17.1 Absence of Quotations

Subject to Clause 17.2 (*Market Disruption*):

(a) if LIBOR or, if applicable, EURIBOR is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation on the Quotation Date in accordance with Clause 17.2 (*Market Disruption*), the applicable LIBOR or EURIBOR shall be determined on the basis of the quotations of the remaining Reference Banks; or

(b) if Clause 17.3 (*Alternative Reference Bank Rate*) applies but an Alternative Reference Bank does not supply a quotation in accordance with Clause 17.3 (*Alternative Reference Bank Rate*), the applicable Alternative Reference Bank Rate shall be determined on the basis of the quotations of the remaining Alternative Reference Banks.

17.2 Market Disruption

(a) If a Market Disruption Event occurs in relation to an Advance for any Interest Period or Term, then the rate of interest applicable to each Lender’s portion of such Advance during the relevant Interest Period or Term shall (subject to any agreement reached pursuant to Clause 17.4 (*Alternative Rate*)) be the rate per annum which is the sum of

   (i) the Margin; and

   (ii) the Alternative Reference Bank Rate or (if an Alternative Market Disruption Event has occurred with respect to an Advance for the relevant Interest Period or Term of that Advance) the rate per annum notified to the Facility Agent by such Lender before the last day of such Interest Period or Term to be that which expresses as a percentage rate per annum the cost to such Lender of funding from whatever sources it may reasonably select its portion of such Advance during such Interest Period or Term provided that if more than one such rate is notified to the Facility Agent pursuant to this Clause 17.2(a)(ii), the rate shall be the average of those rates so notified.

(b) If:

   (i) the percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above is less than the Alternative Reference Bank Rate; or

(ii) a Lender has not notified the Facility Agent of a percentage rate per annum pursuant to paragraph (a)(ii) above,

the cost to that Lender of funding its participation in that Advance for that Interest Period or Term shall be deemed, for the purposes of paragraph (a) above, to be the Alternative Reference Bank Rate.

(c) In this Agreement:

"**Alternative Market Disruption Event**" means:

(i) before close of business in London on the date falling one Business Day after the Quotation Date for the relevant Interest Period or Term, none or only one of the Alternative Reference Banks supply a rate to the Facility Agent to determine the Alternative Reference Bank Rate for the relevant Interest Period or Term; or

(ii) before close of business in London on the Quotation Date for the relevant Interest Period or Term, the Facility Agent receives notifications from a Lender or Lenders to whom in aggregate 40% or more of the relevant Advance is owed (or, in the case of an undrawn Advance, if made would be owed) that the cost to it of funding its participation from whatever source it may reasonably select would be in excess of the Alternative Reference Bank Rate; and

"**Market Disruption Event**" means:

(i) at or about noon on the Quotation Date for the relevant Interest Period or Term none or only one of the Reference Banks supplies a rate to the Facility Agent to determine LIBOR or, if applicable, EURIBOR for the relevant currency and Interest Period or Term; or

(ii) before close of business in London on the Quotation Date for the relevant Interest Period or Term, the Facility Agent receives notifications from a Lender or Lenders to whom in aggregate 40% or more of the relevant Advance is owed (or, in the case of an undrawn Advance, if made would be owed) that the cost to it of funding its participation from whatever source it may reasonably select would be in excess of LIBOR or, if applicable, EURIBOR.

17.3 Alternative Reference Bank Rate

(a) If a Market Disruption Event occurs, the Facility Agent shall as soon as is practicable request each of the Alternative Reference Banks to supply to it the rate at which that Alternative Reference Bank could have borrowed funds in the relevant currency and for the relevant period in the London interbank market or, in relation to an Advance in euro, the European interbank market at or about 11:00 a.m. or, in relation to an Advance in euro, at or about 11:00 a.m. (Brussels time) on the Quotation Date for the Interest Period or Term of that Advance, were it to have done so by asking for and then accepting interbank offers for deposits in reasonable market size in the currency of that Advance and for a period comparable to the Interest Period or Term of that Advance.

(b) As soon as is practicable after receipt of the rates supplied by the Alternative Reference Banks, the Facility Agent will notify the Parent and the Lenders of the arithmetic mean of the rates supplied to it in accordance with paragraph (a) above (the "**Alternative Reference Bank Rate**").

17.4 Alternative Rate

If Clause 17.2 (*Market Disruption*) applies and the Facility Agent or the Parent so requires, the Facility Agent and the Parent shall enter into negotiations (for a period of not more than 30 days) with a view to agreeing an alternative basis:

(a) for determining the rate of interest from time to time applicable to such Advances; and/or

(b) upon which such Advances may be maintained (whether in euro or some other currency) thereafter,

and any such alternative basis that is agreed shall take effect in accordance with its terms and be binding on each party to this Agreement, provided that the Facility Agent may not agree any such alternative basis without the prior consent of each Lender holding Outstandings under each applicable Facility, acting reasonably.

18. COMMISSION AND FEES

18.1 Commitment Fees

(a) The Parent shall pay (or procure the payment of) to the Facility Agent for the account of each relevant Lender (other than an Ancillary Facility Lender or any Additional Facility Lender) a commitment fee on the aggregate amount of such Lender's Available Revolving Facility Commitment made available by it (other than in relation to any Ancillary Facility or any Additional Facility) from day to day during the period beginning on the Signing Date and ending on the Termination Date for the Revolving Facility. Such commitment fee shall be calculated at the rate of 40 per cent. of the Revolving Facility Margin and shall be payable in arrears on the last day of each successive period of 3 months which ends during such period and on the Termination Date for the Revolving Facility.

(b) No commitment fee is payable to the Facility Agent (for the account of a Lender) on any Available Revolving Facility Commitment of that Lender for any day on which that Lender is a Defaulting Lender.

18.2 Arrangement, Ticking and Underwriting Fee

(a) The Parent shall pay (or procure the payment of) to the Bookrunners and Mandated Lead Arrangers, as applicable, the fees specified in any relevant Fee Letter at the times and in the amounts specified in such letter.

(b) The Parent shall pay (or procure the payment of) to any Additional Facility Lenders the fees specified in the relevant Additional Facility Accession Deed at the times and in the amounts specified in such Additional Facility Accession Deed.

18.3 Agency Fee

The Parent shall pay (or procure the payment of) to the Facility Agent and the Security Agent for their own account the fees specified in the letter dated on or about the date of this Agreement between the Facility Agent, the Security Agent and the Parent at the times and in the amounts specified in such letter.

18.4 Documentary Credit Fee

Each Borrower shall, in respect of each Documentary Credit issued on its behalf pay (or procure the payment of) to the Facility Agent for the account of each L/C Lender (for distribution in proportion to each L/C Lender's L/C Proportion of such Documentary Credit) a documentary credit fee in the currency in which the relevant Documentary Credit is denominated at a rate equal to the applicable Revolving Facility Margin applied on the Outstanding L/C Amount in relation to such Documentary Credit (less any amount which has been repaid or prepaid). Such documentary credit fee shall be paid in arrears on each Quarter Date during the Term of the relevant Documentary Credit and on the relevant Expiry Date (or the date of its repayment, prepayment or cancellation, if earlier) for that Documentary Credit.

18.5 L/C Bank Fee

Each relevant Borrower shall pay (or procure the payment of) to any other L/C Bank a fronting fee in respect of each Documentary Credit requested by it and issued by that L/C Bank, in the amount and at the times agreed in any letter entered into between such L/C Bank and such Borrower.

18.6 Prepayment Fee

If on or prior to the date falling 6 months after the first Utilisation Date in relation to each of the US$ B1 Facility, the US$ B2 Facility, the US$ B3 Facility, the EUR B1 Facility, the EUR B2 Facility or the EUR B3 Facility (but not otherwise) any Borrower:

(a) makes any prepayment of a US$ B1 Facility Advance, US$ B2 Facility Advance, US$ B3 Facility Advance, EUR B1 Facility Advance, EUR B2 Facility Advance or EUR B3 Facility Advance (each or together a "**TL Facility Advance**") in connection with any Repricing Transaction; or

(b) effects any amendment of this Agreement resulting in a Repricing Transaction,

such Borrower shall, in each case, pay to the Facility Agent, for the account of each applicable Lender,

(c) in the case of paragraph (a) above, a prepayment fee equal to 1.00 per cent. flat on the amount of that Lender's TL Facility Advance which is prepaid; and

(d) in the case of paragraph (b) above, a prepayment equal to 1.00 per cent. flat on the aggregate amount of the TL Facility Advances of each Lender that shall have been the subject of a mandatory assignment under the circumstances described in Clause 43.11 (*Replacement of Lenders*) following the failure of such Lender to consent to such amendment and on or prior to the date falling 6 months after the relevant Utilisation Date.

In this Clause:

"**Repricing Transaction**" means the prepayment or refinancing of all or a portion of the TL Facility Advances with any long term bank debt financing incurred for the primary purpose of repaying, refinancing, substituting or replacing the TL Facility Advances and having an effective interest cost or weighted average yield (as determined by the Facility Agent consistent with generally accepted financial practice and, in any event, excluding any arrangement or commitment fees in connection therewith) that is less than the interest rate for or weighted average yield (as determined by the Facility Agent (acting reasonably) on the same basis) of the TL Facility Advances, including without limitation, as may be effected through any amendment to this Agreement relating to the interest rate for, or weighted average yield of, the TL Facility Advances.

19. TAX GROSS-UP AND INDEMNITIES

19.1 Definitions

In this Agreement:

"**Protected Party**" means a Finance Party which is or will be subject to any liability or required to make any payment for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than (i) a FATCA Deduction or (ii) a deduction or withholding for or on account of any Bank Levy (or otherwise attributable to, or arising as a consequence of, a Bank Levy).

"**Tax Payment**" means either the increase in a payment made by a Borrower to a Finance Party under Clause 19.2 (*Tax Gross-up*) or a payment under Clause 19.3 (*Tax Indemnity*).

Unless a contrary indication appears, in this Clause 19 a reference to "**determines**" or "**determined**" means a determination made in the discretion of the person making the determination acting reasonably and in good faith.

19.2 Tax Gross-up

(a) Each Borrower shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law or by a binding decision of a tax authority or court.

(b) Each Borrower shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Facility Agent accordingly. Similarly, a Lender shall notify the Facility Agent on becoming so aware in respect of a payment payable to that Lender. If the Facility Agent receives such notification from a Lender it shall notify the relevant Borrower.

(c) If a Tax Deduction is required by law to be made by a Borrower, the amount of the payment due from that Borrower shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) If a Borrower is required to make a Tax Deduction, that Borrower shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(e) In the case of a Tax Deduction made by a Borrower, that Borrower shall furnish, if reasonably possible, to the Facility Agent on behalf of the Finance Party concerned, within the period for payment permitted by the relevant law, either:

(i) an official receipt of the relevant taxation or other authorities involved in respect of Tax Deduction; or

(ii) if such receipts are not issued by the taxation or other authorities concerned on payment to them in respect of the Tax Deduction, a certificate of deduction or equivalent evidence of the relevant Tax Deduction.

(f) Each party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FACTA Deduction.

19.3 Tax Indemnity

(a) A Borrower shall (within ten Business Days of written demand by the Facility Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party reasonably determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a payment of that Borrower under the Finance Documents. The Protected Party shall within five Business Days' of request by that Borrower provide to that Borrower reasonable written details explaining the loss, liability or cost and the calculation of the amount claimed by the Protected Party.

(b) Paragraph (a) above shall not apply:

(i) with respect to any Tax assessed on a Finance Party:

(A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or

(B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

(ii) to the extent a loss, liability or cost:

(A) is compensated for by an increased payment under Clause 19.2 (*Tax Gross-up*);

(B) relates to a FATCA Deduction required to be made by a Party; or

(C) is suffered or incurred by a Finance Party in respect of a Bank Levy.

(c) A Protected Party making, or intending to make a claim under paragraph (a) above shall promptly notify the Facility Agent of the event which will give, or has given, rise to the claim, following which the Facility Agent shall notify the Borrower.

(d) A Protected Party shall, on receiving a payment from a Borrower under this Clause 19.3, notify the Facility Agent.

19.4 Tax Credit

(a) If and to the extent that a Borrower pays any additional amount under Clause 19.2 (Tax Gross-up) or makes a payment under Clause 19.3 (Tax Indemnity) and any Finance Party receives and retains the benefit of a refund of Tax or credit against Tax, including any relief, remission for, or repayment of any Tax which is identified by the Finance Party determines as attributable to the tax that was withheld or deducted (a "Tax Credit"), then that Finance Party shall reimburse to that Borrower such amount as it shall determine so as to leave that Finance Party after that reimbursement, in the same after-Tax position as in no better or worse position than it would have been in if payment of the relevant additional amount or payment had not been required. Each Finance Party shall have absolute discretion as to whether to claim any Tax Credit and, if it does so claim, the extent, order and manner in which it does so and which reliefs and credits are to be regarded as used for these purposes. Such reimbursement shall be made as soon as reasonably practicable after such Finance Party shall have made any such determination. No Finance Party shall be obliged to disclose any information regarding its tax affairs or computations to the Borrowers.

(b) If a Finance Party has made a payment to the Parent or an Obligor pursuant to this Clause 19.4 (Tax Credit) on account of a Tax Credit and it subsequently transpires that that Finance Party did not receive that Tax Credit, or received a reduced Tax Credit, either the Parent or such Obligor, as the case may be, shall, on demand, pay to that Finance Party the amount which that Finance Party determines, acting reasonably and in good faith, will put it (after that payment is received) in the same after-tax position as it would have been in had no such payment or a reduced payment been made to the Parent or such Obligor.

(c) No Finance Party shall be obliged to make any payment under this Clause 19.4 (Tax Credit) if, by doing so, it would contravene the terms of any applicable Law or any notice, direction or requirement of any governmental or regulatory authority (whether or not having the force of law).

19.5 Stamp Taxes

The Borrowers shall pay and, within 10 Business Days of demand, indemnify each Secured Party and Mandated Lead Arranger against any cost, loss or liability that Secured Party or Mandated Lead Arranger incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Finance Document save for any such Taxes payable in respect of an assignment, transfer or sub-participation of a Lender's interests in respect of a Finance Document.

19.6 Value Added Tax

(a) All consideration expressed to be payable under a Finance Document by any Party to a Finance Party shall be deemed to be exclusive of any VAT and no Party shall exercise any potential option for waiving a VAT exemption. Subject to paragraph (b) below, if VAT is chargeable on any supply made by any Finance Party to any Party in connection with a Finance Document, that Party shall pay to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT, unless the VAT charge is caused by the Finance Party's option to waive a VAT exemption, and in either case concurrently against the issue of an appropriate invoice.

(b) If VAT is or becomes chargeable on any supply made by any Finance Party (the "**Supplier**") to any other Finance Party (the "**Recipient**") in connection with a Finance Document, and any Party other than the Recipient (the "**Subject Party**") is required by the terms of any Finance Document to pay an amount equal to the consideration for such supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration), (i) if the Supplier is required to account to the relevant tax authority for the VAT, the Subject Party must also pay to the Supplier and, (ii) if the Recipient is required to account to the relevant tax authority for the VAT the Subject Party must pay to the Recipient, (in addition to and at the same time as paying such amount) an amount equal to the amount of such VAT. Where paragraph (i) applies, the Recipient must promptly pay to the Subject Party an amount equal to any credit or repayment obtained by the Recipient from the relevant tax authority which the Recipient reasonably determines is in respect of the VAT chargeable on that supply. Where paragraph (ii) applies, the Subject Party must only pay to the Recipient an amount equal to the amount of such VAT to the extent that the Recipient reasonably determines that it is not entitled to a credit or repayment from the relevant tax authority in respect of that VAT.

(c) Where a Finance Document requires any Party to reimburse a Finance Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Finance Party for the full amount of such costs and expenses including such costs that represent VAT incurred by the Finance Party in respect of the costs or expenses to the extent that the Finance Party reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of the VAT.

(d) Any reference in this Clause 19.6 to any Party shall, at any time when such Party is treated as a member of a group including but not limited to any fiscal unities for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term "**representative member**" to have the same meaning as in the Value Added Tax Act 1994 or in the relevant legislation of any jurisdiction having implemented Council Directive 2006/112/EC on the common system of value added tax).

(e) If VAT is chargeable on any supply made by a Finance Party to any Party under a Finance Document and if reasonably requested by such Finance Party, that Party must give the Finance Party details of its VAT registration number and any other information as is reasonably requested in connection with the Finance Party's reporting requirements for the supply and at such time that the Finance Party may reasonably request it.

Where a Borrower is required to make a payment under paragraph (b) above, such amount shall not become due until the relevant Borrower has received a formal invoice detailing the amount to be paid.

19.7 Tax Administration Formalities

(a) The Finance Parties and the Borrowers shall co-operate in good faith in completing any procedural steps (including, but not limited to, giving any required confirmation or providing any relevant information) necessary for the Borrowers to make payments to the Finance Party without any withholding or deduction for any Taxes. In particular, the Borrowers agree to provide such information in respect of itself as may be reasonably requested by the Finance Parties in writing in order for the Finance Parties to comply with any administrative formalities required for the Finance Parties to be exempt from withholding or deduction for any Taxes under any applicable international treaty.

(b) Similarly, each Finance Party undertakes to provide any tax certificate or other document as may be reasonably requested by the Borrower in writing in order for the Borrowers to be exempt from withholding or deduction for any Taxes under any applicable international treaty.

(c) Each Finance Party shall confirm whether it is entitled to receive payments under the Finance Documents free from withholding under FATCA and shall provide any documentation, forms and other information relating to its status under FATCA reasonably requested by the Facility Agent or a Borrower sufficient for the Facility Agent and the Borrowers to comply with their obligations under FATCA and to determine whether such Finance Party has complied with such applicable reporting requirements.

20. INCREASED COSTS

20.1 Increased Costs

Subject to Clause 20.3 (*Exceptions*), the Parent shall, within 3 Business Days of a demand by the Facility Agent, pay (or procure the payment of) for the account of a Finance Party the amount of any Increased Cost incurred by that Finance Party or any of its Affiliates as a result (direct or indirect) of:

(a) the introduction or implementation of or any change in (or any change in the interpretation, administration or application of) any Law, regulation, practice or concession or any directive, requirement, request or guideline (whether or not having the force of law but where such law, regulation, practice, concession, directive, requirement, request or guideline does not have the force of law, it is one with which banks or financial institutions subject to the same are generally accustomed to comply) of any central bank, including the European Central Bank, the Financial Services Authority or any other fiscal, monetary, regulatory or other authority after the date of this Agreement; or

(b) compliance with any Law, regulation, practice, concession or any such directive, requirement, request or guideline made after the date of this Agreement.

20.2 Increased Costs Claims

(a) A Finance Party intending to make a claim pursuant to Clause 20.1 (*Increased Costs*) shall notify the Facility Agent of the event giving rise to the claim, following which the Facility Agent shall promptly notify the Parent.

(b) Each Finance Party shall, as soon as practicable after a demand by the Facility Agent, provide a certificate confirming the amount of its, or if applicable, its Affiliate’s Increased Costs and setting out in reasonable detail the circumstances giving rise to such claim and its calculations in relation to such Increased Costs.

20.3 Exceptions

Clause 20.1 (*Increased Costs*) does not apply to the extent any Increased Cost is:

(a) attributable to a Tax Deduction required by Law to be made by a Borrower;

(b) compensated for by Clause 19.3 (*Tax Indemnity*) (or would have been compensated for under Clause 19.3 (*Tax Indemnity*) but was not so compensated solely because any of the exclusions in paragraph 19.3(b) of Clause 19.3 (*Tax Indemnity*) applied);

(c) attributable to the gross negligence of or wilful breach by, the Finance Party or, if applicable, any of its Affiliates of any law, regulation, practice, concession, directive, requirement, request or guideline, to which the imposition of such Increased Cost relates;

(d) suffered by a Finance Party and in respect of which that Finance Party intends to make a claim pursuant to paragraph 20.2(a) of Clause 20.2 (*Increased Costs Claims*), is not (and its claim under paragraph 20.2(a) of Clause 20.2 (*Increased Costs Claims*) is not) notified by that Finance Party to the Facility Agent within 30 days of that Finance Party becoming aware that it had suffered the relevant Increased Cost;

(e) is attributable to the implementation of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the Signing Date ("**Basel II**") or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, relevant Finance Party or any of its Affiliates);

(f) attributable to a FATCA Deduction required to be made by a Party; or

(g) attributable to any Bank Levy but only to the extent that such Bank Levy is no more onerous than in respect of:

   (i) a Bank Levy not yet enacted into law, any draft of such proposed Bank Levy as at the date of this Agreement; or

   (ii) any other Bank Levy, as set out under existing law as at the date of this Agreement.

In this Clause 20.3 reference to a "Tax Deduction" has the same meaning given to the term in Clause 19.1 (*Definitions*).

21. ILLEGALITY

21.1 Illegality of a Lender

If at any time after a Lender becomes a party to this Agreement it becomes unlawful in any applicable jurisdiction for such Lender to perform any of its obligations as contemplated by this Agreement or any Ancillary Facility Document respectively or to make, fund, issue or maintain its participation in any Utilisation or, in the case of an Ancillary Facility Lender, any utilisation under any Ancillary Facility:

(a) that Lender shall promptly notify the Facility Agent upon becoming aware of that event;

(b) upon the Facility Agent notifying the Parent, the Commitments of that Lender shall immediately be reduced to zero and cancelled or, if required by the Parent, on such date transferred to another bank or institution willing to accept that transfer; and

(c) upon the Facility Agent notifying the Parent, the Parent shall procure that each Borrower will, on such date as the Facility Agent shall have specified (being no earlier than the last day permitted by law):

(i) repay that Lender's participation in the Utilisations utilised by that Borrower (together with accrued interest on and all other amounts owing to that Lender under the Finance Documents) or, if required by the Parent, that Lender's participations shall on such date be transferred at par to another bank or institution willing to accept that transfer (to the extent it is lawful for such Lender to undertake such transfer); and/or

(ii) repay each amount payable or, as the case may be, provide full cash cover in respect of each contingent liability under each Ancillary Facility of that Ancillary Facility Lender.

21.2 Illegality in Relation to an L/C Bank

If it becomes unlawful in any relevant jurisdiction for an L/C Bank to perform any of its obligations as contemplated by this Agreement or to fund or maintain its participation in any Documentary Credit (an "**Affected Documentary Credit**"):

(a) that L/C Bank shall promptly notify the Facility Agent upon becoming aware of that event;

(b) upon the Facility Agent notifying the Parent, that L/C Bank shall not be obliged to issue any future Documentary Credit that would give rise to such unlawfulness; and

(c) upon the Facility Agent notifying the Parent, each relevant Borrower shall use its best endeavours to procure the release of any Affected Documentary Credit.

22. REPRESENTATIONS AND WARRANTIES

22.1 Representations and Warranties

Each Obligor in relation to itself, and the Parent in relation to each other member of the Bank Group and member of the Joint Venture Group, in each case to the extent expressed to be applicable to them, makes the representations and warranties set out in this Clause 21 (*Representations and Warranties*), other than Clauses 22.9 (*Accounts*) and 22.10 (*Financial Condition*), which shall only be made by the Parent.

22.2 Status

(a) It is a company duly organised or a partnership duly formed, in either case, validly existing under the laws of its jurisdiction of incorporation or establishment.

(b) It has the power to own its assets and carry on its business as it is being conducted.

22.3 Powers and Authority

It has the power:

(a) to enter into and comply with all obligations expressed on its part under the Finance Documents; and

(b) (in the case of a Borrower) to borrow under this Agreement; and

(c) (in the case of a Guarantor) to give the guarantee in Clause 30 (*Guarantee and Indemnity*),

and has taken all necessary actions to authorise the execution, delivery and performance of the Finance Documents to which it is a party.

22.4 Legal Validity

(a) Each Finance Document to which it is or will be a party constitutes, or when executed in accordance with its terms will constitute, its legal, valid and binding obligations enforceable, subject to any relevant reservations or qualifications as to matters of law contained in any legal opinion delivered under this Agreement, in accordance with its terms.

(b) The choice of English law as the governing law of the Finance Documents and its irrevocable submission to the jurisdiction of the courts of England in respect of any proceedings relating to the Finance Documents (in each case other than any Finance Document which is expressly to be governed by a law other than English law) will be recognised and enforced in its jurisdiction of incorporation, subject to any relevant reservation or qualification as to matters of law contained in any legal opinion referred to in paragraph (a) above.

(c) Any judgment obtained in England in relation to a Finance Document (in each case other than any Security Document which is expressly to be governed by a law other than English law) will be recognised and enforced in its jurisdiction of incorporation, subject to any relevant reservation or qualification as to matters of law contained in any legal opinion referred to in paragraph (a) above.

22.5 Non-violation

The execution and delivery by it of, the Finance Documents to which it is a party, and its performance of the transactions contemplated thereby, will not violate:

(a) in any material respect, any law or regulation or official judgment or decree applicable to it;

(b) in any material respect, its constitutional documents; or

(c) any agreement or instrument to which it is a party or binding on any of its assets or binding upon any other member of the Bank Group or any other member of the Bank Group's assets, where such violation would or is reasonably likely to have a Material Adverse Effect.

22.6 Consents

(a) Subject to any relevant reservations or qualifications contained in any legal opinion referred to in Clause 22.4(a) (*Legal Validity*) above, all material and necessary authorisations, registrations, consents, approvals, licences (other than the Licences), and filings required by it in connection with the execution, validity or enforceability of the Finance Documents to which it is a party and performance of the transactions contemplated by the Finance Documents have been obtained (or, if applicable, will be obtained within the required time period) and are validly existing.

(b) The Licences are in full force and effect and each member of the Bank Group is in compliance in all material respects with all provisions thereof such that the Licences are not the subject of any pending or, to the best of its knowledge, threatened attack, suspension or revocation by a competent authority except, in each case, to the extent that any lack of effect, non-compliance or attack, suspension or revocation of a Licence would not have or not be reasonably likely to have a Material Adverse Effect.

(c) All the Necessary Authorisations are in full force and effect, each member of the Bank Group is in compliance in all material respects with all provisions thereof and the Necessary Authorisations are not the subject of any pending or, to the best of its knowledge, threatened attack or revocation by any competent authority except, in each case, to the extent that any lack of effect, non-compliance or attack or revocation of a Necessary Authorisation would not have or not be reasonably likely to have a Material Adverse Effect.

22.7 Event of Default

No Event of Default has occurred and is continuing or will result from the making of any Advance.

22.8 Telecommunications, Cable and Broadcasting Laws

To the best of its knowledge and belief, it and each member of each Joint Venture Group is in compliance in all material respects with all Telecommunications, Cable and Broadcasting Laws (but excluding, for these purposes only, breaches of Telecommunications, Cable and Broadcasting Laws which have been expressly waived by the relevant regulatory authority), in each case, where failure to do so would reasonably be expected to have a Material Adverse Effect.

22.9 Accounts

(a) The consolidated financial statements of the Reporting Entity and the Senior Unsecured Notes Reporting Entity most recently delivered to the Facility Agent (which, in the case of the Reporting Entity and the Senior Unsecured Notes Reporting Entity at the date of this Agreement are the Original Financial

Statements of the Reporting Entity or the Senior Unsecured Notes Reporting Entity, as applicable):

(i) present fairly in all material respects its financial position and the consolidated financial position of the Reporting Entity or the Senior Unsecured Notes Reporting Entity (as applicable) as at the date to which they were drawn up; and

(ii) have been prepared in all material respects in accordance with IFRS or GAAP if at the relevant time the Reporting Entity or the Senior Unsecured Notes Reporting Entity (as applicable) has adopted GAAP in accordance with Clause 24.4 (*Change in Accounting Practices*) (except that such consolidated financial statements do not include all consolidated Subsidiaries to the extent they are Unrestricted Subsidiaries); and

(b) the consolidated financial statements and other information related to the financial position of the Bank Group provided under this Agreement and most recently delivered to the Facility Agent are correct in all material respects.

22.10 Financial Condition

There has been no material adverse change in the consolidated financial position of the Bank Group (taken as a whole) since the date of the Original Financial Statements which would or is reasonably likely to have a Material Adverse Effect.

22.11 Environmental Laws

(a) Each member of the Bank Group is in compliance with Clause 24.32 (*Environmental Compliance*) and to the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or is reasonably likely to have a Material Adverse Effect.

(b) No Environmental Claim has been commenced or (to the best of its knowledge and belief (having made due and careful enquiry)) is threatened against any member of the Bank Group where that claim has or is reasonably likely, if determined against that member of the Bank Group, to have a Material Adverse Effect.

22.12 Security Interests

Its execution and delivery of this Agreement does not necessitate and will not result in the creation or imposition of any Security Interest over any of its material assets or those of any member of the Bank Group (except for any Security Interest created pursuant to the Security Documents).

22.13 Litigation and Insolvency Proceedings

(a) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency have been started against any member of the Bank Group and, to its knowledge, no such proceedings are threatened, where in any such case, there is a reasonable likelihood of an adverse outcome to any member of the Bank Group where that outcome is of a nature which would or is reasonably likely to have a Material Adverse Effect.

(b) None of the circumstances referred to in Clause 25.8 (*Insolvency Proceedings*) have been commenced against it or any member of the Bank Group which is a Material Subsidiary.

22.14 No Filing or Stamp Taxes

Under the laws of its jurisdiction of incorporation, it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction, other than the registration with the Dutch tax authorities or the Royal Netherlands Notarial Organisation (*Koninlijke Notariële Beroepsorganisatie*) of Dutch deeds of pledge or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents except any filing, recording, notarising or enrolling or any tax or fee payable in relation to a Finance Document that is referred to in any Legal Opinion which will be made or paid promptly after the date of a Finance Document.

22.15 Taxation

(a) No claims are being asserted against it or any member of the Bank Group with respect to Tax liabilities which are reasonably likely to be determined adversely to it or to such member and which, if so adversely determined, would or is reasonably likely to have a Material Adverse Effect.

(b) It is not materially overdue in the filing of any Tax returns required to be filed by it (where such late filing might result in any material fine or penalty on it) and it has paid within any period required by law all Taxes shown to be due on any Tax returns required to be filed by it or on any assessments made against it (other than Tax liabilities being contested by it in good faith and where it has made adequate reserves for such liabilities or where such overdue filing, or non-payment, or a claim for payment, in each such case would not have or not be reasonably likely to have a Material Adverse Effect).

22.16 Ownership of Assets

Save to the extent disposed of in a manner permitted by the terms of any of the Finance Documents with effect from and after the Signing Date, it has good title to or valid leases or licences of or is otherwise entitled to use all material assets necessary to conduct its business taken as a whole in a manner consistent with the Business of the Bank Group to the extent that the failure to have such title, leases or licences or to be so entitled has or is reasonably likely to have a Material Adverse Effect.

22.17 Intellectual Property Rights

The Intellectual Property Rights owned by or licensed to it are all the material Intellectual Property Rights required by it in order to carry out, maintain and operate its business, properties and assets, and so far as it is aware, it does not infringe, in any way any Intellectual Property Rights of any third party, in each case, provided that there will be no breach of the representations and warranties in this Clause 22.17 where a failure to own or license the relevant Intellectual Property Rights or any relevant infringement thereof does not have or is not reasonably likely to have a Material Adverse Effect.

22.18 Bank Group Structure

The Group Structure Chart sets out a description which is true and complete in all material respects as at the Signing Date of the corporate ownership structure of the Bank Group and of the ownership of the Borrowers.

22.19 ERISA

(a) Neither it nor any member of the Bank Group or any ERISA Affiliate maintains, contributes to or has any obligation to contribute to or any liability under, any Plan, or in the past five years has maintained or contributed to or had any obligation to, or liability under, any Plan.

(b) Neither it nor any ERISA Affiliate has, at any time, maintained or contributed to, and is not obliged to maintain or contribute to, any Plan that is subject to Title IV or Section 302 of ERISA and/or Section 412 of the Code or any Multiemployer Plan.

22.20 Anti-Terrorism Laws

Neither it nor any member of the Bank Group:

(a) is, or is controlled by, a Designated Party;

(b) to its knowledge, has received funds or other property from a Designated Party; or

(c) to its knowledge, is in breach of any Anti-Terrorism Law.

It has taken commercially reasonable measures to ensure compliance with the Anti-Terrorism Laws.

22.21 Margin Stock

No Obligor is engaged, nor will it engage, principally or as one of its important activities, in the business of purchasing or carrying any Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, in each case in violation of any Margin Regulations, and no proceeds of any Borrowing or drawings under any Letter of Credit will be used for any purpose that will violate the Margin Regulations.

22.22 Investment Company Act

Neither it nor any member of the Bank Group is required to register as an "investment company" or a company "controlled" by such an "investment company", as such terms are defined in the United States Investment Company Act of 1940, as amended.

22.23 Claims Pari Passu

Subject to any relevant reservations or qualifications contained in any legal opinion referred to in Clause 22.4 (*Legal Validity*), the claims of the Finance Parties against it under the Finance Documents to which it is party rank and will rank at least pari passu with the claims of all its unsecured and unsubordinated creditors save those whose claims are preferred by any bankruptcy, insolvency, liquidation or similar laws of general application.

22.24 No Immunity

In any legal proceedings taken in its jurisdiction of incorporation or establishment and, if different, England in relation to any of the Finance Documents to which it is party it will not be entitled to claim for itself or any of its assets immunity from suit, execution, attachment or other legal process.

22.25 Centre of Main Interests

Its Centre of Main Interests is the place in which its registered office is situated or, if different, another place in the country in which its registered office is situated, or The Netherlands.

22.26 No Material Misstatements

No information or financial statement furnished by or on behalf of any member of the Bank Group to the Facility Agent or any Lender in connection with the negotiation of any Finance Document or included therein or delivered pursuant thereto contained any material misstatement of fact or omitted any material fact necessary to make the statements therein, taken as a whole and in the light of the circumstances under which they were made, not misleading, in each case as at the date of the document containing such information or the date of such financial statement; provided that, to the extent any such information or financial statement was based on or constitutes a forecast or projection, each member of the Bank Group represents only that it acted in good faith and utilized assumptions believed to be reasonable at the time in the preparation of such information or financial statement, it being understood that such forecasts and projections may vary from actual results and that such variances may be material.

22.27 Solvency

On the Signing Date, and immediately following the making of each Advance and the issuance of each Documentary Credit, and after giving effect to the application of the proceeds of each Advance and Documentary Credit, and after taking into account all rights of indemnity, subrogation and contributions available to the US Obligors under the terms of the Finance Documents and applicable law, (a) the fair value of the assets of each US Obligor, at a fair valuation, will exceed its debts and other liabilities, subordinated, contingent or otherwise; (b) the present fair saleable value of the property of each US Obligor will be greater than the amount that will be required to pay the probable liability of its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (c) each US Obligor will be able to pay its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; and (d) each US Obligor will not have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted following the Signing Date.

22.28 Sanctions

(a) At any time prior to the Closing Date, no Obligor to the best of its, its directors, its officers' or its employees' knowledge has caused the Parent or any Obligor to be in violation of any applicable law, directive, national statute or administrative regulation relating to money-laundering, unlawful financial activities or unlawful use or appropriation of corporate funds (including international economic sanctions or trade embargoes imposed by the US administered by the Office of Foreign Assets Control of the US Department of Treasury ("**OFAC**") or equivalent European Union measure).

(b) At any time on or after the Closing Date, no Obligor or any of its respective Subsidiaries or any other member of the Bank Group, to the best knowledge of the Borrowers and the Obligors, any director, officer, agent, employee or other person acting on behalf of any member of a Borrower and/or any Obligor or any other member of the Bank Group or any of their respective subsidiaries has caused the Parent or any Obligor or any other member of the Bank Group or any of their respective subsidiaries to be in violation of any applicable law, directive, national statute or administrative regulation relating to money-laundering, unlawful financial activities or unlawful use or appropriation of corporate funds including economic or financial sanctions or trade embargoes imposed by the US (including those administered by OFAC or equivalent European Union measure).

22.29 Times for Making Representations and Warranties

(a) The representations and warranties set out in this Clause 21 are made by each Obligor or the Parent (as applicable) regarding itself (other than those contained in Clauses 22.9 (*Accounts*) and 22.10 (*Financial Condition*) which shall only be made by the Parent) on the Signing Date, the representations and warranties set out in Clause 22.26 (*No Material Misstatements*) are also deemed to be made by each Obligor on the Syndication End Date, the representations and warranties set out in Clauses 22.2 (*Status*), 22.3 (*Powers and Authority*), 22.4 (*Legal Validity*), 22.9 (*Accounts*), 22.19 (*Margin Stock*), 22.24 (*No Immunity*) and 22.25 (*Centre of Main Interests*) are deemed to be made again by each relevant Obligor or the Parent (as applicable), on the date of each Utilisation Request (and in relation to any representation and warranties to be given by the US Borrower on such date at any time when the US Borrower is not a Party, such representations and warranties shall be given by the Parent on behalf of the US Borrower), on the first date of each Interest Period in relation to an Advance under a Term Facility and on each Utilisation Date with reference to the facts and circumstances then existing and the representations and warranties set out in Clause 22.27 (*Solvency*) are deemed to be made by the US Obligors on the dates set out in that clause with reference to the facts and circumstances then existing.

(b) The representations and warranties set out in this Clause 21 (except Clauses 22.9 (*Accounts*), 22.10 (*Financial Condition*), 22.15 (*Taxation*), 22.18 (*Bank Group Structure*) and 22.23 (*Claims Pari Passu*)) are repeated by each Additional Obligor with respect to itself only on the date of the Obligor Accession Agreement relating to that Additional Obligor, with reference to the facts and circumstances then subsisting.

23. FINANCIAL COVENANTS

23.1 Financial Definitions

In this Clause 23 (*Financial Covenants*):

"**Annualised EBITDA**" means:

(a) for the purposes of the definition of Permitted Acquisition, Clause 24.11 (*Disposals*) and Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) in respect of any person, in respect of any six month period, two times EBITDA of that person (calculated on a consolidated basis) for that period; and

(b) for all other purposes, in respect of any Ratio Period, two times EBITDA of the Bank Group for that Ratio Period.

"**EBITDA**" means, in relation to any Ratio Period, operating income (expense) plus:

(a) depreciation;

(b) amortisation;

(c) all stock based compensation expenses;

(d) (at the Parent's option) other non cash impairment charges;

(e) any extraordinary, one-off, non-recurring, exceptional or unusual gain, loss, expense or charge including any one off reorganisation or restructuring charges;

(f) direct acquisition, disposition, recapitalisation, debt incurrence or equity offering costs;

(g) losses (gains) on the sale of operating assets;

(h) (at the Parent's option) the effects of adjustments pursuant to IFRS or GAAP attributable to the application of recapitalization accounting or acquisition accounting, as the case may be, in relation to any consummated merger or acquisition or joint venture investment or the amortisation or write-off or write-down of amounts thereof, net of taxes;

(i) (at the Parent's option) any adjustments to reduce the impact of the cumulative effect of a change in accounting principles and changes as a result of the adoption or modification of accounting policies;

(j) Specified Legal Expenses;

(k) the amount of loss on sale of assets in connection with an asset securitisation programme or receivables factoring transaction;

(l) accrued Management Fees (whether or not paid) and any Holding Company Expenses paid to the extent that they were permitted to be paid under this Agreement for such Ratio Period;

(m) any net earnings or losses attributable to non-controlling interests;

(n) any share of income or loss on equity investments; and

(o) any realized and unrealized gains or losses due to changes in fair value of equity investments,

as reflected in the pro forma statement of operations identified as such in the financial statements delivered to the Facility Agent pursuant to Clauses 24.2(a)(i) and 24.2(a)(ii) (*Financial Information*) and all as determined in accordance with IFRS (or GAAP if the Parent has adopted GAAP at the relevant time in accordance with Clause 24.4 (*Change in Accounting Practices*)) and as shown in the relevant financial statements prepared and delivered to the Facility Agent pursuant to Clause 24.2 (*Financial Information*).

"**Interest**" means:

(a) interest and amounts in the nature of interest (including without limitation, the interest element of Finance Leases) accrued;

(b) discounts suffered and repayment premiums payable in respect of Financial Indebtedness (other than repayment premiums in respect of the Senior Unsecured Notes and Senior Secured Notes), in each case to the extent applicable IFRS requires that such discounts and premiums be treated as or in like manner to interest;

(c) discount fees and acceptance fees payable or deducted in respect of any Financial Indebtedness (including all commissions payable in connection with any letters of credit); and

(d) any net payment (or, if appropriate in the context, receipt) under any interest rate hedging agreement or instrument (including without limitation under the Hedging Agreements), taking into account any premiums payable.

"**Ratio Period**" means each period of approximately 6 months covering two quarterly Accounting Periods of the Bank Group ending on each date to which each set of financial statements required to be delivered under Clause 24.2 (*Financial Information*) are prepared.

"**Senior Debt**" means, at any time and in each case without double counting, (as would be set forth in accordance with IFRS on the balance sheet of the Bank Group prepared and delivered to the Facility Agent pursuant to Clauses 24.2(a)(i) and (ii) (*Financial*

Information)) the aggregate principal, capital or nominal amounts (including any Interest capitalised as principal) of Financial Indebtedness of any member of the Bank Group (including, without limitation, Financial Indebtedness arising under or pursuant to the Finance Documents) and, on and from the Closing Date but prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date only, Financial Indebtedness (calculated on the same basis as for the Bank Group) of the Group as defined in the Acquisition Facilities Agreement excluding (i) any Financial Indebtedness of any member of the Bank Group to another member of the Bank Group or any member of the Group (as defined in the Acquisition Facilities Agreement) to another member of the Group (as defined in the Acquisition Facilities Agreement) (including, in each case, contingent obligations) or under any Subordinated Funding, to the extent not prohibited under this Agreement or under any Subordinated Funding (as defined in the Acquisition Facilities Agreement and to the extent not prohibited under that agreement), (ii) any Financial Indebtedness arising by reason only of mark to market fluctuations in respect of interest rate and foreign exchange hedging arrangements since the original date on which such interest rate hedging arrangements were consummated, (iii) any Financial Indebtedness referred to in Clauses 24.13(b)(viii), (for a period of 6 months following the date of completion of the acquisition referred to in such clause only and to the extent outstanding at the relevant time) 24.13(b)(xi), 24.13(b)(xii), 24.13(b)(xiii) and 24.13(b)(xvii) (*Restrictions on Financial Indebtedness*), (iv) any Financial Indebtedness up to a maximum amount equal to the Revolving Facility Excluded Amount (or its equivalent in other currencies) at the relevant time incurred under the Revolving Facility, pursuant to any Additional Facility that is a revolving credit facility, incurred under the RCF2 Facility and pursuant to any Additional Facility (as defined in the Acquisition Facilities Agreement) that is a revolving credit facility and (v) any Financial Indebtedness which is a contingent obligation.

"**Senior Net Debt**" means, at any time, Senior Debt less Cash of the Bank Group and, on and from the Closing Date but prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date, the Group (as defined in the Acquisition Facilities Agreement) (but without double counting).

"**Specified Legal Expenses**" means, to the extent not constituting an extraordinary, non-recurring or unusual loss, charge or expense, all attorneys' and experts' fees and expenses and all other costs, liabilities (including all damages, penalties, fines and indemnification and settlement payments) and expenses paid or payable in connection with any threatened, pending, completed or future claim, demand, action, suit, proceeding, inquiry or investigation (whether civil, criminal, administrative, governmental or investigative).

"**Total Debt**" means, at any time and in each case without double counting, (as would be set forth in accordance with IFRS on the balance sheet of the Bank Group prepared and delivered to the Facility Agent pursuant to Clause 24.2 (*Financial Information*)) the aggregate principal, capital or nominal amounts (including any Interest capitalised as principal) of Financial Indebtedness of any member of the Bank Group (including, without limitation, Financial Indebtedness arising under or pursuant to the Finance Documents) and, on and from the Closing Date but prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date only, Financial Indebtedness (calculated on the same basis as for the Bank Group) of the Group as defined in the Acquisition Facilities Agreement, excluding (i) any Financial Indebtedness of any member of the Bank Group to another member of the Bank Group or any member of the Group (as defined in the Acquisition Facilities Agreement) to another member of the Group (as defined in the Acquisition Facilities Agreement) (including, in each case, contingent obligations) or under any Subordinated Funding, to the extent not prohibited under this Agreement or under any Subordinated Funding (as defined in the Acquisition Facilities Agreement and to the extent not prohibited under that agreement) (ii) any Financial Indebtedness arising by reason only of mark to market fluctuations in respect of interest rate and foreign exchange hedging arrangements since the original date on which such interest rate hedging arrangements were consummated, (iii) any Financial Indebtedness referred to in Clauses 24.13(b)(viii), (for a period of 6 months following the date of completion of the acquisition referred to in such clause only and to the extent outstanding at the relevant time) 24.13(b)(xi), 24.13(b)(xii), 24.13(b)(xiii) and 24.13(b)(xvii) (*Restrictions on Financial Indebtedness*), (iv) any Financial Indebtedness up to a maximum amount equal to the Revolving Facility Excluded Amount (or its equivalent in other currencies) at the relevant time incurred under the Revolving Facility, pursuant to any Additional Facility that is a revolving credit facility, incurred under the RCF2 Facility and pursuant to any Additional Facility (as defined in the Acquisition Facilities Agreement) that is a revolving credit facility and (v) any Financial Indebtedness which is a contingent obligation plus any Holdco Debt outstanding from time to time (excluding any Financial Indebtedness arising by reason only of mark to market fluctuations in respect of interest rate and foreign exchange hedging arrangements since the original date on which such interest rate hedging arrangements were consummated).

"**Total Net Debt**" means, at any time, Total Debt less Cash of the Bank Group, Holdco or any other issuer of Holdco Debt and on and from the Closing Date but prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date, the Group (as defined in the Acquisition Facilities Agreement) (but without double counting).

23.2 Financial Ratios

The Parent will procure that:

(a) the ratio of Senior Net Debt to Annualised EBITDA for each Ratio Period shall not exceed 4.50:1; and

(b) the ratio of Total Net Debt to Annualised EBITDA for each Ratio Period shall not exceed 5.50:1.

23.3 Calculations

For the purposes of Clause 23.2 (*Financial Ratios*), Senior Net Debt or Total Net Debt for any Ratio Period will be calculated on the basis of Senior Net Debt or Total Net Debt, as applicable, outstanding on the last day of that Ratio Period.

23.4 Cure Provisions

(a) The Parent may cure a breach of the financial ratios set out in Clause 23.2 (*Financial Ratios*) by procuring that additional equity is injected into the Bank Group by one or more Restricted Persons and/or additional Subordinated Funding are/is provided to the Bank Group in an aggregate amount equal to the amount which:

(i) if it had been deducted from Senior Net Debt or Total Net Debt (as applicable) for the Ratio Period in respect of which the breach arose, would have avoided the breach; or

(ii) if it had been added to EBITDA for the Ratio Period in respect of which the breach arose, would have avoided the breach.

(b) A cure under this Clause 23.4 (*Cure Provisions*) will not be effective unless the required amount of additional equity or the proceeds of any Subordinated Funding is/are received by one or more members of the Bank Group within 15 Business Days of delivery of the financial statements delivered under Clause 24.2 (*Financial Information*) which show that Clause 23.2 (*Financial Ratios*) has been breached.

(c) No cure may be made under this Clause 23.4 (*Cure Provisions*):

(i) in respect of more than five Ratio Periods during the life of the Facilities; or

(ii) in respect of consecutive Ratio Periods.

(d) The Parent shall be under no obligation to apply any equity injected or the proceeds of any Subordinated Funding into the Bank Group under Clause 23.2(a) (*Financial Ratios*) in prepayment of the Facilities and to the extent not applied such amount will be deemed to be deducted from Senior Net Debt and Total Net Debt or added to EBITDA for the purposes of Clause 23.2 (*Financial Ratios*).

(e) For the purpose of ascertaining compliance with Clause 23.2 (*Financial Ratios*), the ratios set out in Clause 23.2 (*Financial Ratios*) will be tested or retested, as applicable, giving effect to the adjustment referred to in paragraph (d) above. If, after giving effect to the adjustment, the requirements of Clause 23.2 (*Financial Ratios*) are met, then the requirements under Clause 23.2 (*Financial Ratios*) shall be deemed to have been satisfied as at the relevant original date of determination.

23.5 Determinations

(a) Financial Indebtedness of the Bank Group, Holdco, Bidco and Bidco Parent originally denominated in any currency other than euro that has been swapped, directly or indirectly through one or more foreign exchange hedging transactions, into euro, will be taken into account at its euro equivalent using the effective exchange rate in the relevant foreign exchange hedging transactions.

(b) Subject to Clause 1.3 (*Accounting Expressions*), all the terms used above are to be calculated in accordance with the IFRS on which the preparation of the Original Financial Statements was based.

(c) Notwithstanding paragraphs (a) and (b) above, Hedged Debt (as defined below) will be taken into account at its euro equivalent calculated using the same weighted average exchange rates for the relevant ratio period used in the profit and loss statements of the relevant accounts of the Bank Group or Holdco for calculating the euro equivalent of EBITDA denominated in the same currency as the currency in which that Hedged Debt is denominated or into which it has been swapped, as described below:

"**Hedged Debt**" means:

(i) Financial Indebtedness of the Bank Group, Holdco, Bidco or Bidco Parent originally denominated in any currency other than euro in which any member of the Bank Group or Holdco earns EBITDA (a "**functional currency**") and that has not been swapped, directly or indirectly through one or more foreign exchange hedging transactions, into euro; and

(ii) Financial Indebtedness of the Bank Group, Holdco, Bidco or Bidco Parent that has been swapped, directly or indirectly through one or more foreign exchange hedging transactions, into a functional currency.

(d) If there is a dispute as to any interpretation of or computation for Clause 23.1 (*Financial Definitions*), the interpretation or computation of the auditors of the Parent shall prevail.

23.6 Pro Forma Calculations

For the purposes of testing compliance with the financial ratios set out in this Clause 23 (*Financial Covenants*) and any other ratios in this Agreement, the calculation of such ratios shall be made on a pro forma basis giving effect to all material acquisitions and disposals made by the Bank Group during the relevant period of calculation based on historical financial results of the items being acquired or disposed of, including reasonably identifiable and supportable net cost savings and any reasonably identifiable projected future savings in relation to synergies in connection with acquisitions or additional net costs, as the case may be, realisable as a result of such acquisitions and/or disposals, as projected by the Parent in good faith and confirmed in writing by the Parent. EBITDA for such period will be calculated after giving pro forma effect thereto as if such disposal or acquisition occurred on the first day of such period.

24. UNDERTAKINGS

24.1 Duration

The undertakings in this Clause 24 (*Undertakings*) will remain in force from the Signing Date for so long as any amount is or may be outstanding under any Finance Document or any Commitment is in force.

24.2 Financial Information

(a) The Parent shall provide to the Facility Agent in sufficient copies for all the Lenders the following financial information relating to the Reporting Entity (provided however, that to the extent any reports are filed on the SEC's website, the Dutch stock exchange website or the Parent's website, such reports shall be deemed supplied to the Facility Agent in sufficient copies for all the Lenders):

(i) as soon as they become available but in any event within 150 days after the end of each of the Reporting Entity's financial years, the audited consolidated financial statements for such financial year for the Reporting Entity; and

(ii) as soon as they become available but in any event within 60 days after the end of each of the first three Financial Quarters of each financial year (and within 150 days after the end of the last Financial Quarter), the unaudited consolidated balance sheet, statement of cash flows and statement of operations for such Financial Quarter in respect of the Reporting Entity.

(b) The Parent shall provide to the Facility Agent in sufficient copies for all the Lenders the following financial information relating to the Senior Unsecured Notes Reporting Entity (provided however, that to the extent any reports are filed on the SEC's website, the Dutch stock exchange website or the Senior Unsecured Notes Reporting Entity's website, such reports shall be deemed supplied to the Facility Agent in sufficient copies for all the Lenders):

(i) as soon as they become available but in any event within 150 days after the end of each of the Senior Unsecured Notes Reporting Entity's fiscal years, an annual report of the Senior Unsecured Notes Reporting Entity containing audited combined or consolidated balance sheets of the Senior Unsecured Notes Reporting Entity as of the end of the two most recent fiscal years and audited combined or consolidated income statements and statements of cash flow of the Senior Unsecured Notes Reporting Entity for the three most recent fiscal years, in each case prepared in accordance with IFRS, including appropriate footnotes to such financial statements and a report of the independent public accountants on the financial statements; and on and from the Closing Date but prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date, the Bidco Group Reconciliation; and

(ii) within 60 days after each of the first three fiscal quarters in each fiscal year, a quarterly report of the Senior Unsecured Notes Reporting Entity containing unaudited combined or consolidated income statements of the Senior Unsecured Notes Reporting Entity for such period, prepared in accordance with IFRS; and on and from the Closing Date but prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date, the Bidco Group Reconciliation.

For the avoidance of doubt, where the Reporting Entity is the Common Holding Company, paragraphs (a) and (b) shall apply.

(c) At any time on and from the Permitted Affiliate Group Designation Date, the Parent shall provide to the Facility Agent in sufficient copies for all the Lenders (provided however, that to the extent any reports are filed on the SEC's website, the Dutch stock exchange website or that Common Holding Company's website, such reports shall be deemed supplied to the Facility Agent in sufficient copies for all the Lenders), the Common Holding Company Group Reconciliation.

(d) Together with any financial statements provided in accordance with paragraph (a) or (b) above, the Parent shall provide to the Facility Agent a certificate signed by an authorised officer of the Parent:

(i) confirming that no Default is outstanding or if a Default is outstanding, specifying the Default and the steps, if any, being taken to remedy it;

(ii) setting out in reasonable detail computations establishing as at the date of such financial statements, compliance (or detailing any non-compliance) with the relevant financial covenants set out in Clause 23 (*Financial Covenants*) (if applicable) and showing figures representing the actual financial ratios then in effect; and

(iii) certifying compliance with Clause 24.12(a) (*Acquisitions and Mergers*).

(e) Without prejudice to Clause 24.4 (*Change in Accounting Practices*) the financial information of the Bank Group delivered pursuant to paragraph (a)(ii) or (b)(ii) above shall be prepared in good faith using the same methodologies applied in preparing the audited consolidated financial statements delivered to the Facility Agent pursuant to paragraph (a)(i) or (b)(i) above, as applicable.

(f) Any financial statements provided to the Facility Agent pursuant to this Agreement shall be provided together with the accounts of any Permitted Affiliate Parent and any of its Subsidiaries that are members of the Bank Group on a combined basis.

24.3 Information – Miscellaneous

(a) The Parent shall supply promptly or procure that there shall be supplied (in electronic form and, if requested, hard copy) promptly to the Facility Agent:

(i) all notices, reports or other documents despatched by or on behalf of any Obligor to its creditors (in their capacity as creditors) generally in relation to it or any of its Subsidiaries;

(ii) a copy of any material report or other notice, statement or circular, sent or delivered by any member of the Bank Group whose shares are pledged to the Security Agent pursuant to any Security Document to any person in its capacity as shareholder of such member of the Bank Group, which materially adversely affects the interest of the Finance Parties under such Security Document; and

(iii) such other material information regarding the Bank Group and which is in the possession or control of any member of the Bank Group as the Facility Agent may from time to time reasonably request.

(b) The Parent shall provide the Facility Agent with a copy of any amendment made to, or waiver granted in respect of, the Ziggo Acquistion Agreement after the Signing Date and prior to the earlier of the Debt Pushdown Date and the Acquisition Facilities End Date.

(c) The Parent shall procure that the Facility Agent is provided with a copy of any certificate delivered as a condition precedent to the utilisation of any facility under the Acquisition Facilities Agreement for the purposes of determining the margins under that agreement within 5 Business Days of the date on which such certificate is delivered to the facility agent under the Acquisition Facilities Agreement.

24.4 Change in Accounting Practices

(a) At any time after the date of this Agreement, the Parent may elect to apply for all purposes of this Agreement, in lieu of IFRS, GAAP. Thereafter, the Parent may re-elect to apply for all purposes of this Agreement, in lieu of GAAP, IFRS.

(b) Subject to the provisions of this Clause 24.4, after any such election in accordance with paragraph (a) above all:

(i) accounting expressions not otherwise defined in this Agreement shall be construed in accordance with; and

(ii) ratios, computations, and other determinations based on IFRS contained in this Agreement shall be computed in conformity with,

at the Borrower's election, IFRS or GAAP.

(c) The Parent shall ensure that each set of financial information delivered to the Facility Agent pursuant to paragraph 24.2(a) of Clause 24.2 (*Financial Information*) is prepared using accounting policies, practices and procedures consistent with that applied in the preparation of the Original Financial Statements, unless in relation to any such set of financial information, the Parent elects to notify the Facility Agent that there have been one or more changes in any such accounting policies, practices or procedures (including, without limitation, any change in the basis upon which costs are capitalised or any changes resulting from the Parent's decision at any time to adopt GAAP) and:

(i) in respect of any change in the basis upon which the information required to be delivered pursuant to Clause 24.2 (*Financial Information*) is prepared, the Parent provides either a statement (providing reasonable detail) confirming the changes would have no material effect on the operation of the ratios set out in Clause 23.2 (*Financial Ratios*) or:

(A) a description of the changes and the adjustments which would be required to be made to that financial information in order to cause them to reflect the accounting policies, practices or procedures upon which the Original Financial Statements were prepared; and

(B) sufficient information, in such detail and format as may be reasonably required by the Facility Agent, to enable the Lenders to make an accurate comparison between the financial positions indicated by that financial information and by the Original Financial Statements,

and any reference in this Agreement to that financial information shall be construed as a reference to that financial information as adjusted to reflect the basis upon which the Original Financial Statements were prepared;

(ii) in the event of any changes to such accounting policies, practices or procedures other than resulting from the Parent's decision at any time to adopt GAAP, if the Parent notifies the Facility Agent that it is no longer practicable to test compliance with the financial covenants set out in Clause 23 (*Financial Covenants*) against the financial information required to be delivered pursuant to this Clause 24 (*Undertakings*) or that it wishes to cease preparing the additional information required by paragraph (i) above, in which case:

(A) the Facility Agent and the Parent shall enter into negotiations with a view to agreeing alternative financial covenants to replace those contained in Clause 23 (*Financial Covenants*) in order to maintain a consistent basis for such financial covenants (and for approval by the Instructing Group); and

(B) if the Facility Agent and the Parent agree alternative financial covenants to replace those contained in Clause 23 (*Financial Covenants*) which are acceptable to the Instructing Group, such alternative financial covenants shall be binding on all parties hereto; and

(C) if, after three months following the date of the notice given to the Facility Agent pursuant to this paragraph (b), the Facility Agent and the Parent cannot agree alternative financial covenants which are acceptable to the Instructing Group, the Facility Agent shall refer the matter to any of the auditors as may be agreed between the Parent and the Facility Agent for determination of the adjustments required to be made to such financial information or the calculation of such ratios to take account of such change, such determination to be binding on the parties hereto, provided that pending such determination (but not thereafter) the Parent shall continue to prepare financial information and calculate such covenants in accordance with paragraph (a) above; or

(iii) in the event of any changes to such accounting policies, practices or procedures resulting from the Parent's decision at any time to adopt GAAP, if the Parent notifies the Facility Agent that it is no longer practicable to test compliance with the financial covenants set out in Clause 23 (*Financial Covenants*) against the financial information required to be delivered pursuant to this Clause 24 (*Undertakings*) or that it wishes to cease preparing the additional information required by paragraph (a) above, in which case:

(A) the Parent shall provide the Facility Agent with a revised set of (i) financial covenant ratio levels to replace those contained in Clause 23.2 (*Financial Ratios*) (the "**Revised Ratios**") and (ii) financial covenant definitions to replace those contained in Clause 23.1 (*Financial Definitions*) (the "**Revised Definitions**"), in each case resulting from the adoption of GAAP by the Parent and that are substantially equivalent to the financial covenant ratio levels and definitions in existence at such time on the basis of IFRS, as confirmed by a report of a reputable accounting firm; and

(B) the Revised Ratios and Revised Definitions shall become effective, and this Agreement be amended accordingly to reflect such amendments without any further consents from any Lender, if the Facility Agent (acting on the instructions of the Instructing Group) has not objected (acting reasonably) to the implementation of the Revised Ratios and Revised Definitions within 60 days after receipt thereof,

provided that, if at any time after the Parent has adopted GAAP, it then elects to adopt IFRS, this Agreement shall, immediately upon such election, be amended to reflect such amendments without any further consents by any Finance Party to implement a deletion of the Revised Ratios and Revised Definitions and to reinstate the financial covenant ratio levels contained in Clause 23.2 (*Financial Ratios*) and the financial covenant definitions contained in Clause 23.1 (*Financial Definitions*), in each case, as at the Signing Date (updated to reflect any other amendments made since the Signing Date) subject to any amendments in accordance with paragraphs (i) and (ii) above and provided that the reconciliation required under paragraph (i) above is also provided by the Parent.

24.5 Notification of Default and Inspection Rights

(a) Each Obligor shall notify the Facility Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of it (unless that Obligor is aware that such a notification has already been provided by another Obligor).

(b) Each Obligor shall, if required by the Facility Agent (acting on the instructions of the Instructing Group), at any time whilst an Event of Default is continuing or the Facility Agent has reasonable grounds to believe that an Event of Default may exist and at other times if the Facility Agent has reasonable grounds for such request, permit representatives of the Facility Agent upon reasonable prior written notice to the Parent to:

(i) visit and inspect the properties of any member of the Bank Group during normal business hours;

(ii) inspect its books and records other than records which the relevant member of the Bank Group is prohibited by law, regulation or contract from disclosing to the Facility Agent; and

(iii) discuss with its principal officers and Auditors its business, assets, liabilities, financial position, results of operations and business prospects provided that (A) any such discussion with the Auditors shall only be on the basis of the audited financial statements of the Bank Group and any compliance certificates issued by the Auditors and (B) representatives of the Parent shall be entitled to be present at any such discussion with the Auditors.

(c) Each Obligor shall promptly upon becoming aware of it notify the Facility Agent of:

(i) any Reportable Event;

(ii) the termination of or withdrawal from, or any circumstances reasonably likely to result in the termination of or withdrawal from, any Plan subject to Title IV of ERISA; and

(iii) material non-compliance with any law or regulation relating to any Plan which would or is reasonably likely to have a Material Adverse Effect.

24.6 Authorisations

Each Obligor will, and will procure that each of its Subsidiaries which is a member of the Bank Group will:

(a) obtain or cause to be obtained, maintain and comply with the terms of:

(i) every material consent, authorisation, licence or approval of, or filing or registration with or declaration to, governmental or public bodies or authorities or courts; and

(ii) every material notarisation, filing, recording, registration or enrolment in any court or public office, in each case required under any law or regulation to enable it to perform its obligations under, or for the validity, enforceability or admissibility in evidence of the Finance Document to which it is a party; and

(b) obtain or cause to be obtained every Necessary Authorisation and the Licences and ensure that (i) none of the Necessary Authorisations or Licences is revoked, cancelled, suspended, withdrawn, terminated, expires and is not renewed or otherwise ceases to be in full force and effect and (ii) no Necessary Authorisation or Licence is modified and no member of the Bank Group commits any breach of the terms or conditions of any Necessary Authorisation or Licence which, in the case of each of (i) and (ii), would or is reasonably likely to have a Material Adverse Effect.

24.7 Pari Passu Ranking

Each Obligor will procure that its payment obligations under the Finance Documents do and will rank at least pari passu with all the claims of its other present and future unsecured and unsubordinated creditors (save for those obligations mandatorily preferred by applicable law applying to companies generally).

24.8 Negative Pledge

(a) Each Obligor will not permit (and the Parent shall procure that no member of the Bank Group shall permit) any Security Interest (other than the Permitted Security Interests) by any member of the Bank Group to subsist, arise or be created or extended over all or any part of their respective shares, property or other assets to secure or prefer any present or future indebtedness of any member of the Bank Group or any other person.

(b) "**Permitted Security Interest**" means any Security Interest:

(i) arising hereunder or under any Senior Secured Finance Document, provided that (other than in the case of a Hedging Agreement to hedge exchange rate risk, interest rate risk or other risk of fluctuation in any rate or price, in each case of a member of the Bank Group) no liability under a Hedging Agreement may be secured by any Security Document except (A) a Hedging Agreement to hedge exchange rate risk or interest rate risk in connection with any Holdco Debt, (B) a Forward Start Facility (as defined in the Intercreditor Agreement) in connection with a contemplated financing with Holdco Debt (provided that such financing is designated as and constitutes Holdco Debt no later than the effective start date of that Forward Start Facility (as defined in the Intercreditor Agreement)) or (C) an Offsetting Swap (as defined in the Intercreditor Agreement) in connection with any Hedging Agreement referred to in (A) or (B);

(ii) which arises by operation of Law or by a contract having a similar effect or under an escrow arrangement required by a trading counterparty of any member of the Bank Group and in each case arising or entered into the ordinary course of business of the relevant member of the Bank Group;

(iii) which is a lien arising in the ordinary course of business by operation of law or by way of contract which secures indebtedness under any agreement for the supply of goods or services in respect of which payment is not deferred for more than 180 days (or 360 days if such deferral is in accordance with the terms pursuant to which the relevant goods were acquired or services were provided) after the relevant goods were or are to be acquired or the relevant services were or are to be supplied, or after the relevant invoice date;

(iv) imposed by any taxation or governmental authority in respect of amounts which are being contested in good faith and not yet payable and for which adequate reserves have been set aside in the accounts of the member of the Bank Group in respect of the same in accordance with IFRS;

(v) which arises in respect of any right of set-off, netting arrangement, title transfer or title retention arrangements which:

(A) arises in the ordinary course of business and/or by operation of law;

(B) is entered into by any member of the Bank Group in the normal course of its banking arrangements for the purpose of netting debit and credit balances on bank accounts of members of the Bank Group operated on a net balance basis (and any Security Interests over bank accounts granted in connection therewith);

(C) arises in respect of netting or set off arrangements contained in any Hedging Agreement or other contract permitted under Clause 24.25 (*Hedging*));

(D) is entered into by any member of the Bank Group on terms which are generally no worse than the counterparty's standard or usual terms and entered into in the ordinary course of business of the relevant member of the Bank Group; or

(E) which is a retention of title arrangement with respect to customer premises equipment in favour of a supplier (or its Affiliate); provided that the title is only retained to individual items of customer premises equipment in respect of which the purchase price has not been paid in full;

(vi) granted by a member of the Bank Group over its shareholding in any of its Subsidiaries which is not itself a member of the Bank Group;

(vii) arising from any Finance Leases, sale and leaseback arrangements or Vendor Financing Arrangements permitted to be incurred pursuant to Clause 24.13 (*Restrictions on Financial Indebtedness*);

(viii) over or affecting any asset acquired by a member of the Bank Group after the date of this Agreement and subject to which such asset is acquired, if:

(A) such Security Interest was not created in contemplation of the acquisition of such asset by a member of the Bank Group; and

(B) the Financial Indebtedness secured thereby is Financial Indebtedness of, or is assumed by, the relevant acquiring member of the Bank Group, is Financial Indebtedness which at all times falls within Clauses 24.13(b)(xi) or 24.13(b)(xviii) (*Restrictions on Financial Indebtedness*) and the amount of Financial Indebtedness so secured is not increased at any time;

(ix) over or affecting any asset of any company which becomes a member of the Bank Group after the date of this Agreement, where such Security Interest is created prior to the date on which such company becomes a member of the Bank Group, if:

(A) such Security Interest was not created in contemplation of the acquisition of such company; and

(B) to the extent not repaid by close of business on the date upon which such company became a member of the Bank Group, the Financial Indebtedness secured by such Security Interest at all times falls within Clause 24.13(b)(xi) or 24.13(b)(xviii) (*Restrictions on Financial Indebtedness*);

(x) over any property or other assets to satisfy any pension plan contribution liabilities provided that the aggregate value of any such property or other assets, when taken together with the aggregate amount utilised under the basket in Clause 24.13(b)(xv) (Disposals), shall not exceed €100,000,000 at any time;

(xi) constituted by a rent deposit deed entered into on arm’s length commercial terms and in the ordinary course of business securing the obligations of a member of the Bank Group in relation to property leased to a member of the Bank Group;

(xii) which is granted over the shares of, Indebtedness owed by or other interests held in, or over the assets (including, without limitation, present or future revenues), attributable to a Project Company, a Bank Group Excluded Subsidiary or a Permitted Joint Venture;

(xiii) over cash deposited as security for the obligations of a member of the Bank Group in respect of a performance bond, guarantee, standby letter of credit or similar facility entered into in the ordinary course of business of the Bank Group;

(xiv) in respect of any Permitted Transaction;

(xv) which is created by any member of the Bank Group in substitution for any Security Interest under any existing Security Document, provided that the principal amount secured thereby may not be increased unless any Security Interest in respect of such increased amount would be permitted under another paragraph of this Clause 24.8 (Negative Pledge);

(xvi) securing any Financial Indebtedness on a *pari passu* or junior ranking basis with respect to any part of the Facilities, provided that:

(A) the ratio of Senior Net Debt to Annualised EBITDA (giving pro forma effect to any such Financial Indebtedness and the use of proceeds thereof) would be equal to, or less than, 4.50:1.00 (rounded to the second decimal number), provided that this limitation shall not apply to any Financial Indebtedness the proceeds of which are used to refinance (x) the Facilities (including any Additional Facility), (y) any Senior Secured Notes or (z) any other Financial Indebtedness which is secured by assets that are subject to the Security; and

(B) (x) any such Financial Indebtedness ranking *pari passu* with the Facilities outstanding on or about the Signing Date or any Financial Indebtedness that would have ranked *pari passu* with the Facilities outstanding on or about the Signing Date is subject to the Intercreditor Agreement and (y) any such Financial Indebtedness which is secured on a junior ranking basis over assets subject to the Security is granted on terms where the rights of the relevant mortgagee, chargee or other beneficiary of such security in respect of any payment will be subordinated to the rights of the Finance Parties under an intercreditor agreement (providing for contractual subordination on terms comparable to the Loan Market Association's form of intercreditor agreement at such time for mezzanine debt) and, in each case, the Finance Parties hereby agree to execute such intercreditor agreement as soon as practicable following request from the Parent; or

(xvii) created with the prior written consent of the Instructing Group;

(xviii) arising under or in connection with agreements entered into in the ordinary course of business relating to (i) network leases or (ii) the leasing of (A) building; (B) cars; and (C) other operational or other equipment;

(xix) arising under clause 24 or clause 25 of the general terms and conditions (*algemene bankvoorwaarden*) of any member of the Dutch Bankers' Association (*Nederlendse Vereniging van Banken*) or any similar term applied by a financial institution in The Netherlands pursuant to its general terms and conditions and provided that the relevant member of the Bank Group has used its reasonable endeavours to ensure such security interests are released;

(xx) any Security, including any netting or set-off, arising by operation of law as a result of the existence of a fiscal unity for Dutch tax purposes (*fiscale eenheid*) or analogous arrangement in any other jurisdiction, in each case, of which an Obligor is or has been a member; and

(xxi) securing Financial Indebtedness the principal amount of which (when aggregated with the principal amount of any other Financial Indebtedness which has the benefit of a Security Interest other than as permitted pursuant to paragraphs (i) to (xx) above) does not exceed the greater of (1) €250,000,000 (or its equivalent in other currencies) and (2) five per cent. of Total Assets:

(A) which may be secured on assets not subject to the Security; or

(B) which may be secured on a junior ranking basis over assets subject to the Security provided that such junior ranking security shall be granted on terms where the rights of the relevant mortgagee, chargee or other beneficiary of such security in respect of any payment will be subordinated to the rights of the Finance Parties under an intercreditor arrangement (providing for contractual subordination on terms comparable to the Loan Market Association’s form of intercreditor agreement at such time for mezzanine debt) and each of the Finance Parties hereby agrees to execute such intercreditor agreement as soon as practicable following request from the Parent.

24.9 Business

No Obligor shall (and the Parent shall procure that no member of the Bank Group shall), without the prior written consent of the Instructing Group or save as otherwise permitted by the terms of this Agreement, make any change in the nature of its business as carried on immediately prior to the date of this Agreement, which would give rise to a substantial change in the business of the Bank Group taken as a whole from that set forth in the definition of Business, provided that this Clause 24.9 (*Business*) shall not be breached by an Obligor or any member of the Bank Group making a disposal permitted by Clause 24.11 (*Disposals*), an acquisition or investment permitted by Clause 24.12 (*Acquisitions and Mergers*) or entering into any Permitted Joint Venture.

24.10 Compliance with Laws

Each Obligor will, and the Parent will procure that each member of the Bank Group will, comply in all material respects with all applicable laws, rules, regulations and orders of any governmental authority, having jurisdiction over it or any of its assets, except where failure to comply therewith would not have or be reasonably likely to have a Material Adverse Effect.

24.11 Disposals

(a) Without the consent of the Instructing Group each Obligor will not and the Parent will procure that no other member of the Bank Group will, sell, transfer, lend (subject to Clause 24.15 (*Loans and Guarantees*)) or otherwise dispose of or cease to exercise direct control over (each a disposal) any part of its present or future undertaking, assets, rights or revenues whether by one or a series of transactions related or not (other than Permitted Disposals).

(b) As used herein a "**Permitted Disposal**" means:

(i) any payment required to be made under the Senior Secured Finance Documents;

(ii) any Permitted Transaction;

(iii) disposals (including, for the avoidance of doubt, the outsourcing of activities that support or are incidental to the Business of the Bank Group) on arm's length commercial terms in the ordinary course of business;

(iv) the disposal of property or other assets on bona fide arm's length commercial terms in the ordinary course of business in consideration for, or to the extent that contractual arrangements are in place within 12 months of such disposals and the Net Proceeds of that disposal are applied within 18 months after such disposal in the acquisition of, property or other assets of a similar nature and approximately equal value to be used in the Business of the Bank Group;

(v) disposals of assets on bona fide arm's length commercial terms where such assets are obsolete or no longer required for the purposes of the Business of the Bank Group;

(vi) the application of cash in payments (or any disposals of Cash Equivalent Investments or Marketable Securities) which are not otherwise restricted by the terms of this Agreement and the Security Documents including, for the avoidance of doubt, Permitted Acquisitions and Permitted Payments;

(vii) disposals (or the payment of management, consultancy or similar fees):

(A) by an Obligor to another Obligor; or

(B) from a member of the Bank Group which is not an Obligor, to any member of the Bank Group; or

(C) from an Obligor to another member of the Bank Group which is not an Obligor; or

(D) by one member of the Bank Group to another member of the Bank Group provided that, if such assets subject to the disposal are subject to existing Security, the Parent within 15 Business Days of such disposal is in compliance with the 80% Security Test as of the most recent prior Quarter Date after giving effect to the disposal;

(viii) disposals of any interest in an Unrestricted Subsidiary;

(ix) payment, transfer or other disposal of consideration for any Acquisition, merger or consolidation permitted by Clause 24.12 (*Acquisitions and Mergers*);

(x) disposals of cash or cash equivalents constituting any distribution, dividend, transfer, loan or other transaction permitted by Clause 24.14 (*Restricted Payments*);

(xi) the grant of indefeasible rights of use or equivalent arrangements with respect to network capacity, communications, fibre capacity or conduit, in each case on arm's length commercial terms or on terms that are fair and reasonable and in the best interests of the Bank Group;

(xii) payment, transfer or other disposal between members of the Bank Group, constituting consideration or investment for or towards or in furtherance of any Acquisition, Permitted Acquisition, Permitted Joint Venture, merger or consolidation permitted by Clause 24.12 (*Acquisitions and Mergers*);

(xiii) disposals of any interest in real or heritable property by way of a lease or licence granted by a member of the Bank Group to another member of the Bank Group;

(xiv) disposals of any assets pursuant to the implementation of an Asset Passthrough or of any funds received pursuant to the implementation of a Funding Passthrough;

(xv) disposals of any property or other assets to satisfy any pension plan contribution liabilities;

(xvi) disposals of any accounts receivable on arms' length commercial terms pursuant to an asset securitisation programme or one or more receivables factoring transactions provided that:

(A) such disposal is conducted on a non-recourse basis, except for recourse to:

(1) the receivables which are the subject of such asset securitisation programme or receivables factoring transaction;

(2) the debtor in respect of the Financial Indebtedness under that programme or transaction for the purpose of enforcing a security interest against it, so long as:

(i) the recourse is limited to recoveries in respect of the receivables; and

(ii) the providers of the Financial Indebtedness under that programme or transaction do not have the right to take any steps towards its winding up or dissolution or the appointment of a liquidator, administrator, administrative receiver or similar officer (other than in respect of the receivables);

(3) a member of the Wider Group to the extent of its shareholding or other interest in any Asset Securitisation Subsidiary; or

(4) a member of the Wider Group under any form of assurance, undertaking or support, where recourse is limited to:

(i) a claim for damages (not being liquidated damages or damages required to be calculated in a specified way) for breach of a warranty or undertaking;

(ii) a claim for breach of warranty relating to the receivables;

(iii) a claim for breach of undertaking relating to the management and/or collection of the receivables; or

(iv) a claim for breach of representations, warranties, undertakings, guarantees of performance (excluding any recourse with respect to the collectability of any receivables or assets related to such receivables) and indemnities entered into by such member of the Wider Group or any seller which are reasonably customary in an accounts receivable transaction,

and, in each case, the obligation is not in any way a guarantee, indemnity or other assurance against financial loss or an obligation to ensure compliance by another with a financial ratio or other test of financial condition; and

(B) the aggregate principal amount of all such securitisations or factoring transactions conducted in reliance on this paragraph (xvi) does not exceed the greater of:

(1) €250,000,000 (or its equivalent in other currencies) at any time; and

(2) five per cent. of Total Assets;

(xvii) disposals of any shares or other interests in any Project Company, Bank Group Excluded Subsidiary or Joint Venture or the assignment of any Financial Indebtedness owed to a member of the Bank Group by a Project Company, Bank Group Excluded Subsidiary or Joint Venture;

(xviii) disposals of accounts receivable which have remained due and owing from a third party for a period of more than 90 days and in respect of which the relevant member of the Bank Group has diligently pursued payment in the normal course of its business and where such disposal is on non-recourse terms to such member of the Bank Group;

(xix) disposals of assets subject to finance or capital leases pursuant to the exercise of an option by the lessee under such finance or capital leases;

(xx) disposals of assets in exchange for the receipt of assets of a similar or comparable value provided that:

(A) to the extent that the assets being disposed of are subject to existing Security, the assets received following such exchange will be subject to the existing Security Documents, or will be made subject to Security (in form and substance substantially similar to the existing Security or otherwise in such form and substance as may reasonably be required by the Facility Agent) within 10 Business Days of such disposal; and

(B) where the aggregate net book value of all assets being exchanged in reliance on this paragraph (xx) exceeds €10,000,000 (or its equivalent in other currencies) in any Financial Quarter, there is delivered to the Facility Agent, within 30 days from the end of such Financial Quarter of the Bank Group, a certificate signed by an authorised officer of the Parent (given without personal liability) certifying that the assets received by such member of the Bank Group in reliance on this paragraph (xx) during such Financial Quarter are of a similar or comparable value to the assets disposed of by such member of the Bank Group;

(xxi) disposals constituting the surrender of tax losses by any member of the Bank Group:

(A) to any other member of the Bank Group;

(B) to any other member of the Wider Group, where the surrendering company receives fair market value for such tax losses from the relevant recipient; or

(C) in order to eliminate, satisfy or discharge any Tax liability of a former member of the Wider Group which has been disposed of pursuant to a disposal permitted by the terms of this Agreement, to the extent that a member of the Bank Group would have a liability (in the form of an indemnification obligation or otherwise) to one or more persons in relation to such Tax liability if not so eliminated, satisfied or discharged;

(xxii) disposals of assets to and sharing assets with any person who is providing services the provision of which have been or are to be outsourced to that person by any member of the Bank Group provided that:

(A) the assets being disposed of in reliance on this paragraph (xxii) shall be assets which relate to the services which are the subject of such outsourcing;

(B) the projected cash cost to the Bank Group of such outsourcing shall be less than the projected cash cost to the Bank Group of carrying out such outsourced activities at the levels of service to be provided by the service provider within the Bank Group;

(C) the economic benefits derived from any such outsourcing contract shall be received by the Bank Group during the term of such contract;

(D) the aggregate fair market value of the assets disposed of shall not exceed 3.75% of Bank Group Consolidated Revenues in any financial year; provided that any unused portion of such basket amount may be carried forward and used by any member of the Bank Group in the following financial year (and any such amount carried forward will be treated as having been utilised before the original basket amount available in such following financial year); and

(E) no later than 30 days after the date of such outsourcing where the consideration payable in respect of the assets subject to such disposal exceeds €10,000,000 (or its equivalent in other currencies), a duly authorised officer of the Parent shall have provided to the Facility Agent, a certificate (without personal liability) verifying each of the matters set out in sub-paragraphs (A) to (C) above and certifying that as at the date of such certificate, the aggregate fair market value of all assets disposed in reliance on this paragraph (xxii) during such financial year, does not exceed the threshold specified in sub-paragraph (D) above;

(xxiii) disposals of assets pursuant to sale and leaseback transactions (regardless of whether any such lease resulting from such a transaction constitutes an operating or a Finance Lease) where the aggregate fair market value of any assets disposed of in reliance on this paragraph (xxiii) does not exceed the greater of:

(A) €100,000,000 (or its equivalent in other currencies); and

(B) two per cent. of Total Assets,

in any financial year and any disposals of assets pursuant to sale and leaseback transactions constituting Financial Indebtedness to the extent such Financial Indebtedness is permitted under this Agreement;

(xxiv) subject to the requirements of Clause 24.25 (*Hedging*), disposals of any Hedging Agreements;

(xxv) disposals of non-core assets acquired in connection with a transaction permitted under Clause 24.12 (*Acquisitions and Mergers*);

(xxvi) any disposal of all or part of a business division pursuant to a Business Division Transaction;

(xxvii) any disposals constituted by licences of intellectual property rights permitted by Clause 24.17 (*Intellectual Property Rights*);

(xxviii) any disposal of assets made pursuant to the establishment of a Permitted Joint Venture or any disposal of assets to a Permitted Joint Venture;

(xxix) any disposal made in relation to a compulsory purchase order or any other order of any agency of state, authority or other regulatory body or any applicable law or regulation not exceeding €25,000,000 (or its equivalent in other currencies) in any financial year;

(xxx) any disposal by any member of the Bank Group of customer premises equipment to a customer;

(xxxi) disposals of assets on arms' length commercial terms where the cash proceeds of such disposal are reinvested within 12 months of the date of the relevant disposal in the purchase of replacement assets by a member of the Bank Group (or within 18 months of the date of the relevant disposal if the proceeds are, within 12 months of the date of the relevant disposal, contractually committed to be so applied) provided that where the relevant member of the Bank Group that has made the disposal is an Obligor, such replacement assets are either subject to existing Security Documents granted by the relevant member of the Bank Group that has acquired the replacement assets, or will be made subject to Security by such member of the Bank Group (in form and substance substantially similar to the existing Security or otherwise in such form and substance as may reasonably be required by the Facility Agent) within 10 Business Days of the acquisition of such replacement assets;

(xxxii) any disposal of real property provided that the fair market value of the real property disposed of in any calendar year does not exceed the greater of €50,000,000 and 1.0% of Total Assets;

(xxxiii) a Regulatory Authority Disposal;

(xxxiv) (in addition to those described in sub paragraphs (i) to (xxxiii) above) a disposal of any person or asset the Annualised EBITDA of or attributable to which does not exceed the Remaining Percentage of the Annualised EBITDA of the Bank Group for the Latest Ratio Period, provided that:

(A) no Default has occurred and is continuing or would occur as a result of such disposal;

(B) where required, a prepayment is made in accordance with Clause 14.2(a) (*Mandatory Prepayment from Disposal Proceeds*) in respect of such disposal; and

(C) the Parent delivers to the Facility Agent a certificate signed by an authorised officer of the Parent which certifies that, if the financial ratios set out in Clause 23.2 (*Financial Ratios*) were re-calculated for the Latest Ratio Period but adjusting the:

(1) amount of Senior Net Debt and Total Net Debt used in such calculations by adding any net increase in Senior Net Debt or Total Net Debt (respectively) since the end of the Latest Ratio Period or subtracting any net reduction in the Senior Net Debt or Total Net Debt (respectively) since the end of the Latest Ratio Period and any such reduction which will occur from a prepayment of a Facility made under Clause 13.1 (*Voluntary Prepayment*) or Clause 14.2(a) (*Mandatory Prepayment from Disposal Proceeds*) of this Agreement from the proceeds of such disposal; and

(2) Annualised EBITDA of the Bank Group used in such calculations by subtracting the Annualised EBITDA attributable to persons or assets disposed of since the end of the Latest Ratio Period and the Annualised EBITDA attributable to the person or asset the subject of such disposal, in each case for the Latest Ratio Period,

(3) those financial ratios would not be breached; and

(xxxv) a disposal of any person or asset otherwise pursuant to sub-paragraph (xxxiv) provided that if, at the time of such disposal, any member of the Bank Group has contractually committed or agreed to a future Acquisition and such an Acquisition occurs within twelve months (or less) of the disposal:

(A) the Remaining Percentage (as defined in paragraph (c) below) would not be exceeded if the aggregate Percentage Value of the contemplated Acquisition is added to the calculation and tested at the time of the disposal on a pro forma basis (giving effect to the Annualised EBITDA (as defined in paragraph (d) below) of the Target based on then available historical financial information) and on an actual basis at the completion of the Acquisition (and for these purposes paragraph (d) below would be disapplied so that the percentage of the Annualised EBITDA of the Bank Group represented by the Annualised EBITDA of the relevant disposal could be more than the Remaining Percentage immediately prior to such disposal provided that the Remaining Percentage would not be exceeded once any contemplated Acquisition is taken into account as described in this paragraph (A)); and

(B) for the purpose of the certificate required by paragraph (xxxiv)(C) above, the financial ratios shall be calculated giving pro forma effect to such Acquisition (based on the then available historical financial information of the Target and including the Annualised EBITDA of the Target and any Financial Indebtedness expected to be incurred by the Bank Group to finance such Acquisition) (and any such amendment, waiver or other modification contemplated by this paragraph (B) may apply to all such disposals and future Acquisitions or only to specified disposals and Acquisitions).

(c) The "**Remaining Percentage**" is:

(i) 17.5%;

(ii) less the aggregate Percentage Value of all previous disposals made after the Signing Date; and

(iii) plus the aggregate Percentage Value of all Reinvestments made,

as calculated in accordance with paragraph (d) below,

provided that the percentage of the Annualised EBITDA of the Bank Group represented by the Annualised EBITDA of the person or asset disposed of can never be more than the Remaining Percentage immediately prior to such disposal.

(d) For the purposes of paragraphs (b)(xxxii), (b)(xxxiii) and (c) above:

"**Annualised EBITDA and EBITDA**" have the meaning given to them in Clause 23.1 (*Financial Definitions*) but, when calculating EBITDA in relation to a person or asset that is being (or has been) acquired or disposed of, any amounts will be calculated using the methodology for calculating operating cash flow used in the accounts most recently filed with the SEC by or on behalf of the Ultimate Holdco prior to the date of that acquisition or disposal, and, for the avoidance of doubt, any corporate costs or allocations paid or payable during the relevant period by a member of the Bank Group which is being disposed of to one of its Affiliates pursuant to any general services (or similar) arrangement shall be deducted from the EBITDA of the member of the Bank Group being disposed of;

"**Latest Ratio Period**" means the most recent Ratio Period for which financial statements have been delivered pursuant to Clause 24.2 (*Financial Information*);

"**Percentage Value**" means:

(i) in relation to a disposal, the percentage of the Annualised EBITDA of the Bank Group for what was the Latest Ratio Period at the time of the disposal which is represented by the Annualised EBITDA of the person or asset disposed of (the "**EBITDA Percentage**"), after deducting a percentage equal to the EBITDA Percentage multiplied by the Proportion Repaid; and

(ii) in relation to a Reinvestment, the percentage of the Annualised EBITDA of the Bank Group for what was the Latest Ratio Period at the time of the Reinvestment (but taking into account each disposal made by the Bank Group after the last day of that Latest Ratio Period and prior to the date of the relevant Reinvestment) which is represented by the Annualised EBITDA of the person or asset acquired multiplied by the Proportion Reinvested,

Where:

the "**Proportion Reinvested**" is that proportion of the purchase price for the person or asset acquired which is represented by the amount of the Net Proceeds of a previous disposal that were reinvested pursuant to the relevant Reinvestment;

the "**Proportion Repaid**" is that proportion of the Net Proceeds of that disposal prepaid pursuant to Clause 14.2(a) (*Mandatory Prepayment from Disposal Proceeds*) and/or repaid pursuant to Clause 13.1 (*Voluntary Prepayment*); and

"**Reinvestment**" means the reinvestment of all or any part of the Net Proceeds of a previous disposal made under paragraph (b)(ix) above by the Bank Group after the Signing Date, including in circumstances where all or any part of such Net Proceeds are distributed as a Permitted Payment and an equity subscription is subsequently made in, or a Subordinated Funding is subsequently made to, a member of the Bank Group.

(e) Except as otherwise expressly permitted in this Agreement or the relevant Security Document, the Parent will not sell, transfer, lease or otherwise dispose of all or any part of its assets which are subject to a Security Document to which it is a party.

(f) In the event that a transaction (or any portion thereof) meets the criteria of a Permitted Disposal and also meets the criteria of a Permitted Payment, the Parent, in its sole discretion, will be entitled to divide and classify such transaction (or a portion thereof) as a disposal permitted under sub-paragraphs (b)(i) to (b)(xxxv) of this Clause 24.11 (*Disposals*) and/or a Restricted Payment permitted under sub-paragraphs 24.14(c)(i) to 24.14(c)(xxiv) of Clause 24.14 (*Restricted Payments*).

24.12 Acquisitions and Mergers

(a) No Obligor will, and the Parent will procure that no other member of the Bank Group will, make any Acquisition, other than:

(i) any Acquisition approved in writing by the Facility Agent (acting on the instructions of the Instructing Group);

(ii) any Permitted Acquisition;

(iii) any Permitted Transaction;

(iv) any Permitted Joint Venture;

(v) any Acquisition from any person which is a member of the Bank Group or subscription of an interest in the share capital (or equivalent) in any person which is a member of the Bank Group; or

(vi) in connection with a merger or consolidation permitted by paragraph (b) below or by Clause 24.30 (*Internal Reorganisations*),

provided in each case that if the aggregate consolidated Annualised EBITDA (calculated on the same basis as set out in Clause 24.11 (*Disposals*)) of the acquired entity is greater than or equal to 20 per cent. of the Annualised EBITDA of the Bank Group (calculated as if the entity acquired, or to be acquired, is already part of the Bank Group) as set out in the most recent financial statements provided to the Facility Agent pursuant to Clause 24.2(a)(i) or 24.2(a)(ii) (*Financial Information*):

(A) the acquired entity must be a Subsidiary (directly or indirectly) of the Parent; or

(B) the relevant member of the Bank Group must provide security over all of the shares acquired by it in the acquired entity on terms acceptable to the Facility Agent (acting reasonably), together with such corporate authorisations and legal opinions that may reasonably be required by the Facility Agent in connection with the entry into, validity and enforceability of such security documentation.

(b) Each Obligor will not merge or consolidate with any other company or person and will procure that no member of the Bank Group will merge or consolidate with any other company or person save for:

(i) any Permitted Transaction;

(ii) Acquisitions permitted by paragraph (a) above and disposals permitted by Clause 24.11 (*Disposals*);

(iii) with the prior written consent of the Facility Agent (acting on the instructions of the Instructing Group);

(iv) mergers between any member of the Bank Group with (I) any or all of the other members of the Bank Group or (II) an Unrestricted Subsidiary ("**Original Entities**"), into one or more entities (each a "**Merged Entity**") provided that:

(A) reasonable details of the proposed merger in order to demonstrate satisfaction with subparagraphs (C) to (G) below are provided to the Facility Agent within 30 days after the date on which the merger is entered into;

(B) if the proposed merger is between a member of the Bank Group and an Unrestricted Subsidiary, the Parent has delivered to the Facility Agent within 30 days after the date on which the merger is entered into financial projections which demonstrate that the Bank Group will be in compliance with the undertakings set out in Clause 23.2 (*Financial Ratios*) for the period commencing on the date of merger and ending on the earlier of the date that falls 3 years from the date of merger and the Final Maturity Date;

(C) such Merged Entity will be a member of the Bank Group and will be liable for the obligations of the relevant Original Entities (including the obligations under this Agreement and the Security Documents), which obligations remain unaffected by the merger, and entitled to the benefit of all rights of such Original Entities;

(D) (if all or any part of the share capital of any of the relevant Original Entities was charged pursuant to a Security Document) the equivalent part of the issued share capital of such Merged Entity is charged pursuant to a Security Document on terms of at least an equivalent nature and equivalent ranking as any Security Document relating to the shares in each relevant Original Entity within 60 days of the merger;

(E) such Merged Entity has entered into Security Documents (if applicable) within 60 days of the merger which provide security over the same assets of at least an equivalent nature and ranking to the security provided by the relevant Original Entities pursuant to any Security Documents entered into by them;

(F) any possibility of the Security Documents referred to in subparagraphs (D) or (E) above being challenged or set aside is not materially greater than any such possibility in relation to the Security Documents entered into by, or in respect of the share capital of, any relevant Original Entity; and

(G) all the property and other assets of the relevant Original Entities are vested in the Merged Entity and the Merged Entity has assumed all the rights and obligations of the relevant Original Entities under any, material Necessary Authorisations and

Licences and other licences or registrations (to the extent reasonably necessary for the business of the relevant Original Entities) granted in favour of the Original Entities under Telecommunications and Cable Laws and/or all such rights and obligations have been transferred to the Merged Entity and/or the relevant Necessary Authorisations and Licences and other licences or registrations (to the extent reasonably necessary for the business of the relevant Original Entities) granted in favour of the Original Entities under Telecommunications and Cable Laws have been reissued to the Merged Entity,

except that the requirements of paragraphs (C) to (G) above will not apply in respect of any merger between Original Entities:

(1) both of which are not Obligors; and

(2) neither one of which is party to a Security Document, neither one of whose share capital is charged pursuant to a Security Document and neither one of whom owes any receivables to another member of the Bank Group which are pledged pursuant to a Security Document; or

(v) such amalgamation, consolidation or merger is between two members of the Bank Group; or

(vi) in the event that the relevant member of the Bank Group liquidates or dissolves in accordance with the provisions of Clause 24.30 (*Internal Reorganisations*).

24.13 Restrictions on Financial Indebtedness

(a) Each Obligor will not, and the Parent will procure that no other member of the Bank Group will, create, incur or otherwise permit to be outstanding any Financial Indebtedness (other than Permitted Financial Indebtedness).

(b) As used herein, "**Permitted Financial Indebtedness**" means, without duplication:

(i) any Financial Indebtedness arising hereunder or under the Security Documents or the Finance Documents;

(ii) until the Utilisation Date in relation to the refinancing of Financial Indebtedness outstanding under such agreements, any Financial Indebtedness arising under the Existing Senior Credit Facilities Agreement and the Existing Credit Agreement;

(iii) any Existing Financial Indebtedness;

(iv) any Financial Indebtedness or guarantees permitted pursuant to Clause 24.15 (*Loans and Guarantees*);

(v) any Financial Indebtedness of any member of the Bank Group arising as a result of the issue by it or a financial institution of a surety or performance bond in relation to the performance by such member of the Bank Group or its obligations under contracts entered into in the ordinary course of its business (other than for the purpose of raising finance);

(vi) any Financial Indebtedness approved in writing by the Facility Agent (acting on the instructions of the Instructing Group);

(vii) any Financial Indebtedness incurred in connection with the Hedging Agreements and any other hedging arrangements permitted by Clause 24.25 (*Hedging*);

(viii) any deposits or prepayments constituting Financial Indebtedness received by any member of the Bank Group from a customer or subscriber for its services;

(ix) any Financial Indebtedness owing by any member of the Bank Group being Management Fees or management, consultancy or similar fees payable to another member of the Bank Group in respect of which payment has been deferred;

(x) any Financial Indebtedness being Permitted Payments in respect of which payment has been deferred;

(xi) any Financial Indebtedness of a company which is acquired by a member of the Bank Group after the date hereof as an acquisition permitted by Clause 24.12 (*Acquisitions and Mergers*) where such Financial Indebtedness existed at the date of completion of such Permitted Acquisition provided that the amount of such Financial Indebtedness is not increased beyond the amount in existence at the date of completion of the acquisition (subject to the accrual of interest);

(xii) any Financial Indebtedness of any member of the Bank Group, in respect of which the person or persons to whom such Financial Indebtedness is or may be owed has or have no recourse whatsoever to any member of the Bank Group for any payment or repayment in respect thereof, other than in the event that:

(A) the extent of any such recourse to any such member of the Bank Group is limited solely to the amount of any recoveries made on any such enforcement;

(B) such person or persons are not entitled, pursuant to the terms of any agreement evidencing any right or claim arising out of or in connection with such Financial Indebtedness, to commence proceedings for the winding up, dissolution or administration of any member of the Bank Group (or proceedings having an equivalent effect) or to appoint or procure the appointment of any receiver, trustee or similar person or officer in respect of any member of the Bank Group or any of its assets until after the Commitments have been reduced to zero and all amounts outstanding under the Finance Documents have been repaid or paid in full; and

(C) the aggregate outstanding amount of all such Financial Indebtedness of all members of the Bank Group does not exceed €100,000,000 (or its equivalent in other currencies);

(xiii) any Financial Indebtedness of any member of the Bank Group (other than any Obligor) constituting Financial Indebtedness to all the holders (or their Associated Companies) of the share capital of any such member of the Bank Group on a basis that is substantially proportionate to their interests in such share capital (with any disproportionately large interest received by any member of the Bank Group or any disproportionately small interest received by any person other than a member of the Bank Group, in each case relative to its interests in such share capital, being ignored for this purpose), provided such Financial Indebtedness does not bear interest (other than by way of addition to its principal amount on a proportionate basis as described above) and is made on terms that repayment or pre-payment of such Financial Indebtedness shall only be made to each such holder (A) in proportion to their respective interests in such share capital (ignoring any disproportionately large interest held by any member of the Bank Group or any disproportionately small interest received by any person other than a member of the Bank Group, in each case relative to its interests in such share capital, for this purpose) and (B) only on and in connection with the liquidation or winding up (or equivalent) of such member of the Bank Group;

(xiv) any Financial Indebtedness arising as a result of any cash pooling arrangements in the ordinary course of the Bank Group's banking business to which any member of the Bank Group is a party;

(xv) Financial Indebtedness arising in respect of:

(A) the existing subordinated unsecured guarantees given by any Original Senior Unsecured Notes Guarantor in respect of the Original Senior Unsecured Notes;

(B) any subordinated unsecured guarantee granted by any Original Senior Unsecured Notes Guarantor in respect of any Additional Senior Unsecured Notes in accordance with paragraph (e) of the definition of Additional Senior Unsecured Notes, provided that no Default or Event of Default is outstanding or occurs as a result of the issuance of such Additional Senior Unsecured Notes;

(C) any subordinated unsecured guarantee granted by any Original Senior Unsecured Notes Guarantor in respect of any Senior Unsecured Refinancing in accordance with paragraph (c) of the definition of Senior Unsecured Refinancing, provided that no Default or Event of Default is outstanding or occurs as a result of such Senior Unsecured Refinancing;

(D) any subordinated unsecured guarantee granted by any Original Senior Unsecured Notes Guarantor in respect of any Holdco Intercompany Debt in accordance with paragraph (c) of the definition of Holdco Intercompany Debt; and

(E) any Senior Secured Notes and any guarantee in respect of any Senior Secured Notes given by any member of the Bank Group that is an Obligor;

(xvi) Financial Indebtedness arising in relation to either an Asset Passthrough or a Funding Passthrough;

(xvii) Financial Indebtedness arising in respect of any guarantee given by any Original Senior Unsecured Notes Guarantor in respect of the relevant borrower's obligations under any Holdco Debt, provided that any such guarantee is given on a subordinated unsecured basis and is subject to the terms of the Intercreditor Agreement or any other applicable intercreditor agreement in form satisfactory to the Facility Agent and further provided that no Default or Event of Default is outstanding or occurs as a result of such Holdco Debt being raised or issued;

(xviii) Financial Indebtedness arising under (i) sale and leaseback arrangements or (ii) Vendor Financing Arrangements, provided that the aggregate principal amount thereof does not at any time exceed the amount that could be incurred so that the ratio of Senior Net Debt to annualised EBITDA (giving pro forma effect to any such Financial Indebtedness and the use of proceeds thereof) is equal to, or less than, 4.50:1.00 (rounded to the second decimal number); and provided further that, in each case, the relevant lessor or provider of Vendor Financing Arrangements does not have the benefit of any Security Interest other than over the assets the subject of such Vendor Financing Arrangements and/or sale and leaseback arrangements;

(xix) Financial Indebtedness arising in respect of any performance bond, guarantee, standby letter of credit or similar facility entered into by any member of the Bank Group to the extent that cash is deposited as security for the obligations of such member of the Bank Group thereunder;

(xx) Financial Indebtedness of any Asset Securitisation Subsidiary incurred solely to finance any asset securitisation programme or programmes or one or more receivables factoring transactions otherwise permitted by Clause 24.11(b)(xvi) (*Disposals*);

(xxi) Financial Indebtedness arising under tax-related financings designated in good faith as such by prior written notice from the Parent to the Facility

Agent, provided that the aggregate principal amount of such Financial Indebtedness outstanding at any time does not exceed €250,000,000;

(xxii) Financial Indebtedness which constitutes Subordinated Funding provided that each Obligor that is a debtor in respect of Subordinated Funding shall (and the Parent shall procure that each member of the Bank Group that is a debtor in respect of Subordinated Funding shall) procure that the relevant creditor of such Subordinated Funding, to the extent not already a party at the relevant time, accedes to the Intercreditor Agreement in such capacity, upon the granting of such Subordinated Funding;

(xxiii) Financial Indebtedness of any Obligor, provided that the ratios (after giving effect to the incurrence of any such Financial Indebtedness pursuant to this paragraph (xxiii) and the ultimate use of proceeds thereof and giving pro forma effect to any movement of cash out of the Bank Group since such date pursuant to any Permitted Payments) on the Quarter Date prior to any such incurrence would not exceed the ratios set out in Clause 23.2 (*Financial Ratios*) for the Quarter Date following the date of any such incurrence, provided further that such Financial Indebtedness is subject to the terms of the Intercreditor Agreement or a Supplemental Intercreditor Agreement as applicable;

(xxiv) any Financial Indebtedness under the Existing Ancillary Facility;

(xxv) any Financial Indebtedness arising in relation to the master agreement cash management (*mantelovereenkomst cashmanagement*) between Rabobank and ABC B.V. dated 11 June 2011 between, among others, the Parent and Rabobank;

(xxvi) any Financial Indebtedness constituting a Permitted Transaction;

(xxvii) any liability arising under a declaration of joint and several liability (*hoofdelijke aansprakelijkheid*) as referred to in Article 2:403 of the Dutch Civil Code provided that such liabilities may not be shared with a member of the Wider Group;

(xxviii) any liability arising by operation of law as a result of the existence of a fiscal unity (*fiscal eenheid*) of which Bidco is a member provided that such liabilities may not be shared with a member of the Wider Group; and

(xxix) any other Financial Indebtedness in addition to the Financial Indebtedness falling within paragraphs (i) to (xxviii) above not exceeding at any time more than the greater of:

(A) €250,000,000 in aggregate (or its equivalent); and

(B) five per cent. of Total Assets,

and further provided that in the case of any Financial Indebtedness constituted by an overdraft facility which operates on a gross/net basis only the net amount of such facility shall count towards such aggregate amount.

(c) In the event that Financial Indebtedness meets the criteria of more than one of the types of Permitted Financial Indebtedness described in sub-paragraphs (b)(i) to (b)(xxix) of this Clause 24.13 (*Restrictions on Financial Indebtedness*), the Parent, in its sole discretion, shall classify such item of Financial Indebtedness on the date of its incurrence and shall only be required to include the amount and type of such Financial Indebtedness in one of such sub-paragraphs and will be permitted on the date of such incurrence to divide and classify an item of such Financial Indebtedness in more than one of the types of Financial Indebtedness described in such sub-paragraphs, and, from time to time, may reclassify all or a portion of such Financial Indebtedness, in any manner that complies with this covenant.

24.14 Restricted Payments

(a) Each Obligor will not, and the Parent will procure that no member of the Bank Group will, make any Restricted Payments other than Permitted Payments or enter into any transaction involving aggregate consideration in excess of €15,000,000 with a Restricted Person other than Permitted Affiliate Transactions or on bona fide arm's length commercial terms or on terms which are fair and reasonable and in the best interests of the Bank Group, provided that no Restricted Payment shall be permitted to be made to either Holdco, Permitted Affiliate Holdco, Bidco Parent or any Replacement Issuer for the purpose of funding any payment or refinancing in respect of any Holdco Debt issued by such entity following the occurrence of (i) an Event of Default under Clause 25.2 (*Non payment*), 25.3 (*Breach of Other Obligations*) (arising in relation to a breach of Clause 23.2 (*Financial Ratios*)), 25.7 (*Insolvency*) 25.8 (*Insolvency Proceedings*) or 25.9 (*Creditors' process*) which is continuing; (ii) if an Event of Default has occurred in respect of which any notice has been served by the Facility Agent in accordance with Clause 25.13 (*Acceleration*) or (iii) an automatic acceleration has occurred in accordance with Clause 25.14 (*Automatic Acceleration*), other than where:

(i) such payment is permitted under paragraph (c)(vi) below; or

(ii) such Holdco Debt is subject to the terms of the Intercreditor Agreement.

(b) As used herein, a "**Restricted Payment**" means, in each case whether in cash, securities, property or otherwise:

(i) any direct or indirect distribution, dividend or other payment on account of any class of its share capital or capital stock or other securities;

(ii) any payment of principal of, or interest on, any loan; or

(iii) any transfer of assets, loan or other payment, in the case of each of (i), (ii) and (iii), to a Restricted Person.

(c) As used herein, a "**Permitted Payment**" means any distribution, dividend, transfer of assets, loan or other payment:

(i) in respect of a Permitted Transaction, a Permitted Acquisition or a Permitted Disposal;

(ii) to any Restricted Person in relation to transactions carried out on bona fide arm's length commercial terms in the ordinary course of business or on terms which are fair and reasonable and in the best interest of the Bank Group;

(iii) by way of payment of Management Fees (A) which are paid on bona fide arm's length terms in the ordinary course of business to a Restricted Person or (B) of up to the greater of €15,000,000 and 0.5% of Total Assets in any financial year provided that, at the time of payment, no Default is outstanding or would occur as a result of such payment;

(iv) by way of payment of principal or interest on Subordinated Funding or by way of loan, distributions, dividends, repayment of a loan, redemption of loan stock or payments in respect of share capital paid by the Parent or any Permitted Affiliate Parent provided that:

(A) the applicable ratio for the purposes of Clause 23.2(a) (*Financial Ratios*) is 4.0:1 or less prior to making the relevant payment and will be 4.0:1 or less after such payment has been made and after giving effect to the transactions, if any to be completed using the proceeds of such payment and not including, for the avoidance of doubt, any outstanding revolving facility utilisations up to the Revolving Facility Excluded Amount in the calculation of Senior Net Debt for the purposes of testing such ratio; and

(B) no Default has occurred and is continuing or would occur as a result of such payment;

(v) by way of payment to any Restricted Person of consideration for an acquisition, merger or consolidation permitted by Clause 24.12 (*Acquisitions and Mergers*);

(vi) to the extent required for the purpose of making payments:

(A) to the indenture trustee for the Original Senior Unsecured Notes in respect of Senior Unsecured Notes Trustee Amounts (as such term is defined in the Intercreditor Agreement); or

(B) in respect of any similar amounts to the indenture trustee in respect of any Senior Unsecured Refinancing or any Additional Senior Unsecured Notes;

(vii) at any time after the occurrence of an Event of Default, to the extent required to fund Permitted Payments not otherwise prohibited by the Intercreditor Agreement or a Supplemental Intercreditor Agreement;

(viii) to the extent such distribution, dividend, transfer of assets, loan or other payment is in respect of a nominal amount;

(ix) for payment of any dividend, payment, loan or other distribution, or the repayment of a loan, or the redemption of loan stock or redeemable equity, in each case, which is required in order to facilitate the making of payments by any person (or in the case of subparagraph (F) below, Bidco or US Bidco) and to the extent required:

(A) by the terms of the Finance Documents;

(B) by the terms of the Senior Secured Notes Documents;

(C) by the terms of any Holdco Debt (or, in each case, any guarantee of the obligations thereunder) provided that (i) no Event of Default has occurred under Clause 25.2 (*Non payment*), 25.3 (*Breach of Other Obligations*) (arising in relation to a breach of Clause 23.2 (*Financial Ratios*)), 25.7 (*Insolvency*), 25.8 (*Insolvency Proceedings*) or 25.9 (*Creditors' process*) and is continuing; (ii) no Event of Default has occurred in respect of which any notice has been served by the Facility Agent in accordance with Clause 25.13 (*Acceleration*) or (iii) no automatic acceleration has occurred in accordance with Clause 25.14 (*Automatic Acceleration*), other than where:

(1) such payment is permitted under paragraph (c)(vi) above; or

(2) such Holdco Debt is subject to the terms of the Intercreditor Agreement;

(D) by the terms of (i) any Hedging Agreement to which Holdco, Bidco Parent or any Replacement Issuer is a party in relation to the hedging of Holdco Debt and (ii) any Hedging Agreement to which Bidco is a party provided that such Hedging Agreement is permitted by the terms of the Acquisition Facilities Agreement, in each case, to the extent such payment is not prohibited by the Intercreditor Agreement;

(E) for the purposes of implementing any Content Transaction or Business Division Transaction; or

(F) prior to the earlier to occur of the Debt Pushdown Date and the Acquisition Facilities End Date and to the extent that it would not constitute unlawful financial assistance within the meaning of sections 2:98c of the Dutch Civil Code (provided that this limitation shall cease to be applicable to a Dutch limited liability company upon the abolishment of sections 2:98c of the Dutch Civil Code), by the terms of the Acquisition Facilities Agreement;

(x) 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 or entity that is not a member of the Bank Group in connection with, an asset securitisation programme or receivables factoring transaction otherwise permitted by Clause 24.11(b)(xvi) (*Disposals*);

(xi) or other distribution, or the repayment of a loan, or the redemption of loan stock or redeemable equity made pursuant to an Asset Passthrough or a Funding Passthrough, in each case, funded solely from cash generated by entities outside of the Bank Group;

(xii) or other distribution, or the repayment of a loan, or the redemption of loan stock or redeemable equity made to any member of the Wider Group (other than a member of the Bank Group), provided that:

(A) an amount equal to such payment is reinvested by such member of the Wider Group (other than the Bank Group) into a member of the Bank Group within 3 days of receipt thereof;

(B) the aggregate principal amount of such payments and reinvested amounts at any one time does not exceed an amount equal to €300,000,000; and

(C) to the extent any such payments are made in cash, any re-invested amounts are also made in cash provided that any such re-invested amounts shall be in the form of Subordinated Funding, equity or the repayment of an intercompany loan or advance;

(xiii) in an amount to enable any Holding Company of a member of the Bank Group to pay taxes that are formally due by such Holding Company but which are allocable to (i) the Bank Group and are due by such Holding Company as a result of the Bank Group being included in a fiscal unity (for corporate income and/or VAT purposes) with such Holding Company or (ii) acting as a holding and/or financing company of the Bank Group;

(xiv) in an amount of up to €200,000,000 from the cash proceeds of a Content Transaction provided always that no Event of Default has occurred or is continuing or would result following such payment;

(xv) by way of payment to Holdco and, on and from the Closing Date, any Permitted Affiliate Holdco of any amounts outstanding in relation to Subordinated Funding the proceeds of which are used by such person in connection with the refinancing of Holdco Debt provided that concurrently with such payment such person advances directly or indirectly new Subordinated Funding to an Obligor in an amount equal to or greater than the outstanding amount of the Subordinated Funding discharged;

(xvi) or the repayment of a loan, the redemption of loan stock or redeemable equity, in each case, which is required in order to facilitate the making of repayments of amounts outstanding by Bidco or US Bidco under the Acquisition Facilities Agreement in accordance with Clause 24.37 (*Debt Pushdown*) or otherwise;

(xvii) contemplated by Clause 2.3 (*Purpose*) (other than for general corporate purposes of the Bank Group);

(xviii) contemplated by a Regulatory Authority Disposal;

(xix) by way of payment to any direct or indirect shareholder of the Parent or any direct or indirect shareholder of any Permitted Affiliate Parent for all of its out-of-pocket expenses incurred in connection with its direct or indirect investment in the Parent or any Permitted Affiliate Parent and any of their Subsidiaries;

(xx) to fund the payment of Holding Company Expenses;

(xxi) for financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including without limitation in connection with acquisitions or divestitures, which payments are approved by a majority of the members of the board of directors of Holdco or any Permitted Affiliate Holdco;

(xxii) in an amount of up to the Revolving Facility Excluded Amount provided that:

(A) no breach of this Clause 24.14 (*Restricted Payments*) shall occur as a result of a decrease in Annualised EBITDA after any such distribution, dividend, transfer of assets, loan or other payment has been made; and

(B) if an amount equal to the Revolving Facility Excluded Amount in respect of any prior Ratio Period has been the subject of a distribution, dividend, transfer of assets, loan or other payment under this paragraph (xxii), no further distribution, dividend, transfer of assets, loan or other payment may be made under this paragraph (xxii) until there is an increase in Annualised EBITDA in respect of any subsequent Ratio Period (the "**Incremental EBITDA Amount**") such that it is above the level of Annualised EBITDA at the time when the most recent distribution, dividend, transfer of assets, loan or other payment was made under this paragraph (xxii), in which case an amount equal to 0.25 multiplied by the Incremental EBITDA Amount for such Ratio Period may be the subject of a distribution, dividend, transfer of assets loan or other payment under this paragraph (xxii) provided that if at any time after a Permitted Payment is made under paragraph (xxii) the Revolving Facility is prepaid or repaid in full, a distribution, dividend, transfer of assets, loan or other payment may be made under this paragraph (xxii) in an amount equal to the Revolving Facility Excluded Amount at any time after the date of such repayment and notwithstanding any further Revolving Facility Utilisation is made (including by way of Rollover Loan at the time of such repayment);

(xxiii) made with the prior consent of the Instructing Group; and

(xxiv) any other distribution, dividend, transfer of assets, loan or other payment not falling within paragraphs (i) to (xxiii) above and not exceeding at any time, in an aggregate amount, more than the greater of:

(A) €250,000,000 in aggregate (or its equivalent); and

(B) three per cent. of Total Assets.

(d) In the event that a Permitted Payment meets the criteria of more than one of the categories described in paragraphs (c)(i) to (c)(xxiv), the Parent will be entitled to classify such Permitted Payment (or portion thereof) on the date of its payment or later reclassify such Permitted Payment (or portion thereof) in any manner that complies with the covenant in this Clause.

(e) As used herein, a "**Permitted Affiliate Transaction**" means:

(i) transactions expressly permitted by the Finance Documents;

(ii) transactions in the ordinary course of business and either on no worse than arm's length terms or, where there is no available market by which to assess whether such a transaction is on no worse than arm's length terms, on terms such that the transaction is financially fair to the relevant Obligor or, as the case may be, other member of the Bank Group;

(iii) transactions with any member of the Wider Group in relation to management services conducted at not less than Cost on behalf of such member of the Wider Group;

(iv) payments or other transactions pursuant to tax sharing agreements, arrangements to surrender tax losses or any tax advantageous group contribution made pursuant to applicable legislation and payments made pursuant thereto, to the extent such transactions are not prohibited by this Agreement;

(v) transactions relating to the provision of Intra-Group Services; or

(vi) transactions to effect either an Asset Passthrough or a Funding Passthrough;

(vii) any transaction to which one or more Obligors and one or more members of the Wider Group who are not Obligors are party where the sole purpose of such transaction is for such Obligors and members of the Wider Group to effect a transaction (including any Vendor Financing Arrangements permitted under Clause 24.13(b)(xviii) (*Restrictions on Financial Indebtedness*)) with a person who is not a member of the Wider Group and which transaction is otherwise permitted by the terms of this Agreement;

(viii) insurance arrangements entered into in the ordinary course of business with a Captive Insurance Company;

(ix) transactions relating to capital contributions between members of the Wider Group or the amendment of the terms of any loans made by or any convertible unsecured loan stock or other securities issued by any member of the Wider Group to any other member of the Wider Group (whether by way of conversion of loans to convertible unsecured loan stock or vice versa or otherwise) or the capitalisation of, or the waiver of or the repayment of, loans made by or any convertible unsecured loan stock issued by any member of the Wider Group to any other member of the Wider Group, provided in each case that such transaction is otherwise permitted by the terms of this Agreement;

(x) transactions relating to Excess Capacity Network Services provided that the price payable by any member of the Wider Group in relation to such Excess Capacity Network Services is no less than the Cost incurred by the relevant member of the Bank Group in providing such Excess Capacity Network Services;

(xi) transactions contemplated by a Regulatory Authority Disposal;

(xii) the performance of obligations of any member of the Bank Group under (A) the terms of any agreement to which any member of the Bank Group is a party as of or on the Signing Date or (B) any agreement entered into after the Signing Date on substantially similar terms to an agreement under sub-paragraph (A) above, in each case, as these agreements may be amended, modified, supplemented, extended or renewed from time to time provided that any such agreement or amendment, modification, supplement, extension or renewal to such agreement, in each case, entered into after the Signing Date will be permitted to the extent that its terms are not materially more disadvantageous to the Lenders than the terms of the agreements in effect on the Signing Date;

(xiii) any transaction in the ordinary course of business between or among the Parent or any member of the Bank Group and any Unrestricted Subsidiary or a joint venture or similar entity that would constitute a transaction restricted by this Clause 24.14 solely because the Parent or any member of the Bank Group owns an equity interest in or otherwise controls such Unrestricted Subsidiary, joint venture or similar entity;

(xiv) the issuance of shares, securities or any options, warrants or other rights to acquire shares or securities of the Parent or any Permitted Affiliate Parent to any Affiliate;

(xv) transactions constituting Subordinated Funding; or

(xvi) transactions constituting Permitted Transactions or Permitted Payments.

(f) The restriction contained in paragraph (a) on the payment by any member of the Bank Group of Management Fees shall cease to apply during such period as the applicable ratio for the purposes of Clause 23.2(a) (*Financial Ratios*) is 4.00:1 (or less), provided that no Management Fees may be paid by any member of the Bank Group at any time after a Relevant Event has occurred or if a Relevant Event would result from such payment.

24.15 Loans and Guarantees

Without the prior consent of the Instructing Group, each Obligor will not, and the Parent will procure that no member of the Bank Group will make any loans, grant any credit or give any guarantee, to or for the benefit of, or enter into any transaction having the effect of lending money to, any person, other than:

(a) loans from a member of the Bank Group to another member of the Bank Group or loan notes issued by one member of the Bank Group and held by another member of the Bank Group;

(b) any credit given by a member of the Bank Group to another member of the Bank Group which arises by reason of cash pooling, set off or other cash management arrangements of the Bank Group or by reason of other credits relating to services performed or allocation of expenses;

(c) as permitted by Clause 24.13 (*Restrictions on Financial Indebtedness*);

(d) normal trade credit in the ordinary course of business;

(e) guarantees given:

(i) under the Senior Secured Finance Documents;

(ii) by any Obligor in respect of the liabilities of another Obligor;

(iii) by a member of the Bank Group in respect of the liabilities of an Obligor; or

(iv) by a member of the Bank Group (which is not an Obligor) in respect of the liabilities of another member of the Bank Group (which is not an Obligor);

(v) by an Obligor in respect of the liabilities of any other member of the Bank Group to the extent that such liabilities could have been incurred by such Obligor directly without breaching this Agreement; or

(vi) by an Obligor in respect of the liabilities of any other member of the Bank Group which is not an Obligor provided that that other member of the Bank Group must become an Acceding Guarantor in accordance with Clause 27.3 (*Acceding Guarantors*) within 30 days of the granting of the guarantee made pursuant to this paragraph (vi); or

(f) to the extent that the same constitute Permitted Payments or a Permitted Disposal (not being a Permitted Disposal of cash or cash equivalents);

(g) loans, the granting of credit, guarantees and other transactions having the effect of lending money (each a "**Lending Transaction**") from a member of the Bank Group, in connection with an acquisition by that member which is permitted by Clause 24.12 (*Acquisitions and Mergers*), to the relevant person being acquired or one or more of its Subsidiaries, provided that:

(i) no Lending Transaction may have a term longer than 12 months (including any extensions or refinancings of the original Lending Transaction); and

(ii) the aggregate outstanding principal amount of all Lending Transactions (which principal amount shall be deemed to be no longer outstanding for this purpose at the time the beneficiary of the relevant Lending Transaction becomes a member of the Bank Group upon completion of the relevant acquisition, provided such Lending Transaction was made to or in favour of the person acquired or its Subsidiaries) shall not exceed €330,000,000 at any time;

(h) Lending Transactions from a member of the Bank Group to any person of the proceeds of equity subscribed by any Restricted Person in, or Subordinated Funding provided to, such member (other than any such proceeds which are otherwise applied in mandatory prepayment of any or all Facilities under this Agreement or pursuant to Clause 23.4 (*Cure Provisions*) or otherwise); and

(i) any loans made or credit granted pursuant to binding commitments in effect on the Signing Date (each an "**Investment**") together with any extension, modification, replacement, renewal or reinvestment of any Investment provided that the aggregate principal amount outstanding thereunder may not be increased from that existing at the Signing Date in reliance on this paragraph except (A) as required by the terms of such Investment as in existence on the Signing Date (including as a result of the accrual or accretion of interest or original issue discount or the issuance of pay-in-kind securities) or (B) as otherwise permitted under this Agreement;

(j) any loans or credit granted:

(i) in accordance with Clause 24.12 (*Acquisitions and Mergers*); and

(ii) by a SSN Finance Subsidiary as contemplated in the definition of "SSN Finance Subsidiary";

(k) any loans made by any member of the Bank Group to its employees either:

(i) in the ordinary course of its employees' employment; or

(ii) to fund the exercise of share options or the purchase of capital stock by its employees, directors, officers or consultants of the Bank Group,

provided that the aggregate principal amount of all such loans shall not at any time exceed €10,000,000 (or its equivalent in other currencies);

(l) any loan made by a member of the Bank Group pursuant to either an Asset Passthrough or a Funding Passthrough;

(m) any loan made by a member of the Bank Group to a member of the Wider Group, where the proceeds of such loan are, or are to be (whether directly or indirectly) used:

(i) to make payments to the Senior Unsecured Notes Trustee in respect of Senior Unsecured Notes Trustee Amounts (as such terms are defined in the Intercreditor Agreement) in respect of the Original Senior Unsecured Notes;

(ii) to make equivalent payments to those specified in paragraph (i) above in respect of any Senior Unsecured Refinancings or in respect of any Additional Senior Unsecured Notes;

(iii) to make payments under the Senior Secured Notes Documents;

(iv) provided that no Event of Default has occurred and is continuing or is likely to occur as a result thereof, to fund Permitted Payments; or

(v) at any time after the occurrence of an Event of Default, to fund Permitted Payments to the extent not prohibited by the Intercreditor Agreement or a Supplemental Intercreditor Agreement;

(n) credit granted by any member of the Bank Group to a member of the Wider Group, where the Indebtedness outstanding thereunder relates to Intra-Group Services in the ordinary course of business;

(o) any guarantee given in respect of membership interests in any company limited by guarantee where the acquisition of such membership interest is permitted under Clause 24.12 (*Acquisitions and Mergers*);

(p) any customary title guarantee given in connection with the assignment of leases where such assignment is permitted under Clause 24.11 (*Disposals*);

(q) any loan granted as a result of a Subscriber being allowed terms, in the ordinary course of trade, whereby it does not have to pay for the services provided to it for a period after the provision of such services;

(r) a loan made or a credit granted to a Joint Venture to the extent permitted under Clause 24.12(a)(iv) (*Acquisitions and Mergers*);

(s) any loans or guarantees relating to Excess Capacity Network Services provided that the price payable to any member of the Bank Group in relation to such Excess Capacity Network Services is no less than the Cost incurred by the relevant member of the Bank Group in providing such Excess Capacity Network Services;

(t) liquidity loans of a type which is customary for asset securitisation programmes or other receivables factoring transactions, provided in connection with any asset securitisation programme or receivables factoring transaction otherwise permitted by Clause 24.11(b)(xvi) (*Disposals*);

(u) any liability under a statement referred to in Section 2:403(1)(f) of the Dutch Civil Code;

(v) loans made in order to facilitate the making of repayments by Bidco or US Bidco under the Acquisition Facilities Agreement in accordance with Clause 24.37 (*Debt Pushdown*);

(w) loans contemplated by Clause 2.3 (*Purpose*);

(x) any counter guarantee issued by a bank or other financial institution in relation to any rental guarantee;

(y) any loan or guarantee arising in relation to the master agreement cash management (*mantelovereenkomst cashmanagement*) dated 11 June 2011 between, among others, the Parent and Rabobank;

(z) any Permitted Transaction;

(aa) loans made, credit granted or guarantees given by any member of the Bank Group not falling within paragraphs (a) to (z) above, in an aggregate amount not exceeding the greater of:

(i) €100,000,000 (or its equivalent in other currencies) outstanding at any time; and

(ii) two per cent. of Total Assets.

24.16 Insurance

Each Obligor shall (and the Parent shall procure that each member of the Bank Group shall) effect and maintain insurances on and in relation to its business and assets against such risks and to such extent as is necessary or usual for prudent companies carrying on a business such as that carried on by such Obligor or member of the Bank Group with either a Captive Insurance Company or a reputable underwriter or insurance company except to the extent disclosed in the Wider Group's public disclosure documents or to the extent that the failure to so insure does not have or is not reasonably likely to have a Material Adverse Effect.

24.17 Intellectual Property Rights

Except as otherwise permitted by this Agreement, each Obligor will, and the Parent will procure that each member of the Bank Group will:

(a) make such registrations and pay such fees and similar amounts as are necessary to keep those registered Intellectual Property Rights owned by any member of the Bank Group and which are material to the conduct of the business of the Bank Group as a whole from time to time;

(b) take such steps as are necessary and commercially reasonable (including, without limitation, the institution of legal proceedings) to prevent third parties infringing those Intellectual Property Rights referred to in paragraph (a) above) and (without prejudice to paragraph (a) above) take such other steps as are reasonably practicable to maintain and preserve its interests in those rights, except where failure to do so will not have or not be reasonably likely to have a Material Adverse Effect;

(c) ensure that any licence arrangements in respect of the Intellectual Property Rights referred to in paragraph (a) above entered into with any third party are entered into on arm's length terms and in the ordinary course of business (which shall include, for the avoidance of doubt, any such licensing arrangements entered into in connection with outsourcing on normal commercial terms) and will not have or not be reasonably likely to have a Material Adverse Effect;

(d) not permit any registration of any of the Intellectual Property Rights referred to in paragraph (a) above to be abandoned, cancelled or lapsed or to be liable to any claim of abandonment for non-use or otherwise to the extent the same would or is reasonably likely to have a Material Adverse Effect; and

(e) pay all fees, and comply with each of its material obligations under, any licence of Intellectual Property Rights which are material to the conduct of the business of the Bank Group as a whole from time to time.

24.18 Share Capital

Each Obligor will not, and the Parent will procure that no member of the Bank Group (other than in respect of such other members of the Bank Group in order to permit a solvent reorganisation permitted under Clauses 24.12(b)(iii) (*Acquisitions and Mergers*) or a solvent liquidation permitted under Clause 24.30 (*Internal Reorganisations*)) will, reduce its capital or purchase or redeem any class of its shares or any other ownership interest in it, except (i) to the extent the same constitutes a Permitted Transaction, (ii) where all of the share capital of such member of the Bank Group is held by one or more other members of the Bank Group, (iii) in respect of a nominal amount, or (iv) to the extent the same constitutes a Permitted Payment or in the case of members of the Bank Group other than the Obligors, is otherwise permitted by Clause 24.14 (*Restricted Payments*).

24.19 Financial Year End

Each Obligor will, and the Parent will procure that each member of the Bank Group will, maintain a financial year end of 31 December save with the prior written consent of the Facility Agent (acting on the instructions of the Instructing Group in each case not to be unreasonably withheld).

24.20 Capital Expenditure

Each Obligor will not, and the Parent will procure that no member of the Bank Group will, incur any material Capital Expenditure other than in relation to the Business of the Bank Group.

24.21 Constitutive Documents

Each Obligor will not, and the Parent will procure that no member of the Bank Group will, amend its constitutive documents in any way which would or is reasonably likely to materially adversely affect (in terms of value, enforceability or otherwise) any charge or pledge over the shares or partnership interest of any member of the Bank Group granted to the beneficiaries under the Security Documents.

24.22 ERISA

(a) Each Obligor will, and the Parent will procure that each member of the Bank Group will, give the Facility Agent prompt notice of the adoption of, participation in or contribution to any Plan by it or any ERISA Affiliate, or any action by any of these to adopt, participate in or contribute to any Plan, or the incurrence by any of them of any liability or obligation to any Plan.

(b) Each Obligor shall (and shall procure that each of its Subsidiaries that are members of the Bank Group will) promptly upon becoming aware of it notify the Facility Agent of:

  (i) any Reportable Event;

  (ii) the termination of or withdrawal from, or any circumstances reasonably likely to result in the termination of or withdrawal from, any Plan subject to Title IV of ERISA; and

  (iii) a claim or other communication alleging material non-compliance with any law or regulation relating to any Plan.

(c) No Obligor or any of its ERISA Affiliates may or is required to make any payment or contribution with respect to any Plan.

(d) Each Obligor and its ERISA Affiliates must be, and remain, in compliance in all material respects with all laws and regulations relating to each of its Plans.

(e) Each of the Obligors and its ERISA Affiliates must ensure that no event or condition exists at any time in relation to a Plan which is reasonably likely to result in the imposition of a lien or other encumbrance on any of its assets or which is reasonably likely to have a Material Adverse Effect.

24.23 Pension Plans

(a) The Parent shall use reasonable endeavours to ensure that all pension plans maintained and operated by it or any member of the Bank Group, generally for the benefit of employees of any member of the Bank Group are maintained and operated and have been valued by an actuary appointed by the Parent in accordance with all applicable laws, if any, from time to time and that the employer contributions are assessed and paid in all material respects in accordance with the governing provisions of such schemes and all laws applicable thereto, in each case, save to the extent that any failure to do so does not have or is not reasonably likely to have a Material Adverse Effect.

(b) Without prejudice to the generality of Clause 24.23(a) (*Pension Plans*) the Parent shall procure that each member of the Bank Group shall ensure that all Foreign Pension Plans administered by them or into which they make payments, obtain or retain (as applicable) registered status under and as required by applicable law and are administered in a timely manner in all respects in compliance with all applicable laws, in the case of each of the foregoing, except where the failure to do any of the foregoing will not have a Material Adverse Effect.

24.24 "Know Your Client" Checks

(a) If:

(i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;

(ii) any change in the status of an Obligor or the composition of the shareholders of an Obligor after the date of this Agreement; or

(iii) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Facility Agent or any Lender (or, in the case of paragraph (iii) above, any prospective New Lender) to comply with "know your client" or similar reasonable identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Facility Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (iii) above, on behalf of any prospective New Lender) in order for the Facility Agent, such Lender or, in the case of the event described in paragraph (iii) above, any prospective New Lender to carry out and be satisfied it has complied with all necessary "know your client" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(b) Each Lender shall promptly upon the request of the Facility Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself) in order for the Facility Agent to carry out and be satisfied it has complied with all necessary "know your client" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(c) The Parent shall, by not less than 5 Business Days prior written notice to the Facility Agent, notify the Facility Agent (which shall promptly notify the Lenders) of its intention to request that any person becomes an Acceding Obligor pursuant to Clause 27 (*Acceding Group Companies*).

(d) Following the giving of any notice pursuant to paragraph (c) above, if the accession of such Acceding Obligor obliges the Facility Agent or any Lender to comply with "know your client" or similar identification procedures in circumstances where the necessary information is not already available to it, the Parent shall promptly upon the request of the Facility Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective New Lender) in order for the Facility Agent or such Lender or any prospective New Lender to carry out and be satisfied it has complied with all necessary "know your client" or other similar checks under all applicable laws and regulations pursuant to the accession of such Subsidiary to this Agreement as an Acceding Obligor.

24.25 Hedging

The Parent shall:

(a) ensure that any Hedging Agreements entered into are entered into in the form of Acceptable Hedging Agreements;

(b) without prejudice to the ability of members of the Bank Group to enter into other Hedging Agreements, ensure that the Bank Group enters into sufficient Hedging Agreements so as to ensure that (in its opinion) the Bank Group has adequately hedged its liabilities; and

(c) as soon as reasonably practicable following request by the Facility Agent provide the Facility Agent with copies of each such Hedging Agreement entered into.

24.26 Further Assurance

(a) Each Obligor shall (and the Parent shall procure that each member of the Bank Group shall) at its own expense, promptly take all such reasonable action as the Facility Agent or the Security Agent may require for the purpose of complying with the provisions of paragraph (b) below and for the registration or filing of any Security Documents delivered pursuant thereto with all appropriate authorities to the extent necessary for the purposes of perfecting the Security created thereunder.

(b) The Parent shall, subject to the Agreed Security Principles:

(i) within 60 days of the Signing Date:

(A) deliver to the Facility Agent a copy of the Original Security Documents listed in Schedule 10 (*Original Security Documents*) duly executed by each of the parties thereto (provided that notwithstanding the Agreed Security Principles the Original Security Documents shall be consistent in all material respects with the Transaction Security Documents);

(B) except to the extent that any such Security Interest has already been provided under paragraph (A) above, procure the execution of first ranking Security Interests (duly executed by each provider of that Security Interest) over the shares in any member of the Bank Group (including the Dutch Newco) holding an ownership interest in the US Borrower in favour of the Security Agent and in form and substance satisfactory to the Security Agent;

(C) to the extent that the US Borrower is not set up as a general partnership, procure the execution of first ranking Security Interests (duly executed by each provider of that Security Interest) over the ownership interests in such US Borrower in favour of the Security Agent and in form and substance satisfactory to the Security Agent; and

(D) deliver to the Facility Agent a certificate signed by an authorised officer of the Parent confirming that the 80% Security Test is satisfied by reference to the annual financial information relating to the Bank Group prepared as of 31 December 2012;

(ii) subject to the proviso below and except as otherwise provided in this Clause 24.26 (*Further Assurance*), procure that the 80% Security Test is satisfied at the end of each financial year starting with the financial year ending 31 December 2014 where such test is calculated by reference to the annual financial information relating to the Bank Group most recently delivered pursuant to Clause 24.2 (*Financial Information*) and certified in the relevant compliance certificate accompanying the same;

(iii) ensure that any member of the Bank Group who gives a guarantee in respect of the Senior Secured Notes and/or any Pari Passu Debt shall also become a Guarantor hereunder;

(iv) procure that in relation to any member of the Bank Group which becomes a Borrower for the purposes of this Agreement, any Holding Company of that Borrower that is a member of the Bank Group shall also become a Guarantor hereunder; and

(v) subject to any Security Interests permitted under Clause 24.8 (*Negative Pledge*) and Clause 43.7 (*Release of Guarantees and Security*) procure that each member of the Bank Group which, after the Closing Date, becomes a party to this Agreement as an Obligor if required to satisfy the 80% Security Test shall, have delivered to the Security Agent on or prior to the date of its accession to this Agreement as an Obligor, one or more Security Documents granting security over assets in accordance with the 80% Security Test, other than any shares in, receivables owed by or any other interest in any Bank Group Excluded Subsidiary, Project Company or Joint Venture, or which the Security Agent agrees may be excluded from the Security granted under the Security Documents (provided that the Security Agent shall not agree to exclude any asset of an Obligor from the Security where the net book value of such asset exceeds €10,000,000 (or its equivalent in other currencies) without the prior consent of the Instructing Group (not to be unreasonably withheld or delayed)).

(c) A breach of paragraph (b) above shall not constitute a Default if:

(i) one or more members of the Bank Group become Obligors in accordance with Clause 27.2 (*Acceding Borrowers*) or Clause 27.3 (*Acceding Guarantors*), as applicable, within 10 Business Days of the delivery of a compliance certificate by the Borrower demonstrating that the 80% Security Test is not satisfied; and

(ii) the Facility Agent (acting reasonably) is satisfied that the 80% Security Test would have been satisfied at the end of the relevant financial year if such compliance certificate had been prepared on the basis that such members of the Bank Group had been Obligors as at that date.

(d) In relation to any provision of this Agreement which requires the Obligors or any member of the Bank Group to deliver a Security Document for the purposes of granting any guarantee or Security for the benefit of the Finance Parties, the Security Agent agrees to execute, as soon as reasonably practicable, any such guarantee or Security Document which is presented to it for execution.

(e) At any time after an Event of Default has occurred and whilst such Event of Default is continuing, each Obligor shall, at its own expense, take any and all action as the Security Agent may deem necessary for the purposes of perfecting or otherwise protecting the Lenders' interests in the Security constituted by the Security Documents.

(f) For the purposes of determining whether the 80% Security Test is satisfied at any time under this Agreement other than at the end of a financial year pursuant to 24.26(b) (*Further Assurance*) or for purposes of determining whether the 80% Security Test would be satisfied after a disposal or other transaction is consummated or to determine whether assets are required to remain or become subject to Security in order to comply with the 80% Security Test pursuant to Clause 24.26(b)(i) (*Further Assurance*) or otherwise (in any such case, the "**Testing Time**"),

(i) the 80% Security Test shall be applied using the financial statements in respect of the Financial Quarter immediately preceding the Testing Time (and in the case of Clause 24.26(g) (*Further Assurance*), including the financial information delivered pursuant to Clause 27.1(*Permitted Affiliate Group Designation*), adjusted pro forma for the transaction (which, in the case of Clause 24.26(g) (*Further Assurance*), means the designation of the Permitted Affiliate Parent as a Borrower and/or a Guarantor and the inclusion of the Subsidiaries of the Permitted Affiliate Parent as members of the Bank Group, in the manner set out in Clause 27.1 (*Permitted Affiliate Group Designation*)) for which the 80% Security Test is being tested and any other transactions that took place after the end of such Financial Quarter that also required the satisfaction of the 80% Security Test; and

(ii) any member of the Bank Group which (A) is not an Obligor or (B) has not granted Security over assets in accordance with the 80% Security Test, each in favour of the Security Agent in accordance with this Clause, shall be excluded from the numerator (but not the denominator) in the determination of whether members of the Bank Group generating not less than 80% of Annualised EBITDA have acceded as Guarantors for purposes of the 80% Security Test.

(g) On or prior to the date falling 60 Business Days from any Permitted Affiliate Group Designation Date, the Parent shall deliver to the Facility Agent a certificate signed by an authorised officer of the Parent confirming that the 80% Security Test (calculated on a combined basis (in accordance with paragraph (f) above) across the Bank Group (as existing immediately prior to the Permitted Affiliate Parent Designation Date) and the Permitted Affiliate Parent and its Subsidiaries) is satisfied.

(h) As long as the US Borrower shall remain a Borrower, the members of the Bank Group together owning 100% of the ownership interests in the US Borrower (as at the date of the accession of the US Borrower as a Borrower) shall continue to together own 100% of the ownership interests in the US Borrower at all times.

24.27 Content Transaction

(a) Notwithstanding any other provisions of this Agreement, no Content Transaction shall be restricted by (nor deemed to constitute a utilisation of any of the permitted exceptions to) any provision of this Agreement, neither shall the implementation of any Content Transaction constitute a breach of any provision of any Finance Document, provided that:

(i) the cash proceeds of any Content Transaction are applied in accordance with Clause 14 (*Mandatory Prepayment and Cancellation*);

(ii) after giving pro forma effect for such Content Transaction, the Bank Group continue to be in compliance with Clause 23.2 (*Financial Ratios*); and

(iii) at the time of completion of such Content Transaction, no Event of Default has occurred and is continuing and no Event of Default would occur as a result of such Content Transaction.

(b) Any Joint Venture established pursuant to a Content Transaction shall thereafter not be subject to any restrictions under this Agreement.

24.28 SSN Finance Subsidiary Covenants

No SSN Finance Subsidiary shall trade, carry on any business, own any material assets or incur any material liabilities except for:

(a) effecting or facilitating the issuance of Senior Secured Notes and on-lending the proceeds thereof as contemplated in the definition of “SSN Finance Subsidiary”;

(b) intergroup debit balances, intergroup credit balances and other credit balances in bank accounts and cash, provided that any intergroup credit balances owed to any SSN Finance Subsidiary by an Obligor shall be to the extent applicable, subject to the provisions of the Intercreditor Agreement;

(c) any rights and liabilities arising under the Finance Documents, any other Senior Secured Finance Document (as defined in the Intercreditor Agreement) or any Senior Unsecured Notes Documents;

(d) having rights and liabilities under any Hedging Agreements entered into other than for speculative purposes, it being acknowledged by the Parties that hedging of actual or reasonably anticipated interest rate and/or foreign exchange rate exposure shall not constitute speculative purposes;

(e) entering into and performing any Finance Document, any other Senior Secured Finance Document (as defined in the Intercreditor Agreement), any underwriting, purchase or similar agreement, any dealer manager, any tender offer agreement and any engagement letter on terms customary for such agreements to be determined in good faith by the SSN Finance Subsidiary;

(f) professional fees and administrative costs and expenses in the ordinary course of business;

(g) incurring liabilities for or in connection with Tax liabilities or arising by operation of law; and

(h) in respect of any service contracts for any directors or employees.

24.29 No Amendments

(a) No Obligor shall (and the Parent shall procure that no member of the Bank Group will) amend its constitutional documents in a manner which could reasonably be expected to have a Material Adverse Effect.

(b) The Parent shall procure that, except as permitted by the Intercreditor Agreement, no amendment is made to the Original Senior Unsecured Notes, any Additional Senior Unsecured Notes, any Senior Secured Notes or any Pari Passu Debt (including, in each case as applicable, the terms of the guarantees given in respect thereof), in each case in a manner which could reasonably be expected to have a Material Adverse Effect, other than with the prior written consent of the Instructing Group or where required by law.

24.30 Internal Reorganisations

(a) No Obligor shall (for these purposes, a "**Predecessor Obligor**"), without the prior written consent of the Instructing Group, liquidate on a solvent basis any Borrower, any Obligor that is a Material Subsidiary or the Parent (a "**Solvent Liquidation**") unless:

(i) on or prior to the Solvent Liquidation, an entity (the "**Successor Entity**") acquires substantially all of the assets and assumes substantially all of the liabilities of the Predecessor Obligor (a "**Liquidation Transfer**"), excluding any rights under contracts that cannot be assigned or liabilities that will be satisfied or released upon the Solvent Liquidation, on an arms' length basis and for full consideration;

(ii) the Successor Entity is organised in the same jurisdiction as that in which the Predecessor Obligor is organised and is either:

(A) an existing Obligor; or

(B) a Subsidiary of the Parent or a Subsidiary of any Permitted Affiliate Parent that is entitled to become (and subsequently does become) an Obligor in accordance with the provisions of Clause 27.2 (*Acceding Borrowers*) or Clause 27.3 (*Acceding Guarantors*);

(iii) the Successor Entity does not incur any additional material liabilities in connection with the Solvent Liquidation other than those which are to be transferred to it by the Predecessor Obligor but which did not arise directly as a result of the Solvent Liquidation;

(iv) to the extent previously provided in respect of the shares or the assets of the Predecessor Obligor, the Finance Parties are granted a first ranking security interest over the shares and/or assets of the Successor Entity (but only, in the case of any Predecessor Obligor other than the Parent, to the extent required in order to comply with the 80% Security Test);

(v) no Event of Default has occurred and is continuing or would arise from the Solvent Liquidation Transfer or the Solvent Liquidation; and

(vi) immediately after the Solvent Liquidation, the following documents are delivered to the Facility Agent each in a form previously approved by the Facility Agent (acting on the instructions of the Instructing Group):

(A) copies of solvency declarations of the directors of the Successor Entity confirming to the best of their knowledge and belief, that the Successor Entity was balance sheet solvent immediately prior to and after the Solvent Liquidation, accompanied by any report by the auditors or other advisers of the relevant Successor Entity on which such directors have relied for the purposes of giving such declaration;

(B) copies of the resolutions of the Predecessor Obligor and the Successor Entity (to the extent required by law) approving the Liquidation Transfer and/or the Liquidation (as applicable);

(C) copies of the statutory declarations of the directors of the Predecessor Obligor (to the extent required by law) given in connection with Solvent Liquidation;

(D) a copy of the executed transfer agreement relating to the Liquidation Transfer; and

(E) the legal opinion from the Successor Entity's counsel confirming (i) the due capacity and incorporation of each of the Successor Entity and the Predecessor Obligor, (ii) the power and authority of the Successor Entity to enter into and perform its obligations under this Agreement and any other Finance Document to which it is a party and (iii) that the transfer agreement giving effect to the Liquidation Transfer is legally binding and enforceable in accordance with its terms.

(b) The solvent liquidation, dissolution or other reorganisation of any member of the Bank Group (other than any Borrower and the Parent) shall be permitted provided that any payments or assets distributed as a result of such solvent liquidation, dissolution or other reorganisation are distributed to other members of the Bank Group.

24.31 Undertakings in Respect of the Intercreditor Agreement

The Parent shall not, without the consent of the Facility Agent (acting on the instructions of the Instructing Group) designate or otherwise create or increase the amount of Senior Secured Liabilities (other than Hedging Liabilities) (each as defined in the Intercreditor Agreement), other than any Senior Secured Notes or any other Financial Indebtedness permitted to be (A) incurred under Clause 24.13 (*Restrictions on Financial Indebtedness*) and (B) secured as permitted under Clause 24.8 (*Negative Pledge*), as "Senior Secured Liabilities", "Pari Passu Debt Liabilities" or a "Senior Facilities Agreement" under the

Intercreditor Agreement. Other than in connection with a repayment of amounts outstanding under and cancellation in full of the Commitments under this Agreement, no additional Senior Facilities Agreement (as defined in the Intercreditor Agreement) shall be designated as a Senior Facilities Agreement under the Intercreditor Agreement without the consent of the Facility Agent (acting on the instructions of the Instructing Group) (other than, for the avoidance of doubt, the Existing Senior Credit Facilities Agreement to be discharged in full on the first Utilisation Date).

24.32 Environmental compliance

(a) The Parent shall (and the Parent shall ensure that each member of the Bank Group will):

(i) comply with all Environmental Law;

(ii) obtain, maintain and ensure compliance with all requisite Environmental Permits;

(iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or is reasonably likely to have a Material Adverse Effect.

(b) The Parent shall (and the Parent shall procure that each member of the Bank Group will) promptly notify the Facility Agent of any Environmental Claim (to the best of the Parent's or member of the Bank Group's knowledge and belief) pending or threatened against it which, if substantiated, has or is reasonably likely to have a Material Adverse Effect.

(c) The Parent shall not (and the Parent shall procure that no member of the Bank Group will) permit or allow to occur any discharge, release, leak, migration or other escape of any Hazardous Substance into the Environment on, under or from any property owned, leased, occupied or controlled by it, where such discharge, release, leak, migration or escape has or is reasonably likely to have a Material Adverse Effect.

24.33 United States laws

No Obligor may:

(a) extend credit for the purpose, directly or indirectly, of buying or carrying Margin Stock in violation of the Margin Regulations; or

(b) use the proceeds of any Loan or drawings under any Letter of Credit, in each case, directly or indirectly, to buy or carry Margin Stock or for any other purpose in violation of the Margin Regulations.

24.34 Taxation

The Borrower shall pay and discharge all Taxes imposed upon it or its assets within the time period allowed without incurring penalties unless and only to the extent that:

(a) such payment is being contested in good faith; and

(b) such failure to pay those Taxes does not have or is not reasonably likely to have a Material Adverse Effect.

24.35 Intercreditor Agreement Amendment

(a) The Parties shall (including, if applicable, in their capacities as Hedge Counterparties (as defined in the Intercreditor Agreement)) and shall procure that any of their Affiliates that are Hedge Counterparties (as defined in the Intercreditor Agreement) shall, at the request of the Parent at any time, enter into all documentation that is necessary or desirable to ensure that, subject to obtaining the consent to the extent necessary of any applicable party to the Intercreditor Agreement that is not a Party (or an Affiliate of a Party that is a Hedge Counterparty (as defined in the Intercreditor Agreement)):

(i) the Intercreditor Agreement is amended so as to adopt any amendments set out in the Proposed New Intercreditor Agreement (provided that, for the avoidance of doubt, such amendments may be implemented in stages and on one or more occasions at the sole discretion of the Parent);

(ii) the Security granted by the Obligors over their assets (other than any Security granted by an Obligor over the shares in another Obligor and any rights of the Parent in relation to any intercompany loan from the Parent to Torenspits II B.V. or any of its Subsidiaries); and/or

(iii) the Intercreditor Agreement is amended so as to delete:

(A) prior to the Intercreditor Agreement Amendment Date, Clause 4.20 (*Security over Hedging Agreements*) of the Intercreditor Agreement; and

(B) on and from the Intercreditor Agreement Amendment Date, Clause 4.19 (*Security over Hedging Agreements*) of the Intercreditor Agreement.

(b) If:

(i) the Intercreditor Agreement is to be amended to effect any amendments set out in the Proposed New Intercreditor Agreement; or

(ii) any documentation is to be entered into in accordance with paragraphs (a)(ii) or (a)(iii) above,

the Facility Agent may effect, on behalf of any Finance Party, amendments to the Intercreditor Agreement or enter into, on behalf of any Finance Party, such documentation without consent from, reference to or consultation with any other Finance Party.

(c) Each Lender shall, if applicable, in its capacity as a Hedge Counterparty (as defined in the Intercreditor Agreement) and shall procure that any of its Affiliates that is a Hedge Counterparty (as defined in the Intercreditor Agreement) shall, at any time at the request of the Parent, enter into any amendments to any Hedging Agreement (as defined in the Intercreditor Agreement) that are necessary or desirable to ensure that such Lender or such Affiliate in its capacity as a Hedge Counterparty (as defined in the Intercreditor Agreement) is obliged to comply with the obligations in paragraph (a) above.

24.36 Management Input

(a) The Parties agree to negotiate in good faith any amendments reasonably requested during the Ziggo Acquisition Clean Up Period (as defined in Clause 25.3 (*Breach of Other Obligations*)) to the extent reasonably requested by either the Mandated Lead Arrangers or the Parent (to the extent that such amendments are not materially adverse to the interests of either the Mandated Lead Arrangers or the Parent). Each Party agrees that they will not unreasonably withhold consent to any request to amend or supplement this Agreement, in particular any amendments that are:

(i) designed to correct any ambiguity, omission, defect, error or inconsistency in the documentation (including without limitation to correct any inconsistencies between the term sheets and the long form documentation);

(ii) of an administrative nature; or

(iii) designed to take into account operational or technical factors that affect the Bank Group,

provided that the Mandated Lead Arrangers shall not be required to consent to any amendment to the financial covenant ratio levels or related definitions, to the tranching of such debt, to any pricing levels, to the security and guarantee package, to the repayment and mandatory prepayment provisions, to the intercreditor and ranking arrangements, to majority voting arrangements, to the provisions relating to transfers and assignments by the Lenders or to amendments and waivers provisions.

(b) If any such requested amendments are agreed by the Parties, the Parties agree to promptly enter into any amendments, variations or supplements to this Agreement or any other Finance Document to effect those amendments prior to the Closing Date. This Clause is without prejudice to paragraph 43.5(a)(ii) of Clause 43.5 (*Technical, Operational and OID Amendments*).

24.37 Debt Pushdown

(a) The Parent shall procure that any outstandings under the:

(i) US$ B4 Facility, the EUR B4 Facility and any Bidco Additional Facility are repaid pursuant to:

(A) an increase in Commitments in accordance with Clause 2.2 (*Increase*); or

(B) an Additional Facility in accordance with Clause 2.4 (*Additional Facilities*) and Clause 2.6 (*Acquisition Facilities Refinancing*),

and that all of the commitments in relation to such facilities are cancelled in full; and

(ii) RCF2 Facility is repaid pursuant to an RCF2 Facility Refinancing Advance and that all of the available commitments in relation to the RCF2 Facility are cancelled in full,

(together, the "**Debt Pushdown**") in each case, as soon as reasonably practicable following the Full Ownership Date provided that the completion of the Debt Pushdown shall be subject to obtaining positive or neutral works council advice (*advies*) (unconditional or with conditions acceptable to the Parent).

(b) If following the Settlement Date and Post Acceptance Period (as each such term is defined in the Ziggo Acquisition Agreement) Liberty Global plc directly or indirectly owns shares in Ziggo N.V. representing at least 80 per cent. of the outstanding shares in Ziggo N.V., the Parent shall use commercially reasonable endeavours to implement and complete the Asset Sale and Liquidation, a statutory squeeze out or any other method to procure that the Full Ownership Date occurs as soon as reasonably practicable following the expiry of the Settlement Date and Post Acceptance Period (as each such term is defined in the Ziggo Acquisition Agreement) provided that the Parent shall not have any obligation under this Clause if:

(i) any minority shareholder in Ziggo N.V. has commenced or threatened to commence any litigation or other proceedings before any court, arbitral body, agency or other administrative body ("**Proceedings**") in relation to the Asset Sale and Liquidation, a statutory squeeze out or any other method used or proposed to be used to procure that the Full Ownership Date occurs or any other matters referred to in this paragraph (b);

(ii) the Parent is of the opinion that a minority shareholder in Ziggo N.V. or any other person may commence Proceedings in relation to the matters referred to the Asset Sale and Liquidation, a statutory squeeze out or any other method used or proposed to be used to procure that the Full Ownership Date occurs or any other matters referred to in this paragraph (b);

(iii) there are material legal risks in complying with any such obligation or if complying with any such obligation would result in a breach of any fiduciary duty applicable to the management of the Parent; or

(iv) the Asset Sale (as defined in the Ziggo Acquisition Agreement) is terminated in accordance with its terms.

(c) If and to the extent that the Parent believes that the Asset Sale and Liquidation cannot be implemented, it will notify the Facility Agent accordingly.

(d) The Parties acknowledge that the Parent may implement any method to procure that the Full Ownership Date occurs (irrespective of the amount of time that such method may take, and notwithstanding that another method may take less time, to cause the Full Ownership Date to occur) in its absolute discretion and that such obligations may take a significant amount of time as indicated in the Structure Memorandum.

In this Clause, "**Asset Sale and Liquidation**" has the meaning given to that term in the original form of the Ziggo Acquisition Agreement.

24.38 Debt Incurrence Pre-Debt Pushdown Date

The Parent shall procure that from the Signing Date until the earlier of (i) the date that the Ziggo Acquisition Agreement terminates in accordance with its terms, (ii) the Debt Pushdown Date and (iii) the Acquisition Facilities End Date:

(a) it shall not and no other member of the Bank Group will incur any Financial Indebtedness or enter into any Hedging Agreement (as defined in the Intercreditor Agreement) in respect of which liabilities may arise:

(i) that rank pari passu under the Intercreditor Agreement with the liabilities under this Agreement unless each creditor in relation to that Financial Indebtedness or Hedge Counterparty (as defined in the Intercreditor Agreement) in relation to that Hedging Agreement (as defined in the Intercreditor Agreement) has acceded to the Loss Sharing Deed in the appropriate capacity as defined therein; and

(ii) if (after giving pro forma effect to the incurrence of any such Financial Indebtedness and the ultimate use of proceeds thereof provided that prior to the Closing Date this shall not include the proceeds of any intercompany loans from Ziggo N.V. or any of its Subsidiaries that are not members of the Bank Group to any member of the Bank Group):

(A) the 2020 Senior Secured Notes have not been redeemed in full (or the debt incurrence covenants under the 2020 Senior Secured Notes have not been removed), it would cause a breach of any debt incurrence covenant under the terms of the 2020 Senior Secured Notes; or

(B) the 2020 Senior Secured Notes have been redeemed in full (or the debt incurrence covenants under the 2020 Senior Secured Notes have been removed), the financial ratio of Senior Net Debt to Annualised EBITDA for the immediately preceding Ratio Period would have exceeded 4.50:1 or the the financial ratio of Total Net Debt to Annualised EBITDA for the immediately preceding Ratio Period would have exceeded 5.50:1,

provided that for this purpose any committed but undrawn funding available to Bidco and US Bidco under the Acquisition Facilities Agreement and available to the Obligors under this Agreement shall be included as drawn Financial Indebtedness in calculating compliance with such financial ratios;

(b) Ziggo N.V., Zesko B.V. and Ziggo Bond Company Holding B.V. and any of their Subsidiaries that is not a member of the Bank Group (other than Holdco) and, on and from the Closing Date, Holdco will not incur or permit to subsist any Financial Indebtedness (other than any loan from a Holding Company or a Subsidiary of any such person and other than, in relation to Holdco, any Financial Indebtedness under the Original Senior Unsecured Notes provided that an irrevocable redemption notice has been issued prior to the Closing Date in respect of the redemption of all of such Financial Indebtedness in accordance with the terms of the indenture governing the Original Senior Unsecured Notes); and

(c) Holdco will not issue any Additional Senior Unsecured Notes that benefit from guarantees from any member of the Bank Group other than any exchange notes in relation to the Original Senior Unsecured Notes prior to the issuance by Bidco Parent of Additional Senior Unsecured Notes in exchange for any Original Senior Unsecured Notes.

24.39 Holding Company

Without the consent of the Instructing Group, the Parent and the US Borrower shall not trade, carry on any business, own any assets or incur any liabilities except in respect of:

(a) the provision of administrative, managerial, legal and accounting services of a type customarily provided by a Holding Company to its Subsidiaries;

(b) the ownership of shares, membership interests or other equity interests in its Subsidiaries (or as set out in the Structure Memorandum);

(c) ownership of intra-Bank Group debit balances, intra-Bank Group credit balances and other debit and credit balances in bank accounts or making loans to any other member of the Bank Group;

(d) any business, assets or liabilities arising in connection with a Permitted Transaction or a Permitted Payment or any Subordinated Funding;

(e) entering into and performing any Finance Document, any other Senior Secured Finance Document (as defined in the Intercreditor Agreement) and any underwriting, purchase or similar agreement or dealer manager or tender offer agreement or engagement letter in connection with any Senior Secured Notes, Senior Unsecured Notes or Pari Passu Debt on terms customary for such agreements to be determined in good faith by the Parent;

(f) professional fees and administration costs in the ordinary course of business as a holding company;

(g) any liabilities for Taxes;

(h) the ownership of Cash and Cash Equivalent Investments;

(i) any liabilities under the Finance Documents or any other Senior Secured Finance Documents (as defined in the Intercreditor Agreement); and

(j) any subordinated guarantee in relation to Senior Unsecured Notes that is permitted by this Agreement.

24.40 Security Confirmation

Each party that has granted Security pursuant to the Transaction Security Documents hereby confirms that, notwithstanding the refinancing of obligations secured by the Transaction Security Documents envisaged by this Agreement, the Original Security Documents and the rights of pledge (*pandrechten*) and rights of mortgage (*hypotheekrechten*) (the "**Security Rights**") granted to the Security Agent under or pursuant to the Transaction Security Documents remain in full force and effect in accordance with their terms and the obligations secured under the Transaction Security Documents shall also extend to the obligations created under and in connection with the Senior Secured Finance Documents.

25. EVENTS OF DEFAULT

25.1 Events of Default

Each of the events set out in Clauses 25.2 (*Non-payment*) to Clause 25.12 (*ERISA*) is an Event of Default (whether or not caused by any reason whatsoever outside the control of any Obligor or any other person).

25.2 Non-payment

Any Obligor does not pay on the due date any amount payable by it under the Finance Documents (other than any amount payable by the Parent under Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) of this Agreement) at the place at, and in the currency in, which it is expressed to be payable, unless the relevant amount is paid in full within three Business Day (in the case of principal amounts) or five Business Days (in the case of other amounts) of the due date.

25.3 Breach of Other Obligations

(a) Any Obligor does not comply with any of Clauses 24.7 (*Pari Passu Ranking*), 24.8 (*Negative Pledge*), 24.11 (*Disposals*), 24.12 (*Acquisitions and Mergers*), 24.14 (*Restricted Payments*), 24.15 (*Loans and Guarantees*), 24.18 (*Share Capital*) or, subject to the expiry of the cure period in Clause 23.4 (*Cure Provisions*), 23 (*Financial Covenants*).

(b) An Obligor does not comply with any provision of the Finance Documents (other than those referred to in paragraph (a) above or in Clause 25.2 (*Non-payment*) and other than non payment by the Parent of any amount under Clause 14.2 (*Mandatory Prepayment from Disposal Proceeds*) and such failure (if capable of remedy before the expiry of such period) continues unremedied for a period of 28 days from the earlier of the date on which (i) such Obligor has become aware of the failure to comply or (ii) the Facility Agent gives notice to the Parent requiring the same to be remedied.

(c) During the Clean Up Period (as defined below), references to the Bank Group, Material Subsidiaries or member of the Bank Group in Clauses 21 (*Representations and Warranties*), 24 (*Undertakings*) and this Clause 25 (other than Clause 25.3(a) (*Breach of Other Obligations*) only to the extent in relates to any breach of a covenant under Clause 23 (*Financial Covenants*) (subject to the expiry of the cure period in Clause 23.4 (*Cure Provisions*)) will not include any company which has been acquired pursuant to an Acquisition permitted under Clause 24.12(a)(i) or (ii) (*Acquisitions and Mergers*) if the relevant event or circumstance, which would, but for the operation of this paragraph (c), have resulted in a Default:

(i) existed prior to the date of such Acquisition;

(ii) is capable of remedy during the Clean Up Period and reasonable steps are being taken, having become aware of such event or circumstance, to ensure that such event or circumstance is being remedied;

(iii) was not procured or approved by any member of the Bank Group; and

(iv) has not resulted in or could not be reasonably be expected to have a Material Adverse Effect.

"**Clean Up Period**" means the period commencing on the date of completion of any Acquisition referred to in paragraph (c) above and ending on the date falling 120 days thereafter.

(d) During the Ziggo Acquisition Clean Up Period, no event or circumstance that:

(i) is capable of remedy during the Ziggo Acquisition Clean Up Period and, if a member of the Bank Group has become aware of such event or circumstance, in respect of which reasonable steps are being taken, to ensure that such event or circumstance is being remedied; and

(ii) has not resulted in or could not be reasonably be expected to have a Material Adverse Effect, and which would, but for the operation of this paragraph (d), have resulted in a Default shall be a Default for the purposes of this Agreement.

(e) "**Ziggo Acquisition Clean Up Period**" means the period commencing on the Signing Date and ending on the date falling 90 days thereafter.

25.4 Misrepresentation

A representation or warranty made or repeated by any Obligor in or in connection with any Finance Document or in any certificate or statement delivered by or on behalf of any Obligor under or in connection with any Finance Document is incorrect in any material respect when made or deemed to have been made or repeated and, in the event that any representation or warranty is capable of remedy, the misrepresentation is not remedied within 28 days of the earlier of the date on which (i) such Obligor has become aware of the misrepresentation or (ii) the Facility Agent gives notice to the Parent requiring the same to be remedied.

25.5 Cross Default

(a) Subject to paragraph (f) below, any Financial Indebtedness of a member of the Bank Group is not paid when due or within any originally applicable grace period.

(b) Subject to paragraph (f) below, any Financial Indebtedness of a member of the Bank Group becomes prematurely due and payable or is placed on demand, in each case as a result of an event of default (howsoever described) under the document relating to that Financial Indebtedness.

(c) Subject to paragraph (f) below, any Financial Indebtedness of Holdco and, on and from the Closing Date, any Financial Indebtedness of Bidco under the Acquisition Facilities Agreement or any Financial Indebtedness of Bidco Parent (as applicable) including, without limitation, under the Original Senior Unsecured Notes, any exchange notes in relation to the Original Senior Unsecured Notes or the Subordinated Bridge Facility Agreement becomes prematurely due and payable or is placed on demand, in each case as a result of an event of default (howsoever described) under the document relating to that Financial Indebtedness.

(d) Subject to paragraph (f) below, any Financial Indebtedness of a member of the Bank Group becomes capable of being declared prematurely due and payable or placed on demand, in each case as a result of an event of default (howsoever described) under the document relating to that Financial Indebtedness.

(e) Subject to paragraph (f) below and on and from the Closing Date only, any Financial Indebtedness of Bidco under the Acquisition Facilities Agreement becomes capable of being declared prematurely due and payable or placed on demand, in each case as a result of an event of default (howsoever described) under the document relating to that Financial Indebtedness.

(f) It shall not be an Event of Default under this Clause 25.5 (*Cross Default*):

(i) where the aggregate principal amount (or, if the relevant Financial Indebtedness relates to a Hedging Agreement, the amount or value (as applicable)) or of all Financial Indebtedness to which any event specified in paragraphs (a), (b), (c), (d) or (e) relates is less than €75,000,000 or the equivalent in other currencies; or

(ii) if the circumstance which would otherwise have caused an Event of Default under this Clause 25.5 (*Cross Default*) is being contested in good faith by appropriate action; or

(iii) if the relevant Financial Indebtedness is cash-collateralised and such cash is available for application in satisfaction of such Financial Indebtedness; or

(iv) if the relevant Financial Indebtedness relates to Hedging Agreements in respect of which a `termination event occurs as a result of the refinancing or redemption of any Financial Indebtedness of the Bank Group or Holdco at any time during the Availability Period; or

(v) if such Financial Indebtedness is owed by one member of the Bank Group to another member of the Bank Group; or

(vi) in the case of the Acquisition of an entity which results in that entity becoming a member of the Bank Group, for a period of 180 days following completion of that Acquisition, by reason only of an event of default (however described) arising in relation to the Financial Indebtedness of that acquired entity as a result only of the Acquisition of that acquired entity, provided that such Financial Indebtedness is not placed on demand, becomes prematurely due and payable or is otherwise accelerated during that period).

25.6 Unlawfulness, Repudiation, Material Adverse Change and Intercreditor Default

(a) It is or becomes unlawful for any Obligor or “Intra-Group Lender” (as defined in the Intercreditor Agreement) to perform any of its payments or other material obligations under the Finance Documents to which it is a party.

(b) Any Obligor or “Intra-Group Lender” (as defined in the Intercreditor Agreement) repudiates any Finance Document to which it is a party.

(c) Any event or series of events occurs which would or is reasonably likely to have a Material Adverse Effect.

(d) Any member of the Wider Group which is party to the Intercreditor Agreement fails to comply with any of its material obligations under it and such failure, if capable of remedy, is not remedied within 30 days of the earlier of such member of the Wider Group becoming aware of the relevant failure to comply and the Facility Agent having given notice of the same to the Parent.

25.7 Insolvency

(a) Proceedings have been commenced in respect of any Borrower or any Obligor that is a Material Subsidiary in relation to its inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, or it ceases or suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, it commences negotiations with one or more of its creditors (excluding any Finance Party in its capacity as such) with a view to rescheduling any of its material indebtedness.

(b) A moratorium is declared in respect of the Financial Indebtedness in respect of any Borrower or any Obligor that is a Material Subsidiary. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

25.8 Insolvency Proceedings

After the date of this Agreement, any Borrower or any Obligor that is a Material Subsidiary takes any corporate action or formal legal proceedings are commenced (not being actions or proceedings which can be demonstrated to the satisfaction of the Facility Agent by providing an opinion of a leading firm of London solicitors (within 30 days of any such action or proceedings having commenced) to that effect as a frivolous, vexatious or an abuse of the process of the court or related to a claim to which such person has a good defence and which is being vigorously contested by such body) for its winding-up, dissolution, administration or reorganisation or for the appointment of a liquidator, receiver, administrator, administrative receiver, conservator, custodian, trustee, trustee in bankruptcy or similar officer of it or of any or all of its revenues and assets other than where any such legal proceedings in respect of such Borrower or such Obligor that is a Material Subsidiary either:

(a) do not relate to the appointment of an administrator and are stayed or discharged within 30 days from their commencement;

(b) relating to a solvent liquidation or dissolution set forth under Clause 24.12 (*Acquisitions and Mergers*) or Clause 24.30(b) (*Internal Reorganisations*); or

(c) in connection with a reconstruction or amalgamation on terms approved by the Facility Agent (acting on the instructions of the Instructing Group).

25.9 Creditors' process

(a) A distress, execution, attachment or other legal process is levied, enforced or sued out upon or against all or any part of the assets of any Obligor, any Material Subsidiary or any member of the Bank Group which: (a) is material in the context of the Bank Group (taken as a whole); and (b) has an aggregate value of more than €75,000,000 (or its equivalent in other currencies), except where the same is being contested in good faith or is removed, discharged or paid within 45 days.

(b) Anything which has an equivalent effect to any of the events specified in Clauses 25.7 (*Insolvency*) to paragraph (a) above (inclusive) or paragraph (c) below shall occur under the laws of any applicable jurisdiction.

(c) In this paragraph (c):

"**U.S. Bankruptcy Law**" means the United States Bankruptcy Code or any other United States Federal or State bankruptcy, insolvency or similar law.

Any of the following occurs in respect of a US Obligor that is a Borrower or a US Obligor that is a Material Subsidiary:

(A) it makes a general assignment for the benefit of creditors;

(B) it commences a voluntary case or proceeding under any U.S. Bankruptcy Law;

(C) an involuntary case under any U.S. Bankruptcy Law is commenced against it and is not dismissed or stayed within 60 days after commencement of the case; or

(D) an order for relief or other order approving any case or proceeding is entered under any U.S. Bankruptcy Law.

25.10 Cessation of Business

The Bank Group (taken as a whole) ceases to carry on all or substantially all of its Business.

25.11 Loss of Licences

Any Licence is in whole or part:

(a) terminated, suspended or revoked or does not remain in full force and effect or otherwise expires and is not renewed prior to its expiry (in each case, without replacement by Licence(s) having substantially equivalent effect) in any case in a manner which would or is reasonably likely to have a Material Adverse Effect; or

(b) is modified or is breached in a manner which would or is reasonably likely to have a Material Adverse Effect.

25.12 ERISA

The occurrence of any event or condition that presents a material risk that any member of the Bank Group or any ERISA Affiliate may incur a material liability to a Plan or to the United States Internal Revenue Service or to the United States Pension Benefit Guaranty Corporation.

25.13 Acceleration

On and at any time after the occurrence of an Event of Default while such event is continuing the Facility Agent may, and if so directed by the Instructing Group will, by notice to the Borrowers declare that an Event of Default has occurred and:

(a) cancel the Total Commitments;

(b) demand that all or part of the Outstandings be immediately due and payable, whereupon they shall become immediately due and payable together with all interest accrued on those Outstandings and all other amounts payable by the Obligors under the Finance Documents, cancel the Total Commitments and/or Ancillary Facility Commitments at which time they shall immediately be cancelled;

(c) declare that all or part of the Outstandings be payable on demand, whereupon they shall immediately become payable on demand by the Facility Agent on the instructions of the Instructing Group;

(d) declare that cash cover in respect of each Documentary Credit is immediately due and payable at which time it shall become immediately due and payable;

(e) declare that cash cover in respect of each Documents Credit is payable on demand at which time it shall immediately become due and payable on demand by the Agent on the instructions of the Instructing Group;

(f) declare all or any part of the amounts (or cash cover in relation to those amounts) outstanding under the Ancillary Facilities to be immediately due and payable, at which time they shall become immediately due and payable;

(g) declare that all or any part of the amounts (or cash cover in relation to those amounts) outstanding under the Ancillary Facilities be payable on demand, at which time they shall immediately become payable on demand by the Agent on the instructions of the Instructing Group; and/or

(h) exercise or direct the Security Agent to exercise any or all of its rights, remedies, powers or discretions under the Finance Documents.

25.14 Automatic Acceleration

If an Event of Default described in Clause 25.9(c) (*Creditors' process*) occurs, or upon the entry of an order for relief in a voluntary or involuntary bankruptcy of the US Borrower, all Outstandings drawn by the US Borrower under this Agreement will be immediately and automatically due and payable and the Total Commitments (to the extent they relate to such Outstandings) will, if not already cancelled under this Agreement, be immediately and automatically cancelled.

25.15 Repayment on Demand

If, pursuant to paragraph (b) of Clause 25.13 (*Acceleration*), the Facility Agent declares all or any part of the Outstandings to be due and payable on demand of the Facility Agent, then, and at any time thereafter, the Facility Agent may (and, if so instructed by an Instructing Group, shall) by written notice to the Parent:

(a) require repayment of all or the relevant part of the Outstandings on such date as it may specify in such notice (whereupon the same shall become due and payable on such date together with accrued interest thereon and any other sums then owed by any Obligor under the Finance Documents) or withdraw its declaration with effect from such date as it may specify in such notice; and/or

(b) select as the duration of any Interest Period or Term which begins whilst such declaration remains in effect a period of 6 months or less.

26. ASSIGNMENTS AND TRANSFERS

26.1 Successors and Assignees

This Agreement shall be binding upon and enure to the benefit of each party to this Agreement and its or any subsequent successors, permitted assignees and transferees.

26.2 Conditions of assignment or transfer

(a) Subject to the other provisions of this Clause 26.2 (*Conditions of assignment or transfer*), any Lender may, at any time, assign all or any of its rights and benefits under the Finance Documents in accordance with Clause 26.3 (*Assignments*) or transfer all or any of its rights, benefits and obligations under the Finance Documents to any person (a "**New Lender**") in accordance with Clause 26.4 (*Transfer Deed*) provided that the prior written consent of the Parent is received in respect of any assignment or transfer, such consent not to be unreasonably withheld, provided that:

(i) such consent shall be deemed to have been given if not declined in writing within 5 Business Days of a written request by any Lender to the Parent;

(ii) no consent shall be required in the case of any assignment or transfer by a Lender to another Lender and/or to its Affiliate (or in the case of any Lender which constitutes a fund advised and/or managed by a common entity or an Affiliate thereof, to any other fund managed by such common entity or Affiliate); and

(iii) no consent shall be required in the case of any assignment or transfer to any New Lender at any time after the occurrence of an Event of Default which is continuing.

(b) Notwithstanding any other provision of this Agreement, no Lender shall be entitled to assign or transfer any of its rights benefits or obligations under the Finance Documents in relation to the Revolving Facility without the prior written consent of the Parent, provided that no such consent shall be required in the case of any assignment or transfer:

(i) by a Lender to another Lender and/or to its Affiliate (or in the case of any Lender which constitutes a fund advised and/or managed by a common entity or an Affiliate thereof, to any other fund managed by such common entity or Affiliate); and

(ii) to any New Lender at any time after the occurrence of an Event of Default which is continuing.

(c) No Lender shall be entitled to:

(i) (unless otherwise consented to in writing by the Parent) effect any assignment or transfer:

(A) in respect of any portion of its Commitment and/or Outstandings in an amount of either less than $1,000,000 or €1,000,000 (in the case of participations in Advances or Advances (as defined under the Acquisition Facilities Agreement) denominated in Dollars or euro respectively) (or its equivalent as at the date of such assignment or transfer) of its aggregate participations across the Facilities and the Acquisition Facilities or less than such higher amount as may be required from time to time for the party assuming the commitment to be deemed a professional market party within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), unless its aggregate participations across the Facilities and the Acquisition Facilities is less than such amount, in which case it shall be permitted to transfer its entire participations across the Facilities and the Acquisition Facilities;

(B) which would result in it or the proposed assignee or transferee holding an aggregate participation of more than zero but either less than €1,000,000 (or its equivalent as at the date of such assignment or transfer) in aggregate across the Facilities and the Acquisition Facilities, or less than such higher amount as may be required from time to time for the party assuming the commitment to be deemed a professional market party within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) in the Facilities; or

(C) in relation to its participation in the Revolving Facility or an Additional Facility that is a revolving facility other than to the extent such transfers and assignments are on a pro rata basis as between the relevant Lender’s Commitment under and participation in Outstandings under the Revolving Facility or any Additional Facility that is a revolving facility (as applicable); or

(ii) in relation to any sub-participation of its rights and obligations under the Facilities, relinquish some or all of its voting rights in respect of the Facilities to any person in respect of any such sub-participation other than voting rights in respect of the matters referred to in paragraphs 43.2(b), 43.2(c), 43.2(d) or 43.2(e) of Clause 43.2 (*Consents*).

(d) For the purposes of satisfying the minimum hold requirement set out in paragraph (c)(i) above, any participations held by funds advised and/or managed by a common entity or an Affiliate thereof may be aggregated.

(e) Notwithstanding any other provision of this Agreement, the consent of each L/C Bank shall be required (such consent not to be unreasonably withheld or delayed) for any assignment or transfer of any Lender's rights and/or obligations under the Revolving Facility provided that in relation to any assignment or transfer required by the Parent under Clause 12.4 (*Right of Repayment and Cancellation in relation to a Single Lender*) or Clause 43.11 (*Replacement of Lenders*), an L/C Bank may not withhold such consent unless, acting reasonably, the reason for so doing relates to the creditworthiness of the proposed New Lender.

(f) Notwithstanding any other provision of this Clause 26.2 (*Conditions of assignment or transfer*), no assignment or transfer shall be permitted to settle or otherwise become effective within the period of five Business Days prior to (i) the end of any Interest Period or Term or (ii) any Repayment Date.

(g) Each New Lender, by executing the relevant Transfer Deed or Transfer Agreement, confirms, for the avoidance of doubt, that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the transferring Lender would have been had it remained a Lender.

(h) No Lender may assign all or any of its rights and benefits or transfer all or any of its rights, benefits and obligations, in each case, under the Finance Documents in relation to the Revolving Facility to any person unless at the same time it assigns a pro rata share of its rights and benefits or transfers a pro rata share of its rights, benefits and obligations to that person, in each case, under the Acquisition Facilities Agreement in relation to the RCF2 Facility.

26.3 Assignments

(a) Unless such assignment or transfer is effected by a Transfer Agreement pursuant to Clause 26.5 (*Transfer Agreements*), if any Lender wishes to assign all or any of its rights and benefits under the Finance Documents, unless and until the relevant assignee has agreed with the other Finance Parties that it shall be under the same obligations towards each of them as it would have been under if it had been an original party to the Finance Documents as a Lender, such assignment shall not become effective and the other Finance Parties shall not be obliged to recognise such assignee as having the rights against each of them which it would have had if it had been such a party to this Agreement.

(b) Without limiting any right or discretion of the Facility Agent under the Finance Documents, the Facility Agent may in its discretion stop processing assignments or transfers under this Clause 26 (*Assignments and Transfers*) when a notice of prepayment has been received by it under this Agreement, for a period of five Business Days prior to the date the prepayment is required or expected to be made.

26.4 Transfer Deed

(a) If any Lender wishes to transfer all or any of its rights, benefits and/or obligations under the Finance Documents, such transfer may be effected by novation through the delivery to the Facility Agent of a duly completed and duly executed Transfer Deed. Any assignment or transfer of rights, benefits and/or obligations under the Finance Documents may also be effected through the delivery to the Facility Agent of a duly completed and duly executed Transfer Agreement in accordance with Clause 26.5 (*Transfer Agreements*).

(b) The Facility Agent shall only be obliged to execute a Transfer Deed or Transfer Agreement delivered to it pursuant to paragraph (a) above, upon its satisfaction with the results of all "know your client" or other applicable anti-money laundering checks relating to the identity of any person that it is required to carry out in relation to such New Lender.

(c) Upon its execution of the Transfer Deed or Transfer Agreement pursuant to paragraph (b) above on the later of the Transfer Date specified in such Transfer Deed or Transfer Agreement and the fifth Business Day after (or such earlier Business Day endorsed by the Facility Agent on such Transfer Deed or Transfer Agreement falling on or after) the date of execution of such Transfer Deed or Transfer Agreement by the Facility Agent:

(i) to the extent that in such Transfer Deed or Transfer Agreement the Lender party to it seeks to transfer its rights, benefits and obligations under the Finance Documents, each of the Obligors and such Lender shall be released from further obligations towards one another under the Finance Documents to that extent and their respective rights against one another shall be cancelled to that extent (such rights and obligations being referred to in this Clause 26.4 (*Transfer Deed*) as "**discharged rights and obligations**");

(ii) each of the Obligors and the New Lender party to it shall assume obligations towards one another and/or acquire rights against one another which differ from the discharged rights and obligations only insofar as such Obligor and such New Lender have assumed and/or acquired the same in place of such Obligor and such Lender;

(iii) the other Finance Parties and the New Lender shall acquire the same rights and benefits and assume the same obligations between themselves as they would have acquired and assumed had such New Lender been an original party to the Finance Documents as a Lender with the rights, benefits and obligations acquired or assumed by it as a result of such transfer and to that extent the Facility Agent, the Arranger, the Security Agent, each L/C Bank and any relevant Ancillary Facility Lender and the Lender which has transferred its rights, benefits and obligations shall each be released from further obligations to each other under the Finance Documents; and

(iv) all payments due hereunder from any Obligor shall be due and payable to such New Lender and not to the transferring Lender; and

(v) such New Lender shall become a party to this Agreement as a Lender.

26.5 Transfer Agreements

(a) Subject to the other provisions of this Clause 26 (*Assignments and Transfers*), a Lender may effect an assignment or transfer of an interest in any Facility by (A) executing and delivering to the Facility Agent a Transfer Agreement via an electronic settlement system acceptable to the Facility Agent or (B) if previously agreed with the Facility Agent, manually execute and deliver to the Facility Agent a Transfer Agreement, and the assignee shall provide to the Facility Agent such information as may be required by the Facility Agent for the purposes of this Agreement (including any applicable tax forms) in which the assignee shall designate one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Obligors and their Affiliates or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including U.S. federal and state securities laws.

(b) By executing and delivering a Transfer Agreement, the assigning Lender thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto the representations set out in paragraph 1 of Annex 1 to the Transfer Agreement.

(c) Upon its receipt of a duly completed Transfer Agreement executed by an assigning Lender and an assignee, the transfer fee referred to in Clause 26.7 (*Assignment or Transfer Fee*) and, if required, the written consent of the Parent to such assignment and any applicable tax forms, the Facility Agent shall (i) accept such Transfer Agreement and (ii) record the information contained therein in the Register. No assignment intended to be effected pursuant to a Transfer Agreement shall be effective unless it has been recorded in the Register as provided in Clause 26.13 (*The Register*).

26.6 Limitation of Responsibility of Transferor

(a) Unless expressly agreed to the contrary, a Lender which assigns or transfers its rights and/or obligations under any Finance Document (a "**Transferor**") makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents, the Security or any other documents;

(ii) the financial condition of any Obligor;

(iii) the performance and observance by any Obligor or any other member of the Bank Group of its obligations under the Finance Documents or any other document; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Transferor and the other Finance Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Transferor or any other Finance Party in connection with any Finance Document or the Security; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges a Transferor to:

(i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 26 (*Assignments and Transfers*); or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

26.7 Assignment or Transfer Fee

On the date upon which an assignment or a transfer takes effect pursuant to Clause 26.4 (*Transfer Deed*) the New Lender in respect of such assignment or transfer shall pay to the Facility Agent for its own account a fee of €2,000 (other than in relation to an assignment or a transfer in relation to the US$ B1 Facility, the US$ B2 Facility, the US$ B3 Facility and any other Facility the Commitments in respect of which are denominated in US$, in which case, the New Lender in respect of such assignment or transfer shall pay to the Facility Agent for its own account an assignment or transfer fee of US$ 3,500).

26.8 Disclosure of Information

(a) Each of the Facility Agent, the Security Agent, the Bookrunners, the Arrangers, the Lenders, each L/C Bank and any Ancillary Facility Lender agrees to maintain the confidentiality of all information received from any member of the Wider Group relating to any member of the Wider Group or its business other than any such information that:

(i) is or becomes public knowledge other than as a direct result of any breach of this Clause 26.8 (*Disclosure of Information*);

(ii) is available to the Facility Agent, the Security Agent, the Bookrunners, the Arrangers, the Lenders, each L/C Bank or such Ancillary Facility Lender on a non-confidential basis prior to receipt thereof from the relevant member of the Bank Group; or

(iii) is lawfully obtained by any of the Facility Agent, the Security Agent, the Bookrunners, the Arrangers, the Lenders, each L/C Bank and any Ancillary Facility Lender after that date of receipt other than from a source which is connected with the Bank Group and which, as far as the relevant recipient thereof is aware, has not been obtained in violation of, and is not otherwise subject to, any obligation of confidentiality.

(b) Notwithstanding paragraph (a) above any Finance Party may disclose to any of its Affiliates, to any actual or potential assignee or New Lender, to any finance party under the Acquisition Facilities Agreement, to any person who may otherwise enter into contractual relations with such Lender in relation to this Agreement or any person to whom, and to the extent that, information is required to be disclosed by any applicable Law, such information about the Obligors or the Wider Group as a whole as such Lender shall consider appropriate (including any Finance Document) provided that any such Affiliate, actual or potential assignee or New Lender or other person who may otherwise enter into contractual relations in relation to this Agreement shall first have entered into a Confidentiality Undertaking.

26.9 Disclosure to Numbering Service Providers

(a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:

(i) name of Obligors;

(ii) country of domicile of Obligors;

(iii) place of incorporation of Obligors;

(iv) date of this Agreement;

(v) the names of the Agent and the Arranger;

(vi) date of each amendment and restatement of this Agreement;

(vii) amount of Total Commitments;

(viii) currencies of the Facilities;

(ix) type of Facilities;

(x) ranking of Facilities;

(xi) Termination Date for Facilities;

(xii) changes to any of the information previously supplied pursuant to paragraphs (i) to (xi) above; and

(xiii) such other information agreed between such Finance Party and the Parent, to enable such numbering service provider to provide its usual syndicated loan numbering identification service.

(b) The Parties acknowledge and agree that such identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

26.10 Disclosure to Administration/Settlement Services Providers

Notwithstanding any other term of any Finance Document or any other agreement between the Parties to the contrary (whether express or implied), any Finance Party may disclose to any person appointed by:

(a) that Finance Party;

(b) a person to (or through) whom that Finance Party assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which succeeds (or which may potentially succeed) it as Facility Agent or as any other agent or trustee under this Agreement; and/or

(c) a person with (or through) whom that Finance Party enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made, or may be made, by reference to one or more Finance Documents and/or one or more Obligors,

to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this Clause 26.10 (*Disclosure to Administration/Settlement Services Providers*) if the service provider to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking before such disclosure.

26.11 No Increased Obligations

If:

(a) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and

(b) as a result of circumstances existing at the date of the assignment, transfer or change of Facility Office or an Obligor would be obliged to make a payment to the assignee, New Lender or the Lender acting through its new Facility Office under Clause 19.2 (*Tax Gross-up*), Clause 19.3 (*Tax Indemnity*) or Clause 20 (*Increased Costs*),

then the assignee, New Lender or the Lender acting through its new Facility Office shall only be entitled to receive payment under those Clauses to the same extent as the assignor, transferor or the Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.

26.12 Copy of Transfer Deed, Transfer Agreement or Increase Confirmation to Parent

The Facility Agent shall, as soon as reasonably practicable after it has executed a Transfer Deed, Transfer Agreement or an Increase Confirmation, send to the Parent a copy of that Transfer Deed, Transfer Agreement or an Increase Confirmation.

26.13 The Register

(a) The Facility Agent, acting for this purpose as the agent of the Obligors, shall maintain at its address:

(i) each Transfer Deed or Transfer Agreement referred to in Clause 26.4 (*Transfer Deed*) and each Increase Certificate delivered to and accepted by it; and

(ii) a register for the recording of the names and addresses of the Lenders and the Commitment of, and principal amount owing to, each Lender from time to time (the "**Register**") under the Facility, which may be kept in electronic form.

The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Obligors, the Facility Agent and the Lenders shall treat each person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by any Obligor at any reasonable time and from time to time upon reasonable prior notice.

(b) Each party to this Agreement irrevocably authorises the Facility Agent to make the relevant entry in the Register (and which the Facility Agent shall do promptly) on its behalf for the purposes of this Clause 26.12 (*Copy of Transfer Deed, Transfer Agreement or Increase Confirmation to Parent*) without any further consent of, or consultation with, such Party.

(c) The Facility Agent shall, upon request by an Existing Lender or a New Lender, confirm to that Existing Lender or New Lender whether a transfer or assignment from that Existing Lender or (as the case may be) to that New Lender has been recorded on the Register (including details of the Commitment of that Existing Lender or New Lender in the Facility).

26.14 Security Over Lenders' Rights

In addition to the other rights provided to Lenders under this Clause 26 (*Assignments and Transfers*) each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

(a) any charge, assignment or other Security to secure obligations to a government authority, department or agency as well as a federal reserve or central bank; and

(b) in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, assignment or Security shall:

(i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or other Security for the Lender as a party to any of the Finance Documents; or

(ii) require any payments to be made by an Obligor or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

26.15 *Pro rata* Interest Settlement

If the Facility Agent has notified the Lenders that it is able to distribute interest payments on a "*pro rata basis*" to Transferors and New Lenders then (in respect of any transfer pursuant to Clause 26.4 (*Transfer Deed*) or any assignment pursuant to Clause 26.3 (*Assignments*) the date of transfer or assignment of which, in each case, is after the date of such notification and is not on the last day of an Interest Period or Term):

(a) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Transferor up to but excluding the date of transfer ("**Accrued Amounts**") and shall become due and payable to the Transferor (without further interest accruing on them) on the last day of the current Interest Period or Term (or, if the Interest Period or Term is longer than six months, on the next of the dates which falls at six monthly intervals after the first day of that Interest Period or Term); and

(b) the rights assigned or transferred by the Transferor will not include the right to the Accrued Amounts so that, for the avoidance of doubt:

(i) when the Accrued Amounts become payable, those Accrued Amounts will be payable for the account of the Transferor; and

(ii) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 26.15 (*Pro rata Interest Settlement*), have been payable to it on that date, but after deduction of the Accrued Amounts.

26.16 Notification

The Facility Agent shall, within 10 Business Days of receiving a notice relating to an assignment pursuant to Clause 26.3 (*Assignments*) or a notice from a Lender or the giving by the Facility Agent of its consent, in each case, relating to a change in such Lender's Facility Office, notify the Borrowers of any such assignment, transfer or change in Facility Office, as the case may be.

26.17 Debt Purchase

(a) For so long as:

(i) a Parent Affiliate beneficially owns a Commitment (whether drawn or undrawn); or

(ii) has entered into a sub-participation agreement relating to a Commitment (whether drawn or undrawn) or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated,

then:

(iii) in determining whether the requisite level of consent has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents such Commitment shall be deemed to be zero; and

(iv) for the purposes of Clause 43.2 (*Consents*), such Parent Affiliate or the person with whom it has entered into such sub-participation, other agreement or arrangement shall be deemed not to be a Lender.

26.18 Designated Entities

(a) A Lender (the "**Related Lender**") may designate an affiliate or substitute Facility Office (a "**Designated Entity**") as its Facility Office for the purpose of participating in Advances to a Borrower in a particular jurisdiction.

(b) An affiliate or Facility Office of a Lender may be designated for the purposes of paragraph (a) by:

(i) appearing in the list of Designated Entities in Schedule 19 (*List of Designated Entities*) of this Agreement and signing this Agreement as a Designated Entity; or

(ii) acceding as a Designated Entity by signing an accession agreement substantially in the form of Schedule 20 (*Form of Designated Entity Accession Agreement*).

(c) A Designated Entity does not have any Commitment and does not have any obligations under this Agreement prior to such Designated Entity participating in an Advance.

(d) When a Designated Entity participates in an Advance:

(i) subject to paragraph (e) below, it shall be entitled to all the rights of a Lender and have the corresponding obligations of a Lender, in each case under the Finance Documents relating to its participation in any such Advances; and

(ii) the other parties to the Finance Documents shall treat the Designated Entity as a Lender for these purposes.

The Designated Entity is a party to this Agreement for these purposes.

(e) For the purposes only of voting in connection with any Finance Document, the participation of a Designated Entity in any outstanding Advances shall be deemed to be a participation of the Related Lender.

(f) Any notice or communication to be made to a Designated Entity shall be served directly on the Designated Entity at the address supplied to the Facility Agent by the Related Lender where the Related Lender or Designated Entity reasonably requests or, if no such request has been made, shall be delivered to the Related Lender in accordance with this Agreement.

(g) A Designated Entity may assign or transfer any of its rights and obligations under this Agreement in respect of its participation in any Advance (and the Related Lender may assign or transfer any corresponding Commitment) in accordance with Clause 26 (*Assignments and Transfers*).

26.19 Resignation of a Borrower

(a) With the prior consent of the Instructing Group, the Parent may request that a Borrower ceases to be a Borrower by delivering to the Facility Agent a Resignation Letter.

(b) The Facility Agent shall accept a Resignation Letter and notify the Parent and the other Finance Parties of its acceptance if:

(i) the Parent has confirmed that no Event of Default is continuing or would result from the acceptance of the Resignation Letter;

(ii) the relevant Borrower is under no actual or contingent obligations as a Borrower under any Finance Documents; and

(iii) where the relevant Borrower is also a Guarantor, its obligations in its capacity as Guarantor continue to be legal, valid, binding and enforceable and in full force and effect (subject to any relevant reservations or qualifications contained in any legal opinion referred to in Clause 22.4(a) (*Legal Validity*)) and the amount guaranteed by it as a Guarantor is not decreased, subject to Clause 43.7 (*Release of Guarantees and Security*).

(c) Upon notification by the Facility Agent to the Parent of its acceptance of the resignation of the relevant Borrower, that company shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents as a Borrower.

(d) The Facility Agent may, at the cost and expense of the Parent, require a legal opinion from counsel confirmed the matters set out in paragraph (b)(iii) above and the Facility Agent shall be under no obligation to accept a Resignation Letter until it has obtained such opinion in form and substance reasonably satisfactory to it.

26.20 Assignment or Transfers by Obligors

None of the rights, benefits and obligations of an Obligor under this Agreement shall be capable of being assigned or transferred and each Obligor undertakes not to seek to assign or transfer any of its rights, benefits and obligations under this Agreement provided that a Borrower (a "**Novating Borrower**") may assign or transfer any of its rights, benefits and obligations under this Agreement to another Borrower incorporated in the same jurisdiction as that Novating Borrower and which is a directly or indirectly wholly-owned Subsidiary of (i) Torenspits II B.V. or (ii) any Permitted Affiliate Parent (as applicable) if the Parent delivers to the Facility Agent:

(a) a solvency opinion, in form and substance reasonably satisfactory to the Facility Agent, from an independent financial advisor confirming the solvency of the Bank Group, taken as a whole, after giving effect to any transactions related to such assignment or transfer; and

(b) legal opinions, in form and substance reasonably satisfactory to the Facility Agent, confirming that, after giving effect to any transactions related to such assignment or transfer, the Security as amended, extended, renewed, restated, supplemented, modified or replaced represents valid and perfected Security Interests not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Security Interests were not otherwise subject to immediately prior to such assignment or transfer.

27. ACCEDING GROUP COMPANIES

27.1 Permitted Affiliate Group Designation

(a) The Parent may at any time after the occurrence of the Intercreditor Agreement Amendment Date and either (i) the Debt Pushdown Date or (ii) the Acquisition Facilities End Date provide the Facility Agent with notice that it wishes to include any Affiliate (the "**Permitted Affiliate Parent**") of the Parent and the Subsidiaries of any such Permitted Affiliate Parent as members of the Bank Group for the purposes of this Agreement. Such Affiliate shall become a Permitted Affiliate Parent for the purposes of this Agreement upon confirmation from the Facility Agent to the Parent that:

(i) such Affiliate and the Parent have complied with the requirements (other than the requirement set out in paragraph (b)(i) of Clause 27.2 (*Acceding Borrowers*)) of:

(A) Clause 27.2 (*Acceding Borrowers*) and such Affiliate has acceded to this Agreement as a Borrower; or

(B) Clause 27.3 (*Acceding Guarantors*) and such Affiliate has acceded to this Agreement as a Guarantor;

(ii) Security has been granted (in form and substance satisfactory, to the Facility Agent (acting reasonably)) in favour of the Security Agent over all of its shares and all of the rights in relation to loans from any member of the Wider Group (other than the Permitted Affiliate Parent and its Subsidiaries) to it and its Subsidiaries;

(iii) the Parent has delivered a certificate to the Facility Agent signed by an authorised officer of the Parent which certifies that:

(A) the designation of such Affiliate as a Permitted Affiliate Parent under this Agreement will not:

(1) materially and adversely affect the Security and guarantees provided in relation to the liabilities under this Agreement; or

(2) result in the Lenders under this Agreement becoming structurally subordinated in right of payment to lenders to the Permitted Affiliate Parent and its Subsidiaries; and

(B) if the ratio of Senior Net Debt to Annualised EBITDA and the ratio of Total Net Debt to Annualised EBITDA of the Bank Group was re-calculated for the most recent Ratio Period ending prior to the Permitted Affiliate Parent becoming a Party for which financial statements have been delivered pursuant to Clause 24.2 (*Financial Information*) (the "**Relevant Ratio Period**") but adding to the:

(1) amount of Senior Net Debt and Total Net Debt used in such calculations any net increase in the Senior Net Debt of the Bank Group and any net increase in Total Net Debt (as applicable) since the end of the Relevant Ratio Period or subtracting from the amount of Senior Net Debt and Total Net Debt (as applicable) used in such calculation any net deduction in the Senior Net Debt of the Bank Group and Total Net Debt (as applicable) (in each case taking into account the amount of Senior Net Debt and Total Net Debt attributable to the the Permitted Affiliate Parent becoming a Party); and

(2) Annualised EBITDA of the Bank Group, the Annualised EBITDA of the Permitted Affiliate Parent and its Subsidiaries for the Relevant Ratio Period,

the ratio of Senior Net Debt to Annualised EBITDA of the Bank Group would be equal to or less than 4.50:1 and the ratio of Total Net Debt to Annualised EBITDA of the Bank Group would be equal to or less than 5.50:1;

(iv) it has received, in form and substance satisfactory to it (acting reasonably):

(A) a combined Bank Group business plan pro forma for the designation of such Affiliate as a Permitted Affiliate Parent which sets out the management plan for the period from the date of the proposed designation up to and including the earlier to occur of:

(1) the then latest applicable Final Maturity Date; and

(2) the date falling three years from the date of the relevant designation;

(B) an updated Group Structure Chart showing the Common Holding Company and all of its direct and indirect Subsidiaries pro forma for the designation of such Affiliate as a Permitted Affiliate Parent; and

(C) financial statements for the last financial year of the Permitted Affiliate Parent and its Subsidiaries or any Holding Company of the Permitted Affiliate Parent and its Subsidiaries including consolidated balance sheets, consolidated income statements and statements of cash flow; and

(v) the Parent has given written notice to the Facility Agent identifying a person that is a Holding Company of the Parent and each Permitted Affiliate Parent as the Common Holding Company for the purposes of this Agreement ("**Common Holding Company**") provided that the Common Holding Company and any of its Holding Companies has not issued or incurred, and shall not issue or incur, Holdco Debt.

27.2 Acceding Borrowers

(a) Subject to paragraph (b) below, the Parent may, upon not less than 5 Business Days prior written notice (or 1 Business Day's prior written notice in relation to the proposed US Borrower and the Dutch Newco) to the Facility Agent, request that any Permitted Affiliate Parent or any member of the Bank Group which is a directly or indirectly wholly-owned Subsidiary of (i) Torenspits II B.V. or (ii) any Permitted Affiliate Parent that is a wholly-owned Subsidiary of any Permitted Affiliate Holdco becomes an Acceding Borrower under this Agreement.

(b) Such member of the Bank Group or any Permitted Affiliate Parent may become an Acceding Borrower to a Facility if:

(i) it is the proposed US Borrower or it is incorporated in the same jurisdiction as an existing Borrower (other than the US Borrower) for that Facility or the Instructing Group has approved the addition of that member of the Bank Group or any Permitted Affiliate Parent as an Acceding Borrower;

(ii) such member of the Bank Group or the Permitted Affiliate Parent, as applicable, and the Parent deliver to the Facility Agent a duly completed and executed Accession Notice pursuant to which such member of the Bank Group or the Permitted Affiliate Parent, as applicable, agrees to become a party to this Agreement as an Acceding Borrower and (subject to any provision of law prohibiting the same) an Acceding Guarantor;

(iii) (other than in the case of an accession of the US Borrower) the Parent confirms that no Event of Default is continuing or would occur as a result of that member of the Bank Group or any Permitted Affiliate Parent becoming an Acceding Borrower and (if applicable) an Acceding Guarantor;

(iv) the Facility Agent has received all of the documents and other evidence listed in Schedule 8 (*Accession Documents*) in relation to that member of the Bank Group or any Permitted Affiliate Parent, each in form and substance satisfactory to the Facility Agent, acting reasonably;

(v) in the case of the proposed US Borrower, any person which holds ownership interests in the US Borrower (to the extent not already a Guarantor) accedes to this Agreement as an Acceding Guarantor in accordance with Clause 27.3 (*Acceding Guarantors*) on or prior to the accession of the US Borrower as an Acceding Borrower,

it being understood that the requirements of:

(vi) subparagraph (iv) above shall be satisfied in respect of the proposed US Borrower, if the Facility Agent receives:

(A) a duly completed certificate of a duly authorised officer of the US Borrower substantially in the form of Schedule 3Part 2: (*Form of Officer's Certificate*) of Schedule 3 (*Conditions Precedent*);

(B) a certificate of good standing from the applicable Secretary of State or other government official of the jurisdiction of the organisation or formation of the US Borrower;

(C) an English law legal opinion from the legal advisers to the Facility Agent in respect of the accession of the proposed US Borrower as a Borrower and which is acceptable to the Facility Agent; and

(D) a Delaware law legal opinion in respect of the accession of the proposed US Borrower as a Borrower and which is acceptable to the Facility Agent; and

(vii) subparagraph 27.3(b)(iii) of Clause 27.3 (*Acceding Guarantors*) shall be satisfied in respect of the Dutch Newco, if the Facility Agent receives:

(A) a duly completed certificate of a duly authorised officer of the US Borrower substantially in the form of Schedule 3Part 2: (*Form of Officer's Certificate*) of Schedule 3 (*Conditions Precedent*);

(B) an English law legal opinion from the legal advisers to the Facility Agent in respect of the accession of Dutch Newco as a Guarantor and which is acceptable to the Facility Agent; and

(C) a Dutch law legal opinion in respect of the accession of Dutch Newco as a Guarantor and which is acceptable to the Facility Agent.

(c) The Facility Agent shall notify the Parent and the Lenders promptly upon being satisfied that the conditions specified in paragraph (b) above (and, in the case of any Permitted Affiliate Parent, paragraph 27.1(a) of Clause 27.1 (*Permitted Affiliate Group Designation*)) have been satisfied.

27.3 Acceding Guarantors

(a) Subject to paragraph (b) below, the Parent may, upon not less than 5 Business Days prior written notice to the Facility Agent, request that any member of the Bank Group or any Permitted Affiliate Parent becomes an Acceding Guarantor under this Agreement.

(b) Such member of the Bank Group or Permitted Affiliate Parent may become an Acceding Guarantor if:

(i) such member of the Bank Group or the Permitted Affiliate Parent, as applicable, and the Parent deliver to the Facility Agent a duly completed and executed Accession Notice;

(ii) the Parent confirms that no Event of Default is continuing or would occur as a result of that member of the Bank Group or any Permitted Affiliate Parent becoming an Acceding Guarantor; and

(iii) the Facility Agent has received all of the documents and other evidence listed in Schedule 8 (*Accession Documents*) in relation to that member of the Bank Group or any Permitted Affiliate Parent, each in form and substance satisfactory to the Facility Agent, acting reasonably.

(c) The Facility Agent shall notify the Parent and the Lenders promptly upon being satisfied that the conditions specified in paragraph (b) above have been satisfied.

27.4 Assumption of Rights and Obligations

Upon satisfactory delivery of a duly executed Accession Notice to the Facility Agent, together with the other documents required to be delivered under Clause 27.2 (*Acceding Borrowers*) or Clause 27.3 (*Acceding Guarantors*), the relevant member of the Bank Group or any Permitted Affiliate Parent, the Obligors and the Finance Parties, will assume such obligations towards one another and/or acquire such rights against each other as they would each have assumed or acquired had such member of the Bank Group been an original party to this Agreement as a Borrower or a Guarantor as the case may be and such member of the Bank Group or such Permitted Affiliate Parent shall become a party to this Agreement as an Acceding Borrower and/or an Acceding Guarantor as the case may be.

28. MITIGATION

28.1 Mitigation

(a) Each Finance Party shall in consultation with the Parent, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under, or pursuant to, or cancelled pursuant to, any of Clause 19 (*Tax Gross-up and Indemnities*), Clause 20 (*Increased Costs*) or Clause 21 (*Illegality*) including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office or financial institution acceptable to the Parent which is willing to participate in any Facility in which such Lender has participated.

(b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

28.2 Limitation of Liability

(a) With effect from the Signing Date, each of the Borrowers agrees to indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 28.1 (*Mitigation*).

(b) A Finance Party is not obliged to take any steps under Clause 28.1 (*Mitigation*) if, in the opinion of that Finance Party (acting reasonably), to do so might in any way be prejudicial to it.

29. DEFAULT INTEREST

29.1 Consequences of Non-Payment

If any sum due and payable by any Obligor under this Agreement is not paid on the due date therefor in accordance with the provisions of Clause 34 (*Payments*) or if any sum due and payable by an Obligor pursuant to a judgment of any court in connection with this Agreement is not paid on the date of such judgment, the period beginning on such due date or, as the case may be, the date of such judgment and ending on the Business Day on which the obligation of such Obligor to pay the Unpaid Sum is discharged shall be divided into successive periods, each of which (other than the first) shall start on the last day of the preceding such period (which shall be a Business Day) and the duration of each of which shall (except as otherwise provided in this Clause 29 (*Default Interest*)) be selected by the Facility Agent.

29.2 Default Rate

During each such period relating thereto as is mentioned in Clause 29.1 (*Consequences of Non-Payment*) an Unpaid Sum shall bear interest at the rate per annum which is the sum from time to time of 1%, the Margin (provided that if any Unpaid Sum is not directly referable to a particular Facility the Margin shall be the Revolving Facility Margin) and EURIBOR or LIBOR, as the case may be, on the Quotation Date therefor, provided that:

(a) if, for any such period, EURIBOR or LIBOR, as the case may be, cannot be determined, the rate of interest applicable to each Lender's portion of such Unpaid Sum shall be the rate per annum which is the sum of 1%, the Margin, (as aforesaid) and the rate per annum that shall be notified to the Facility Agent by such Lender as soon as practicable after the beginning of such period as being that which expresses as a percentage rate per annum the cost to such Lender of funding from whatever sources it may reasonably select its portion of such Unpaid Sum during such period; and

(b) if such Unpaid Sum is all or part of an Advance which became due and payable on a day other than the last day of an Interest Period or Term relating thereto, the first Interest Period or Term applicable to it shall be of a duration equal to the unexpired portion of that Interest Period or Term and the rate of interest applicable thereto from time to time during such Interest Period or Term shall be that which exceeds by 1% the rate which would have been applicable to it had it not so fallen due.

29.3 Maturity of Default Interest

Any interest which shall have accrued under Clause 29.2 (*Default Rate*) in respect of an Unpaid Sum shall be due and payable and shall be paid by the Obligor owing such sum at the end of the period by reference to which it is calculated or on such other dates as the Facility Agent may specify by written notice to such Obligor.

29.4 Construction of Unpaid Sum

Any Unpaid Sum shall (for the purposes of this Clause 29 (*Default Interest*), Clause 20 (*Increased Costs*) and Clause 32 (*Borrowers' Indemnities*)) be treated as an advance and accordingly in those provisions the term "**Advance**" includes any Unpaid Sum and the term "**Interest Period**" and "**Term**", in relation to an Unpaid Sum, includes each such period relating thereto as is mentioned in Clause 29.1 (*Consequences of Non-Payment*).

30. GUARANTEE AND INDEMNITY

30.1 Guarantee

With effect from the Signing Date or if later, the date on which it accedes to this Agreement in such capacity, each Guarantor irrevocably and unconditionally guarantees, jointly and severally, to each of the Finance Parties the due and punctual payment by each Borrower of all sums payable by each Borrower under each of the Finance Documents and agrees that promptly on demand it will pay to the Facility Agent each and every sum of money which each Borrower is at any time liable to pay to any Finance Party under or pursuant to any Finance Document and which has become due and payable but has not been paid at the time such demand is made and provided that before any such demand is made on a Restricted Guarantor, demand for payment of the relevant sum shall first have been made on the relevant Borrower.

30.2 Indemnity

With effect from the Signing Date, or if later, the date upon which it accedes to this Agreement in such capacity, each Guarantor (other than a Restricted Guarantor) irrevocably and unconditionally agrees, jointly and severally, as primary obligor and not only as surety, to indemnify and hold harmless each Finance Party on demand by the Facility Agent from and against any loss incurred by such Finance Party as a result of any of the obligations of each Borrower under or pursuant to any Finance Document being or becoming void, voidable, unenforceable or ineffective as against any Borrower for any reason whatsoever (whether or not known to that Finance Party or any other person) the amount of such loss being the amount which the Finance Party suffering it would otherwise have been entitled to recover from the relevant Borrower and provided that the amount payable by a Guarantor under this Clause 30.2 (*Indemnity*) shall not exceed the amount such Guarantor would have had to pay under Clause 30.1 (*Guarantee*) if the amount claimed had been recoverable on the basis of a guarantee.

30.3 Continuing and Independent Obligations

The obligations of each Guarantor under this Agreement shall constitute and be continuing obligations which shall not be released or discharged by any intermediate payment or settlement of all or any of the obligations of each Borrower under the Finance Documents, shall continue in full force and effect until the unconditional and irrevocable payment and discharge in full of all amounts owing by each Borrower under each of the Finance Documents and are in addition to and independent of, and shall not prejudice or merge with, any other security (or right of set off) which any Finance Party may at any time hold in respect of such obligations or any of them.

30.4 Avoidance of Payments

Where any release, discharge or other arrangement in respect of any obligation of any Borrower, or any Security held by any Finance Party therefor, is given or made in reliance on any payment or other disposition which is avoided or must be repaid (whether in whole or in part) in an insolvency, liquidation or otherwise and whether or not any Finance Party has conceded or compromised any claim that any such payment or other disposition will or should be avoided or repaid (in whole or in part), the provisions of this Clause 30.4 (*Avoidance of Payments*) shall continue as if such release, discharge or other arrangement had not been given or made.

30.5 Immediate Recourse

None of the Finance Parties shall be obliged, before exercising or enforcing any of the rights conferred upon them in respect of the Guarantors by this Agreement or by Law, to seek to recover amounts due from any Borrower or to exercise or enforce any other rights or Security any of them may have or hold in respect of any of the obligations of any Borrower under any of the Finance Documents save that no demand for any payment may be made on any Restricted Guarantor unless such demand has first been made on the relevant Borrower.

30.6 Waiver of Defences

Neither the obligations of the Guarantors contained in this Agreement nor the rights, powers and remedies conferred on the Finance Parties in respect of the Guarantors by this Agreement or by Law shall be discharged, impaired or otherwise affected by:

(a) the winding-up, dissolution, administration or reorganisation of any Borrower or any other person or any change in the status, function, control or ownership of any Borrower or any such person;

(b) any of the obligations of any Borrower or any other person under any Finance Document or any Security held by any Finance Party therefor being or becoming illegal, invalid, unenforceable or ineffective in any respect;

(c) any time or other indulgence being granted to or agreed (i) to or with any Borrower or any other person in respect of its obligations or (ii) in respect of any security granted under any Finance Documents;

(d) unless otherwise agreed, any amendment to, or any variation, waiver or release of, any obligation of, or any Security granted by, any Borrower or any other person under any Finance Document;

(e) any total or partial failure to take, or perfect, any Security proposed to be taken in respect of the obligations of any Borrower or any other person under the Finance Documents;

(f) any total or partial failure to realise the value of, or any release, discharge, exchange or substitution of, any security held by any Finance Party in respect of any Borrower's obligations under any Finance Document;

(g) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

(h) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security; or

(i) any other act, event or omission which might operate to discharge, impair or otherwise affect any of the obligations of any of the Guarantors under this Agreement or any of the rights, powers or remedies conferred upon the Finance Parties or any of them by this Agreement or by Law.

30.7 No Competition

Until all amounts which may become payable by each Borrower under or in connection with the Finance Documents have been paid in full, no Guarantor will exercise any rights:

(a) to claim by way of contribution or indemnity in relation to any of the obligations of each Borrower under any of the Finance Documents;

(b) to claim or prove as a creditor of any Borrower or any other person or its estate in competition with the Finance Parties or any of them;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under Clause 30.1 (*Guarantee*); or

(e) to exercise any right of set-off against any Obligor,

except to the extent that the Facility Agent so requires and in such manner and upon such terms as the Facility Agent may specify and each Guarantor shall hold any moneys, rights or security held or received by it as a result of the exercise of any such rights on trust for the Facility Agent for application in or towards payment of any sums at any time owed by each Borrower under any of the Finance Documents as if such moneys, rights or security were held or received by the Facility Agent under this Agreement.

30.8 Appropriation

To the extent any Finance Party receives any sum from any Guarantor in respect of the obligations of any of the other Obligors under any of the Finance Documents which is insufficient to discharge all sums which are then due and payable in respect of such obligations of such other Obligors, such Finance Party shall not be obliged to apply any such sum in or towards payment of amounts owing by such other Obligor under any of the Finance Documents, and any such sum may, in the relevant Finance Party's discretion, be credited to a suspense or impersonal account and held in such account pending the application from time to time (as the relevant Finance Party may think fit) of such sums in or towards the discharge of such liabilities owed to it by such other Obligor under the Finance Documents as such Finance Party may select provided that such Finance Party shall promptly make such application upon receiving sums sufficient to discharge all sums then due and payable to it by such other Obligor under the Finance Documents.

30.9 Guarantee Limitations - Dutch

This guarantee does not apply to any liability to the extent that it would constitute unlawful financial assistance within the meaning of section 2:98c of the Dutch Civil Code or any equivalent provisions. This limitation shall cease to be applicable to a Dutch limited liability company upon the abolishment of section 2:98c of the Dutch Civil Code and any equivalent provisions.

30.10 Limitation of Liabilities of United States Guarantors

Each Restricted Guarantor and each of the Finance Parties (by its acceptance of the benefits of the guarantee under this Clause 30 (*Guarantee and Indemnity*)) hereby confirms its intention that this guarantee should not constitute a fraudulent transfer or fraudulent conveyance for the purposes of any bankruptcy, insolvency or similar law, the United States Uniform Fraudulent Conveyance Act or any similar Federal, state or foreign law. To effectuate the foregoing intention, each Restricted Guarantor and each of the Finance Parties (by its acceptance of the benefits of the guarantee under this Clause 30 (*Guarantee and Indemnity*)) hereby irrevocably agrees that its obligations under this Clause 30 (*Guarantee and Indemnity*) shall be limited to the maximum amount as will, after giving effect to such maximum amount and all other (contingent or otherwise) liabilities of such US Guarantor that are relevant under such laws, and after giving effect to any rights to contribution pursuant to any agreement providing for an equitable contribution among such Restricted Guarantor and the other Guarantors, result in the obligations of such Restricted Guarantor in respect of such maximum amount not constituting a fraudulent transfer or conveyance.

30.11 US Guarantors

Each US Guarantor acknowledges that:

(a) it will receive valuable direct or indirect benefits as a result of the transactions financed by the Finance Documents;

(b) those benefits will constitute reasonably equivalent value and fair consideration for the purpose of any fraudulent transfer law; and

(c) each Finance Party has acted in good faith in connection with the guarantee given by that US Guarantor and the transactions contemplated by the Finance Documents.

31. ROLE OF THE FACILITY AGENT, THE ARRANGERS, THE L/C BANKS AND OTHERS

31.1 Appointment of the Facility Agent

Each of the other Finance Parties under the Facilities appoints the Facility Agent to act as its agent under and in connection with the Finance Documents and authorises the Facility Agent to exercise the rights, powers, authorities and discretions specifically delegated to it under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

31.2 Duties of the Facility Agent

(a) Subject to paragraph (b) below, the Facility Agent shall promptly forward to a party to this Agreement the original or a copy of any document which is delivered to the Facility Agent for that party by any other party.

(b) Without prejudice to Clause 26.12 (*Copy of Transfer Deed, Transfer Agreement or Increase Confirmation to Parent*), paragraph (a)(a) above shall not apply to any Transfer Deed, Transfer Agreement or any Increase Confirmation.

(c) Except where a Finance Document specifically provides otherwise, the Facility Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to any Party to this Agreement.

(d) If the Facility Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Facility Agent, the Arranger or the Security Agent) under this Agreement it shall promptly notify the other Finance Parties.

(e) The Facility Agent shall promptly inform each Lender of the contents of any notice or document received by it in its capacity as Facility Agent from any of the Obligors under the Finance Documents.

(f) The Facility Agent is not obliged to monitor or enquire as to whether or not a Default has occurred. The Facility Agent shall not be deemed to have knowledge of the occurrence of a Default. However, if the Facility Agent receives notice from a Party referring to this Agreement, describing the Default and stating that the event is a Default, it shall promptly notify the Lenders of such notice.

(g) If so instructed by the Instructing Group, the Facility Agent shall refrain from exercising any power or discretion vested in it as agent under any Finance Document.

(h) The duties of the Facility Agent under the Finance Documents are, save to the extent otherwise expressly provided, solely mechanical and administrative in nature.

(i) The Facility Agent shall provide to the Parent within 5 Business Days of request (but no more frequently than once per calendar month), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Facility Agent to that Lender under the Finance Documents.

31.3 Role of the Bookrunners and the Arrangers

Except as specifically provided in the Finance Documents, none of the Bookrunners or the Arrangers shall have any obligations of any kind to any other party under or in connection with any Finance Document.

31.4 No Fiduciary Duties

(a) Nothing in the Finance Documents constitutes the Facility Agent, any of the Arrangers or any L/C Bank as a trustee or fiduciary of any other person.

(b) None of the Facility Agent, the Security Agent, the Arrangers, any L/C Bank or any Ancillary Facility Lender shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

31.5 Business with the Wider Group

Any of the Facility Agent, the Arrangers, the Security Agent, each L/C Bank and each Ancillary Facility Lender may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Wider Group.

31.6 Discretion of the Facility Agent and L/C Banks

(a) The Facility Agent and each L/C Bank may rely on:

(i) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and

(ii) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.

(b) The Facility Agent may assume, unless it has received notice to the contrary in its capacity as agent for the Lenders, that:

(i) no Default has occurred (unless the Facility Agent has actual knowledge of a Default arising under Clause 25.2 (*Non-payment*);

(ii) any right, power, authority or discretion vested in this Agreement upon any party, the Lenders or the Instructing Group has not been exercised; and

(iii) any notice or request made by the Obligors' Agent is made on behalf of and with the consent and knowledge of all the Obligors.

(c) The Facility Agent and each L/C Bank may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.

(d) The Facility Agent and each L/C Bank may act in relation to the Finance Documents through its personnel and agents.

(e) The Facility Agent may execute on behalf of any L/C Bank any Documentary Credit issued under this Agreement.

(f) The Facility Agent may disclose to any other party to this Agreement any information it reasonably believes it has received as agent under this Agreement.

(g) Without prejudice to the generality of paragraph (f) above, the Facility Agent may disclose the identity of a Defaulting Lender to the other Finance Parties and the Parent and shall disclose the same upon the written request of the Parent or the Instructing Group.

(h) Notwithstanding any other provision of any Finance Document to the contrary, none of the Facility Agent, the Arranger or the bank is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

31.7 Instructing Group Instructions

(a) Unless a contrary indication appears in a Finance Document, the Facility Agent shall (i) act in accordance with any instructions given to it by the Instructing Group or Revolving Facility Instructing Group, as applicable (or, if so instructed by the Instructing Group or Revolving Facility Instructing Group, as applicable, refrain from acting or exercising any right, power, authority or discretion vested in it as Facility Agent) and (ii) shall not be liable to any Finance Party for any act (or omission) if it acts (or refrains from taking any action) in accordance with such an instruction of the Instructing Group.

(b) Unless a contrary indication appears in a Finance Document, any instructions given by (i) the Instructing Group will be binding on all the Finance Parties (provided that where the Instructing Group refers only to more than 50% of Lenders under a single Facility, such instructions should only be binding on the Lenders under that Facility) or (ii) a Revolving Facility Instructing Group will be binding on all the Lenders under the Revolving Facility.

(c) The Facility Agent may refrain from acting in accordance with the instructions of the Instructing Group, a Revolving Facility Instructing Group, or, if appropriate, the Lenders until it has received such security or collateral as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with such instructions.

(d) In the absence of instructions from the Instructing Group, a Revolving Facility Instructing Group, or, if appropriate, the Lenders, the Facility Agent may act (or refrain from taking action) as it considers to be in the best interests of the Lenders.

(e) The Facility Agent shall not be authorised to act on behalf of a Lender in any legal or arbitration proceedings relating to any Finance Document without first obtaining the Lender’s consent to do so. This paragraph (e) shall not apply to any legal or arbitration proceeding relating to the perfection, presentation or protection of rights under the Security Documents or enforcement of the Security or Security Documents.

31.8 No Responsibility

None of the Facility Agent, the Arrangers or any L/C Bank shall be:

(a) responsible for the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by any Finance Party or an Obligor or any other person in or in connection with any Finance Document;

(b) responsible for the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Finance Document; or

(c) responsible for any determination as to whether any information provided or to be provided to any Finance Party is non public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

31.9 Exclusion of Liability

(a) Without limiting paragraph (b) below (and without prejudice to the provisions of paragraph 34.8(e) of Clause 34.8 (*Disruption to Payment Systems*), the Facility Agent, any L/C Bank or any Ancillary Facility Lender will not be liable to any

Finance Party for any action taken by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct.

(b) No party to this Agreement (other than any Agent, L/C Bank or Ancillary Facility Lender (as applicable)) may take any proceedings, or assert or seek to assert any claim, against any officer, employee or agent of any Agent, L/C Bank or Ancillary Facility Lender in respect of any claim it might have against such Agent, L/C Bank or Ancillary Facility Lender or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and agrees that any such officer, employee or agent may enforce this provision.

(c) The Facility Agent will not be liable for any failure to notify any person of any matter referred to in Clause 16.7 (*Notification*) or any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by it if it has taken all reasonable steps to comply with Clause 16.7 (*Notification*) and taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by it for that purpose.

31.10 Lender's Indemnity

Each Lender shall in (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Facility Agent from time to time within three Business Days of demand by any Agent against any cost, loss or liability incurred by such Agent (otherwise than by reason of its negligence or wilful misconduct or, in the case of any cost, loss or liability pursuant to Clause 34.8 (*Disruption to Payment Systems*) notwithstanding the Facility Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facility Agent) in acting as a Facility Agent under the Finance Documents (unless it has been reimbursed therefor by an Obligor pursuant to the terms of the Finance Documents).

31.11 Resignation

(a) The Facility Agent may resign and appoint one of its Affiliates acting through an office in the United Kingdom or the Netherlands as successor Facility Agent by giving notice to the Lenders and the Parent.

(b) The Facility Agent may resign without having designated a successor as agent under paragraph (a) above (and shall do so if so required by the Instructing Group) by giving 30 days notice to the Lenders and the Parent, in which case the Instructing Group may appoint a successor Facility Agent (acting through an office in the United Kingdom or the Netherlands), approved by the Parent, acting reasonably. If the Instructing Group has not appointed a successor Facility Agent in accordance with this paragraph (b) within 30 days after notice of resignation was given, the Facility Agent may appoint a successor Facility Agent (acting through an office in the United Kingdom or the Netherlands), approved by the Parent, acting reasonably.

(c) Provided no Default is outstanding, the Parent may, by notice to the Facility Agent, require the Facility Agent to resign by giving five Business Days’ notice. In this event, the Facility Agent shall resign and the Parent shall appoint a successor Facility Agent acting through an office in the United Kingdom or the Netherlands (without any Lender’s consent). The Parent may exercise such right to replace the Facility Agent twice during the life of the Facilities.

(d) The retiring Facility Agent shall, at the Borrowers’ cost, make available to its successor such documents and records and provide such assistance as its successor may reasonably request for the purposes of performing its functions as Facility Agent under the Finance Documents.

(e) The resignation notice of the Facility Agent shall only take effect upon the appointment of a successor Facility Agent.

(f) Upon the appointment of a successor, the retiring Facility Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this Clause 31 (*Role of the Facility Agent, the Arrangers, the L/C Banks and Others*). The Facility Agent’s successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor Facility Agent had been an original party as Facility Agent.

31.12 Replacement

(a) The Instructing Group may, with the prior written consent of the Parent, by giving 30 days' notice to the Facility Agent (or, at any time the Facility Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Facility Agent by appointing a successor Facility Agent.

(b) The retiring Facility Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Facility Agent such documents and records and provide such assistance as the successor Facility Agent may reasonably request for the purposes of performing its functions as Facility Agent under the Finance Documents.

(c) The appointment of the successor Facility Agent shall take effect on the date specified in the notice from the Instructing Group to the retiring Facility Agent. As from this date, the retiring Facility Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) above) but shall remain entitled to the benefit of Clause 38.6 (*Indemnity to the Facility Agent*) and this Clause (and any agency fees for the account of the retiring Facility Agent shall cease to accrue from (and shall be payable on) that date).

(d) Any successor Facility Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

31.13 Confidentiality

(a) The Facility Agent (in acting as agent for the Finance Parties) shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

(b) If information is received by another division or department of the Facility Agent it may be treated as confidential to that division or department and the Facility Agent shall not be deemed to have notice of it.

(c) Notwithstanding any other provision of any Finance Document to the contrary, the Finance Parties are not obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would, or might in its reasonable opinion, constitute a breach of any Law.

31.14 Facility Office

The Facility Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its Facility Office unless it has received not less than 5 Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

31.15 Credit Appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender, L/C Bank and Ancillary Facility Lender confirms to each of the Facility Agent, the Bookrunners, the Arrangers, each L/C Bank and each Ancillary Facility Lender that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

(a) the financial condition, status and nature of each member of the Bank Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

(c) whether that Lender has recourse, and the nature and extent of that recourse, against any party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

(d) the adequacy, accuracy and/or completeness of any information provided by the Facility Agent, the Bookrunners, the Arrangers or by any other person under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Security, the priority of any of the Security or the existence of any Security Interests affecting the Security.

31.16 Deduction from Amounts Payable by the Facility Agent

If any amount is due and payable by any party to the Facility Agent under any Finance Document the Facility Agent may, after giving notice to that party, deduct an amount not exceeding that amount from any payment to that party which the Facility Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that party shall be regarded as having received such payment without any such deduction.

31.17 Obligors' Agent

(a) Each Obligor (other than the Parent) irrevocably authorises the Parent to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:

(i) the Parent on its behalf to supply all information concerning itself, its financial condition and otherwise to the relevant persons contemplated under this Agreement and to give all notices and instructions, (including, in the case of a Borrower, Utilisation Requests) to execute on its behalf any Finance Document and to enter into any agreement in connection with the Finance Documents notwithstanding that the same may affect such Obligor, without further reference to or the consent of such Obligor; and

(ii) each Finance Party to give any notice, demand or other communication to be given to or served on such Obligor pursuant to the Finance Documents to the Parent on its behalf,

and in each such case such Obligor will be bound thereby as though such Obligor itself had supplied such information, given such notice and instructions, executed such Finance Document and agreement or received any such notice, demand or other communication and each Finance Party may rely on any action purported to be taken by the Parent on behalf of that Obligor.

(b) Every act, omission, agreement, undertaking, settlement, waiver, notice or other communication given or made by the Obligors' Agent under any Finance Document, or in connection with this Agreement (whether or not known to any other Obligor, as the case may be, and whether occurring before or after such person became party to this Agreement), shall be binding for all purposes on all other Obligors as if the other Obligors had expressly made, given or concurred with the same. In the event of any conflict between any notices or other communications of the Obligors' Agent or any other Obligor, those of the Obligors' Agent shall prevail.

31.18 Co-operation with the Facility Agent

(a) Each Lender and each Obligor will co-operate with the Facility Agent to complete any legal requirements imposed on the Facility Agent in connection with the performance of its duties under this Agreement and shall supply any information requested by the Facility Agent in connection with the proper performance of those duties provided that no Obligor shall be under any obligation to provide any information the supply of which would be contrary to any confidentiality obligation binding on any member of the Bank Group or prejudice the retention of legal privilege in such information and provided further that no Obligor shall (and the Parent shall procure that no member of the Bank Group shall) be able to deny the Facility Agent any such information by reason of it having entered into a confidentiality undertaking which would prevent it from disclosing, or be able to claim any legal privilege in respect of, any financial information relating to itself or the Bank Group.

(b) Any Lender may by notice to the Facility Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 40.5 (*Electronic Communication*) electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Lender for the purposes of Clause 40.2 (*Giving of Notice*) and Clause 40.5(a)(iii) (*Electronic Communication*) and the Facility Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

31.19 Accession documents

The Facility Agent will promptly countersign each Creditor/Agent Accession Undertaking (as defined in the Intercreditor Agreement) required for accession of the relevant Parties to the Intercreditor Agreement.

32. BORROWERS' INDEMNITIES

32.1 General Indemnities

Each Borrower undertakes, on a joint and several basis, to indemnify:

(a) each of the Finance Parties against any out-of-pocket cost, claim, loss, expense (including legal fees) or liability, which any of them may sustain or incur as a consequence of the occurrence of any Default; and

(b) each Lender against any out-of-pocket loss it may suffer or incur as a result of (i) its funding or making arrangements to fund its portion of an Advance or (ii) its issuing or making arrangements to issue a Documentary Credit or (iii) its funding or making arrangements to fund any Ancillary Facility made available by it, in each case requested by any Borrower under this Agreement but not made by reason of the operation of any one or more of the provisions of this Agreement (save as a result of such Lender's own gross negligence or wilful default).

32.2 Break Costs

(a) A Borrower shall, within 10 Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of any Advance or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period or Term for that Advance or Unpaid Sum.

(b) Each Lender shall, as soon as reasonably practicable after a demand by the Facility Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period or Term in which they accrue.

33. CURRENCY OF ACCOUNT

33.1 Currency

Euro is the currency of account and payment for each and every sum at any time due from any Obligor under this Agreement provided that:

(a) each repayment of any Outstandings or Unpaid Sum (or part of it) shall be made in the currency in which those Outstandings or Unpaid Sum are denominated on their due date;

(b) interest shall be payable in the currency in which the sum in respect of which such interest is payable was denominated when that interest accrued;

(c) each payment in respect of costs and expenses shall be made in the currency in which the same were incurred; and

(d) each payment pursuant to Clause 19.3 (*Tax Indemnity*) or Clause 20.1 (*Increased Costs*) shall be made in the currency specified by the Finance Party claiming under it, acting reasonably.

33.2 Currency Indemnity

(a) If any sum due from an Obligor under the Finance Documents (a "Sum"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

(i) making or filing a claim or proof against that Obligor;

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor shall as an independent obligation, within ten Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the

First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

(b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

34. PAYMENTS

34.1 Payment to the Facility Agent

On each date on which this Agreement requires an amount to be paid by any Obligor or any of the Lenders under this Agreement, such Obligor or, as the case may be, such Lender shall make the same available to the Facility Agent by payment in same day funds (or such other funds as may for the time being be customary for the settlement of transactions in the relevant currency) to such account or bank as the Facility Agent (acting reasonably) may have specified for this purpose and any such payment which is made for the account of another person shall be made in time to enable the Facility Agent to make available such person's portion of it to such other person in accordance with Clause 34.2 (*Distributions by the Facility Agent*).

34.2 Distributions by the Facility Agent

Save as otherwise provided in this Agreement, each payment received by the Facility Agent for the account of another person shall be made available by the Facility Agent to such other person (in the case of a Lender, for the account of its Facility Office) for value the same day by transfer to such account of such person with such bank in a Participating Member State or London (or for payments in Dollars or any Optional Currency, in the applicable financial centre) as such person shall have previously notified to the Facility Agent by not less than 5 Business Days notice for this purpose.

34.3 Clear Payments

Save to the extent contemplated in Clause 10 (*Repayment of Revolving Facility Outstandings*), any payment required to be made by any Obligor under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of, and without any deduction for or on account of, any set-off or counterclaim.

34.4 Impaired Agent

(a) If, at any time, the Facility Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Facility Agent in accordance with Clause 34.1 (*Payment to the Facility Agent*) may instead either pay that amount direct to the required recipient or pay that amount to an interest-bearing account (the "**Trust Account**") held with an Acceptable Bank within the meaning of paragraph (a) of the definition of "Acceptable Bank" and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment and designated as a trust account for the benefit of the Finance Party beneficially entitled to that payment under the Finance Documents. In each case such payments must be made within 5 Business Days of the due date for payment under the Finance Documents.

(b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the beneficiaries of that trust account *pro rata* to their respective entitlements.

(c) A party which has made a payment in accordance with this Clause 34.4 (*Impaired Agent*) shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.

(d) Promptly upon the appointment of a successor Facility Agent in accordance with Clause 31.11 (*Resignation*), each Party which has made a payment to a trust account in accordance with this Clause 34.4 (*Impaired Agent*) shall give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Facility Agent for distribution in accordance with this Agreement.

34.5 Partial Payments

If the Facility Agent receives a payment that is insufficient to discharge all the amounts then due and payable by any Obligor under the Finance Documents, the Facility Agent shall, unless otherwise instructed by the Instructing Group, apply that payment towards the obligations of that Obligor under the Finance Documents in the following order:

(a) first, in payment in or towards payment *pro rata* of any unpaid fees, costs and expenses incurred by the Facility Agent, the Security Agent and each L/C Bank under the Finance Documents;

(b) secondly, in or towards payment *pro rata* of any accrued interest or commission due but unpaid under any Finance Document;

(c) thirdly, in or towards payment *pro rata* of any principal due but unpaid under any Finance Document; and

(d) fourthly, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents,

and such application shall override any appropriation made by an Obligor.

34.6 Indemnity

Where a sum is to be paid under the Finance Documents to the Facility Agent for the account of another person, the Facility Agent shall not be obliged to make the same available to that other person (or to enter into or perform any exchange contract in connection therewith) until it has been able to establish to its satisfaction that it has actually received such sum, but if it does so and it proves to be the case that it had not actually received such sum, then the person to whom such sum (or the proceeds of such exchange contract) was (or were) so made available shall on request refund the same to the Facility Agent together with an amount sufficient to indemnify and hold harmless the Facility Agent from and against any cost or loss it may have suffered or incurred by reason of its having paid out such sum (or the proceeds of such exchange contract) prior to its having received such sum. This indemnity shall only apply to the Obligors with effect from the Signing Date.

34.7 Notification of Payment

Without prejudice to the liability of each party to this Agreement to pay each amount owing by it under this Agreement on the due date therefor, whenever a payment is expected to be made by any of the Finance Parties, the Facility Agent shall give notice prior to the expected date for such payment, notify all such Finance Parties of the amount, currency and timing of such payment.

34.8 Disruption to Payment Systems

If either the Facility Agent determines (in its discretion) that a Disruption Event has occurred or the Facility Agent is notified by the Parent that a Disruption Event has occurred:

(a) the Facility Agent may, and shall if requested to do so by the Parent, consult with the Parent with a view to agreeing with the Parent such changes to the operation or administration of the Facilities as the Facility Agent may deem reasonably necessary in the circumstances;

(b) the Facility Agent shall not be obliged to consult with the Parent in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;

(c) the Facility Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;

(d) any such changes agreed upon by the Facility Agent and the Parent shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Finance Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 43 (*Amendments*);

(e) the Facility Agent shall not be liable for any damages, costs or losses whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facility Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 34.8 (*Disruption to Payment Systems*); and

(f) the Facility Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

34.9 Business Days

(a) Any payment which is due to be made on a day that is not a Business Day shall be made on the immediately succeeding Business Day in the same calendar month (if there is one) or the immediately preceding Business Day (if there is not).

(b) During any extension of the due date for payment of any principal or an Unpaid Sum under this Agreement, interest is payable on such amount at the rate payable on the original due date.

35. SET-OFF

35.1 Right to Set-off

(a) A Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

(b) Any credit balances taken into account by an Ancillary Facility Lender when operating a net limit in respect of any overdraft under an Ancillary Facility shall on enforcement of the Finance Documents be applied first in the reduction of the overdraft provided under that Ancillary Facility in accordance with its terms.

35.2 No Obligation

No Lender shall be obliged to exercise any right given to it by Clause 35.1 (*Right to Set-off*).

36. SHARING AMONG THE FINANCE PARTIES

36.1 Payments to Finance Parties

If a Finance Party (a "**Recovering Finance Party**") receives or recovers any amount from any Obligor other than in accordance with Clause 34 (*Payments*) and applies that amount to a payment due under the Finance Documents then:

(a) the Recovering Finance Party shall, within 3 Business Days, notify details of the receipt or recovery to the Facility Agent;

(b) the Facility Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Facility Agent and distributed in accordance with Clause 34.5 (*Partial Payments*), without taking account of any tax which would be imposed on the Facility Agent in relation to the receipt, recovery or distribution; and

(c) the Recovering Finance Party shall, within 3 Business Days of demand by the Facility Agent, pay to the Facility Agent an amount (the "**Sharing Payment**") equal to such receipt or recovery less any amount which the Facility Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 34.5 (*Partial Payments*).

36.2 Redistribution of Payments

The Facility Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and shall distribute it between the Finance Parties (other than the Recovering Finance Party) in accordance with Clause 34.5 (*Partial Payments*).

36.3 Recovering Finance Party's Rights

On a distribution by the Facility Agent under Clause 36.2 (*Redistribution of Payments*), of a payment received by a Recovering Finance Party from an Obligor, as between the relevant Obligor and the Recovering Finance Party, an amount of the sum recovered equal to the Sharing Payment will be treated as not having been paid by that Obligor.

36.4 Reversal of Redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

(a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to Clause 36.2 (*Redistribution of Payments*) shall, upon the request of the Facility Agent, pay to the Facility Agent for account of that Recovering Finance Party an amount equal to its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its share of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and

(b) that Recovering Finance Party's rights of subrogation in respect of any reimbursement shall be cancelled and the relevant Obligor will be liable to the reimbursing Finance Party for the amount so reimbursed.

36.5 Exceptions

(a) This Clause 36 (*Sharing among the Finance Parties*) shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause 36 (*Sharing among the Finance Parties*), have a valid and enforceable claim against the relevant Obligor.

(b) A Recovering Finance Party is not obliged to share with any other Finance Party under this Clause 36 (*Sharing among the Finance Parties*), any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:

(i) it notified such other Finance Party of the legal or arbitration proceedings; and

(ii) such other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice of it or did not take separate legal or arbitration proceedings.

36.6 Ancillary Facility Lenders

(a) This Clause 36 (*Sharing among the Finance Parties*) shall not apply to any receipt or recovery by a Lender in its capacity as an Ancillary Facility Lender at any time prior to service of notice under Clause 25.13 (*Acceleration*).

(b) Following service of notice under Clause 25.13 (*Acceleration*), this Clause 36 (*Sharing among the Finance Parties*) shall apply to all receipts or recoveries by Ancillary Facility Lenders except to the extent that the receipt or recovery represents a reduction from the Designated Gross Amount for an Ancillary Facility to its Designated Net Amount.

37. CALCULATIONS AND ACCOUNTS

37.1 Day Count Convention

Interest and commitment commission shall accrue from day to day and shall be calculated on the basis of a year of 360 days or, in any case where market practice differs, in accordance with market practice, and the actual number of days elapsed and any Tax Deductions required to be made from any payment of interest shall be computed and paid accordingly.

37.2 Reductions

Any repayment of any Advance denominated in an Optional Currency shall reduce the amount of such Advance by the amount of such Optional Currency repaid and shall reduce the Euro Amount of such Advance proportionately.

37.3 Reference Banks

Save as otherwise provided in this Agreement, on any occasion a Reference Bank, Alternative Reference Bank or Lender fails to supply the Facility Agent with an interest rate quotation required of it under the foregoing provisions of this Agreement, the rate for which such quotation was required shall be determined from those quotations which are supplied to the Facility Agent.

37.4 Maintain Accounts

Each Lender shall maintain in accordance with its usual practice accounts evidencing the amounts from time to time lent by and owing to it under this Agreement.

37.5 Control Accounts

The Facility Agent shall maintain on its books a control account or accounts in which shall be recorded:

(a) the amount and the Euro Amount of any Advance or Unpaid Sum and the face amount and the Euro Amount of any Documentary Credit, and each Lender's share in it;

(b) the Euro Amount of the Ancillary Facility Commitment (if any) of each Lender;

(c) the amount of all principal, interest and other sums due or to become due from each of the Obligors to any of the Lenders under the Finance Documents and each Lender's share in it; and

(d) the amount of any sum received or recovered by the Facility Agent under this Agreement and each Lender's share in it.

37.6 Prima Facie Evidence

In any legal action or proceeding arising out of or in connection with this Agreement, the entries made in the accounts maintained pursuant to Clause 37.4 (*Maintain Accounts*) and Clause 37.5 (*Control Accounts*) shall, in the absence of manifest error, be prima facie evidence of the existence and amounts of the specified obligations of the Obligors.

37.7 Certificate of Finance Party

A certificate of a Finance Party as to the amount for the time being required to indemnify it against any Tax pursuant to Clause 19.3 (*Tax Indemnity*) or any Increased Cost pursuant to Clause 20.1 (*Increased Costs*) shall, in the absence of manifest error, be prima facie evidence of the existence and amounts of the specified obligations of the Borrower.

37.8 Certificate of the Facility Agent

A certificate of the Facility Agent as to the amount at any time due from any Borrower under this Agreement (or the amount which, but for any of the obligations of any Borrower under this Agreement being or becoming void, unenforceable or ineffective, at any time, would have been due from the Borrower under this Agreement) shall, in the absence of manifest error, be prima facie evidence for the purposes of Clause 30 (*Guarantee and Indemnity*).

37.9 Certificate of L/C Bank

A certificate of an L/C Bank as to the amount paid out or at any time due in respect of a Documentary Credit shall, absent manifest error, be *prima facie* evidence of the payment of such amounts or (as the case may be) of the amounts outstanding in any legal action or proceedings arising in connection therewith.

38. COSTS AND EXPENSES

38.1 Transaction Expenses

The Parent shall within ten Business Days of demand pay the Facility Agent the amount of all costs and expenses (including legal fees, subject to any agreed caps) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and perfection of the Finance Document and any other documents referred to in this Agreement.

38.2 Amendment Costs

If an Obligor requests an amendment, waiver or consent under or in connection with any Finance Document the Parent shall, within ten Business Days of demand, reimburse the Facility Agent or, as the case may be, the Security Agent, for the amount of all costs and expenses (including legal fees, subject to any agreed caps) reasonably incurred by the Facility Agent or, as the case may be, the Security Agent in responding to, evaluating, negotiating or complying with that request or requirement.

38.3 Enforcement Costs

The Parent shall, within ten Business Days of demand, pay to the Facility Agent on behalf of each Finance Party the amount of all costs and expenses (including legal fees) incurred by that Finance Party in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

38.4 Stamp Duties

The Parent shall pay and, within ten Business Days of demand, indemnify each Finance Party against any cost, loss or liability which that Finance Party incurs in relation to all stamp duty, registration and other similar Tax Liabilities payable in respect of any Relevant Finance Document (other than those imposed by reason of any assignment, transfer, novation or sub-participation by any Finance Party).

38.5 Other Indemnities

The Parent shall (or shall procure that an Obligor will), within ten Business Days of demand, indemnify each Lender against any cost, loss or liability incurred by that Lender as a result of:

(a) the occurrence of any Event of Default;

(b) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 36 (*Sharing among the Finance Parties*);

(c) funding, or making arrangements to fund, its participation in an Advance requested by a Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Lender alone); or

(d) an Advance (or part of an Advance) not being prepaid in accordance with a notice of prepayment given by a Borrower.

38.6 Indemnity to the Facility Agent

The Parent shall, within ten Business Days of demand, indemnify the Facility Agent against any cost, loss or liability incurred by the Facility Agent (acting reasonably) as a result of:

(a) investigating any event which it reasonably believes is a Default; or

(b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.

39. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of the Finance Parties or any of them, any right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by Law.

40. NOTICES AND DELIVERY OF INFORMATION

40.1 Writing

Each communication to be made under this Agreement shall be made in writing and, unless otherwise stated, shall be made by fax, telex or letter.

40.2 Giving of Notice

Any communication or document to be made or delivered by one person to another pursuant to this Agreement shall in the case of any person other than a Lender (unless that other person has by 10 Business Days written notice to the Facility Agent specified another address) be made or delivered to that other person at the address identified with its signature below or, in the case of a Lender, at the address from time to time designated by it to the Facility Agent for the purpose of this Agreement (or, in the case of a New Lender at the end of the Transfer Deed or Transfer Agreement to which it is a party as New Lender) and shall be deemed to have been made or delivered when despatched (in the case of any communication made by fax) or (in the case of any communication made by letter) when left at the address or (as the case may be) 5 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address provided that any communication or document to be made or delivered to the Facility Agent shall be effective only when received by the Facility Agent and then only if the same is expressly marked for the attention of the department or officer identified with the Facility Agent's signature below (or such other department or officer as the relevant Agent shall from time to time specify by not less than 10 Business Days prior written notice to the Parent for this purpose).

40.3 Use of Websites/E-mail

(a) An Obligor may (and upon request by the Facility Agent, shall) satisfy its obligations under this Agreement to deliver any information in relation to those Lenders (the "**Website Lenders**") who have not objected to the delivery of information electronically by posting this information onto an electronic website designated by the Parent and the Facility Agent (the "**Designated Website**") or by e-mailing such information to the Facility Agent, if:

(i) the Facility Agent expressly agrees that it will accept communication and delivery of any documents required to be delivered pursuant to this Agreement by this method;

(ii) in the case of posting to the Designated Website, the Parent and the Facility Agent are aware of the address of, and any relevant password specifications for, the Designated Website; and

(iii) the information is in a format previously agreed between the Parent and the Facility Agent.

(b) If any Lender (a "**Paper Form Lender**") objects to the delivery of information electronically then the Facility Agent shall notify the Parent accordingly and the Parent shall supply the information to the Facility Agent (in sufficient copies for each Paper Form Lender) in paper form.

(c) The Facility Agent shall supply each Website Lender with the address of, and any relevant password specifications for, the Designated Website following designation of that website by the Parent and the Facility Agent.

(d) Any Website Lender may request, through the Facility Agent, one paper copy of any information required to be provided under this Agreement which is posted onto the Designated Website. The Parent shall comply with any such request within 10 Business Days.

(e) Subject to the other provisions of this Clause 40.3 (*Use of Websites/E-mail*), any Obligor may discharge its obligation to supply more than one copy of a document under this Agreement by posting one copy of such document to the Designated Website or e-mailing one copy of such document to the Facility Agent.

(f) For the purposes of paragraph (a) above, the Facility Agent hereby expressly agrees that:

(i) it will accept delivery of documents required to be delivered under Clause 24.2 (*Financial Information*) by the posting of such documents to the Designated Website or by email delivery to the Facility Agent; and

(ii) it has agreed to the format of the information required to be delivered under Clause 24.2 (*Financial Information*).

40.4 Public or Private Information

Each Lender shall confirm to the Facility Agent whether it wishes to receive any information required to be provided by the group (or any member thereof) under the Finance Documents on a public or private basis taking into account applicable securities laws and regulations applicable to such Lender.

40.5 Electronic Communication

(a) Any communication to be made between under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if those two parties:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

(ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between those two parties will be effective only when actually received in readable form and in the case of any electronic communication made by a party to the Facility Agent only if it is addressed in such a manner as the Facility Agent shall specify for this purpose.

40.6 Certificates of Officers

All certificates of officers of any company hereunder may be given on behalf of the relevant company and in no event shall personal liability attach to such an officer.

40.7 Patriot Act

Each Lender subject to the USA Patriot Act (Title 111 of Pub. L. 107-56 (signed into law October 26, 2001)) (the "**Patriot Act**") hereby notifies the Parent that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies the Parent and the other Obligors and other information that will allow such Lender to identify the Parent and the other Obligors in accordance with the Patriot Act.

40.8 Communication when Facility Agent is Impaired Agent

If the Facility Agent is an Impaired Agent the Finance Parties may, instead of communicating with each other through the Facility Agent, communicate with each other directly and (while the Facility Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Facility Agent shall be varied so that communications may be made and notices given to or by the Finance Parties directly. This provision shall not operate after a replacement Facility Agent has been appointed.

41. ENGLISH LANGUAGE

Each communication and document made or delivered by one party to another pursuant to this Agreement shall be in the English language or accompanied by a translation of it into English certified (by an officer of the person making or delivering the same) as being a true and accurate translation of it.

42. PARTIAL INVALIDITY

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the Law of any jurisdiction, such illegality, invalidity or unenforceability shall not affect:

(a) the legality, validity or enforceability of the remaining provisions of this Agreement; or

(b) the legality, validity or enforceability of such provision under the Law of any other jurisdiction.

43. AMENDMENTS

43.1 Amendments Generally

Except as otherwise provided in this Agreement, the Facility Agent, if it has the prior written consent of the Instructing Group, and the Obligors may from time to time agree in writing to amend any Finance Document or to consent to or waive, prospectively or retrospectively, any of the requirements of any Finance Document and any amendments, consents or waivers so agreed shall be binding on all the Finance Parties and the Obligors. For the avoidance of doubt, any amendments relating to this Agreement shall only be made in accordance with the provisions of this Agreement and any amendments relating to a Hedging Agreement shall only be made in accordance with the provisions of such Hedging Agreement, in each case notwithstanding any other provisions of the Finance Documents.

43.2 Consents

An amendment, consent or waiver relating to the following matters (including any technical consequential amendments relating to such amendment, consent or waiver) may be made with the prior written consent of each Lender affected thereby and without the consent of any other Lender:

(a) without prejudice to Clause 2.2 (*Increase*), any increase in the principal amount of any Commitment of such Lender;

(b) a reduction in the proportion of any amount received or recovered (whether by way of set-off, combination of accounts or otherwise) in respect of any amount due from any Obligor under this Agreement to which such Lender is entitled;

(c) a decrease in any Margin for, or the principal amount of, any Advance, any Documentary Credit or any interest payment, fees or other amounts due under this Agreement to such Lender from any Obligor or any other party to this Agreement;

(d) any change in the currency of payment of any amount under the Finance Documents;

(e) unless otherwise specified the deferral of the date for payment of any principal, interest, fee or any other amount due under this Agreement to such Lender from any Obligor or any other party to this Agreement;

(f) the deferral of any Termination Date or Final Maturity Date;

(g) any reduction to the percentages set forth in the definition of the Instructing Group; or

(h) a change to this Clause 43.2 (*Consents*) and Clause 43.6 (*Guarantees and Security*).

43.3 Facility Agent

The Facility Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause 43.

43.4 Class Exception

Any amendment or waiver which:

(a) relates only to the rights or obligations applicable to a particular Utilisation or Facility; and

(b) does not materially and adversely affect the rights or interests of Lenders in respect of any other Utilisation or Facility,

may be made in accordance with this Clause 43 but as if references in this Clause 43 to the specified proportion of Lenders (including, for the avoidance of doubt, each affected Lender) whose consent would, but for this Clause 43.4, be required for that amendment or waiver were to that proportion of the Lenders participating in that particular Utilisation or Facility.

43.5 Technical, Operational and OID Amendments

(a) Notwithstanding any other provision of this Clause 43 (*Amendments*), the Facility Agent may at any time without the consent or sanction of the Lenders, concur with the Parent in making any modifications to any Finance Document, which in the opinion of the Facility Agent would be proper to make provided that the Facility Agent is of the opinion that such modification:

(i) would not be materially prejudicial to the position of any Lender and in the opinion of the Facility Agent such modification is of a formal, minor or technical nature or is to correct a manifest error;

(ii) is of a minor or technical nature; or

(iii) relates to the increase in the principal amount of a Commitment of a Lender in relation to any Facility and such increased Commitment has been requested by the Parent to fund any original issue discount required to be paid to that Lender in relation to that Facility under any Fee Letter.

(b) Any such modification shall be made on such terms as the Facility Agent may determine, shall be binding upon the Lenders, and shall be notified by the Parent to the Lenders as soon as practicable thereafter.

43.6 Guarantees and Security

A waiver of issuance or the release of any Guarantor from any of its obligations under Clause 30 (*Guarantee and Indemnity*) or a release of any Security under the Security Documents, in each case, other than in accordance with the terms of any Finance Document shall require the prior written consent of affected Lenders whose Available Commitments plus Outstandings amount in aggregate to more than 90 per cent. of the Available Facilities plus aggregate Outstandings.

43.7 Release of Guarantees and Security

(a) Subject to paragraph (b) below, at the time of completion of any disposal by Holdco, any Obligor or any other security provider of any shares, assets or revenues the Security Agent shall (and it is hereby authorised by the other Finance Parties to) at the request of and cost of the relevant Obligor, execute such documents as may be required to:

(i) release those shares, assets or revenues from Security constituted by any relevant Security Document or certify that any floating charge constituted by any relevant Security Documents over such assets, revenues or rights has not crystallised; and

(ii) release any person which as a result of that disposal ceases to be a Subsidiary of the Holding Company of the Parent, from any guarantee, indemnity or Security Document to which it is a party and its other obligations under any other Finance Document.

(b) The Security Agent shall only be required under paragraph (a) above to grant the release of any Security or to deliver a certificate of non-crystallisation on account of a disposal as described in that paragraph if:

(i) the disposal is permitted under Clause 24.11 (*Disposals*) or the consent of the Instructing Group has been obtained; and

(ii) to the extent that the disposal is to be in exchange for replacement assets, the Security Agent has either received (or is satisfied, acting reasonably, that it will receive immediately following the disposal) one or more duly executed Security Documents granting Security over those replacement assets or is satisfied, acting reasonably, that the replacement assets will be subject to Security pursuant to any existing Security Documents.

provided that, for so long as the US Borrower is a Borrower, the release provisions of this paragraph (a) shall not permit any release of guarantees of, or Security over the shares in, any Guarantor holding any ownership interests in the US Borrower.

(c) If at any time the Obligors at the relevant time represent a percentage which is greater than that required to satisfy the 80% Security Test and the Parent provides a certificate to the Facility Agent certifying that upon the release of one or more specified Obligors from its obligations under this Agreement the 80% Security Test would continue to be satisfied, the Security Agent shall (and it is hereby authorised by the other Finance Parties to) at the request and cost of the Parent, execute such documents as may be required to release any such specified Obligor from any guarantees, indemnities and/or Security Documents to which it is a party and to release it from its other obligations under any Finance Document. Any Obligor whose assets are to be released by this paragraph (c) or any other provision of this Agreement or the Finance Documents and who as a result will not have granted security over its assets in accordance with the 80% Security Test for the benefit of the Finance Parties, shall, for purposes of the determination of the 80% Security Test, not be treated as an Obligor for the calculation in the preceding sentence and on a going forward basis. The release provisions of this paragraph (c) shall not permit any release of any guarantees of, or Security over the shares in, the Parent, any Borrower for as long as such entity is a Borrower and (for so long as the US Borrower is a Borrower) any Guarantor holding any ownership interests in the US Borrower.

(d) The Security Agent shall (and it is hereby authorised by the other Finance Parties to) at the cost of the relevant Obligor, execute such documents as may be required or desirable to effect any release (i) permitted under the Intercreditor Agreement, (ii) to which a prior written consent of the relevant Lenders has been granted in accordance with Clause 43.6 (*Guarantees and Security*) and (iii) required to permit the granting of any Security Interest permitted under Clause 24.8 (*Negative Pledge*).

(e) Notwithstanding any other provision of this Agreement, the Parent may require the Security Agent to, and the Security Agent shall (and it is hereby authorised by the other Finance Parties to) at the cost of the relevant Obligor, execute such documents as may be required or desirable to effect the release of the Security granted over any asset of an Obligor pursuant to the Security Documents to which it is a party to enable the relevant Obligor to grant in connection with that asset any encumbrance permitted under Clause 24.8 (*Negative Pledge*). If, immediately prior to such release the relevant Obligor was treated as an Obligor for the purpose of the 80% Security Test, the relevant Obligor shall continue to be treated as an Obligor for those purposes notwithstanding any such release.

43.8 Amendments Affecting the Facility Agent

Notwithstanding any other provision of this Agreement, the Facility Agent shall not be obliged to agree to any amendment, consent or waiver if the same would:

(a) amend or waive any provision of Clause 31 (*Role of the Facility Agent*, *the Arrangers*, *the L/C Banks and Others*), Clause 26.8 (*Disclosure of Information*), Clause 38 (*Costs and Expenses*) or this Clause 43 (*Amendments*); or

(b) otherwise amend or waive any of the Facility Agent's rights under this Agreement or subject the Facility Agent to any additional obligations under this Agreement.

43.9 Calculation of Consent

Where a request for a waiver of, or an amendment to, any provision of any Finance Document has been sent by the Facility Agent to the Lenders at the request of an Obligor, each Lender that does not respond to such request for waiver or amendment within 10 Business Days after receipt by it of such request (or within such other period as the Facility Agent and the Parent shall specify), shall be excluded from the calculation in determining whether the requisite level of consent to such waiver or amendment was granted.

43.10 Disenfranchisement of Defaulting Lenders

(a) For so long as a Defaulting Lender has any Available Commitments, in determining whether the requisite level of consent has been obtained for a consent, waiver, amendment or other vote under the Finance Documents, that Defaulting Lender's Commitments will be reduced by the amount of its Available Commitments.

(b) For the purposes of this Clause 43.10 (*Disenfranchisement of Defaulting Lenders*), the Facility Agent may assume that the following Lenders are Defaulting Lenders:

(i) any Lender which has notified the Facility Agent that it has become a Defaulting Lender; and

(ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of "Defaulting Lender" has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Facility Agent) or the Facility Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

43.11 Replacement of Lenders

(a) If at any time:

(i) any Lender becomes a Non-Consenting Lender; or

(ii) any Lender becomes a Non-Funding Lender, then the Parent may, on not less than 3 Business Days prior notice to the Facility Agent and that Lender (A), replace that Lender by requiring it to (and that Lender shall) transfer all of its rights and obligations under this Agreement to a Lender or other person selected by the Parent for a purchase price equal to the outstanding principal amount of such Lender's share in the outstanding Loans and all accrued interest and fees and other amounts payable to it under this Agreement or (B) prepay that Lender all but not part of its share in its outstanding Loans and all accrued interest and fees and other amounts payable to it under this Agreement from cash flow, permitted Subordinated Funding or New Equity received by the Bank Group. Any notice delivered under this paragraph (a) shall be accompanied by a Transfer Deed or Transfer Agreement complying with Clause 26 (Assignments and Transfers), which Transfer Deed or Transfer Agreement shall be immediately executed by the relevant Non-Consenting Lender or, as the case may be, Non-Funding Lender and returned to the Parent. If a Lender does not execute and/or return a Transfer Deed or Transfer Agreement as required by this paragraph (a) within two Business Days of delivery by the Parent, the Facility Agent shall execute (and is hereby irrevocably authorised by the relevant Lender to do so) that Transfer Deed or Transfer Agreement on behalf of such Lender.

(b) The Parent shall have no right to replace the Arrangers, the Facility Agent or the Security Agent and none of the foregoing nor shall any Lender have any obligation to the Parent to find a replacement Lender or other such entity. The Parent may only exercise its replacement or prepayment rights in respect of any relevant Lender within 90 days of becoming entitled to do so on each occasion such Lender is a Non-Consenting Lender or a Non-Funding Lender.

(c) In no event shall the Lender being replaced be required to pay or surrender to such replacement Lender or other entity any of the fees received by such Lender being replaced pursuant to this Agreement.

44. THIRD PARTY RIGHTS

(a) A person which is not a Party (a "**third party**") shall have no right to enforce any of its provisions except that:

(i) a third party shall have those rights it would have had if the Contracts (Rights of Third Parties) Act 1999 had not come into effect; and

(ii) Clause 20 (*Increased Costs*) and Clause 31.9 (*Exclusion of Liability*) shall be enforceable by any third party referred to in such clause as if such third party were a party to this Agreement.

(b) The Parties may without the consent of any third party vary or rescind this Agreement.

45. COUNTERPARTS

This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

46. GOVERNING LAW

This Agreement, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

47. JURISDICTION

47.1 Courts

Each of the Parties (other than the US Borrower) irrevocably agrees for the benefit of each of the Finance Parties that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Agreement or any non-contractual obligation arising out of or in connection with this Agreement (respectively "**Proceedings**" and "**Disputes**") and, for such purposes, irrevocably submits to the jurisdiction of such courts.

47.2 Waiver

Each of the Obligors (other than the US Borrower) irrevocably waives any objection which it might now or hereafter have to Proceedings being brought or Disputes settled in the courts of England and agrees not to claim that any such court is an inconvenient or inappropriate forum.

47.3 Service of Process

Each of the Obligors (other than the US Borrower) which is not incorporated in England agrees that the process by which any Proceedings are begun may be served on it by being delivered in connection with any Proceedings in England, to Law Debenture Corporate Services Limited, Fifth Floor, 100 Wood Street, London EC2V 7EX. If the appointment of the person mentioned in this Clause 47.3 (*Service of Process*) ceases to be effective in respect of any of the Obligors the relevant Obligor shall immediately appoint a further person in England to accept service of process on its behalf in England and, failing such appointment within 15 days, the Facility Agent shall be entitled to appoint such person by notice to the relevant Obligor. Nothing contained in this Agreement shall affect the right to serve process in any other manner permitted by Law.

47.4 Proceedings in Other Jurisdictions

Nothing in Clause 47.1 (*Courts*) shall (and shall not be construed so as to) limit the right of the Finance Parties or any of them to take Proceedings against any of the Obligors (other than the US Borrower) in any other court of competent jurisdiction nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable Law.

47.5 US Borrower

Notwithstanding anything to the contrary in this Clause 47.5 (*US Borrower*), each of the Parties irrevocably submits to the exclusive jurisdiction of the courts of the State of New York and of the United States sitting in the State of New York, and of the courts of the

US Borrower's corporate domicile with respect to actions or proceedings brought against the US Borrower as a defendant, for purposes of all legal proceedings relating to the US Borrower (a "**US Proceeding**") and relating to, or arising out of, this Agreement. The US Borrower irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any US Proceeding and any claim that any US Proceeding has been brought in an inconvenient forum. Any process or summons for purposes of any US Proceeding may be served on a US Borrower by mailing a copy thereof by registered mail, or a form of mail substantially equivalent thereto, addressed to it at its address as provided for notices hereunder.

47.6 General Consent

Each of the Obligors consents generally in respect of any Proceedings or US Proceedings to the giving of any relief or the issue of any process in connection with such proceedings including the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such proceedings.

47.7 Waiver of Immunity

To the extent that any Obligor may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to itself, its assets or revenues such immunity (whether or not claimed), such Obligor irrevocably agrees not to claim, and irrevocably waives, such immunity to the full extent permitted by the laws of such jurisdiction.

47.8 Waiver of Trial by Jury

EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH ANY FINANCE DOCUMENT OR ANY TRANSACTION CONTEMPLATED BY ANY FINANCE DOCUMENT. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

48. COMPLETE AGREEMENT

The Finance Documents contain the complete agreement between the Parties on the matters to which they relate and supersede all prior commitments, agreements and understandings, whether written or oral, on those matters.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

Part 1: Lenders and Commitments

Lender	Revolving Facility Commitment (€)	US$ B1 Facility Commitment (US$)	EUR B1 Facility Commitment (€)
ABN Amro Bank N.V.	50,000,000	0	61,050,000
Bank of America, N.A., London Branch	50,000,000	0	244,200,000
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (trading as Rabobank International)	50,000,000	0	61,050,000
Crédit Agricole Corporate And Investment Bank	50,000,000	0	61,050,000
Credit Suisse AG, London Branch	50,000,000	0	244,200,000
Deutsche Bank Ag, London Branch	50,000,000	0	61,050,000
HSBC Bank Plc	50,000,000	0	61,050,000
ING Bank N.V.	50,000,000	0	61,050,000
JP Morgan Chase Bank, N.A., London Branch	50,000,000	0	122,100,000
Morgan Stanley Bank, N.A.	50,000,000	0	0
Morgan Stanley Senior Funding, Inc.	0	0	61,050,000
Nomura International Plc	50,000,000	0	61,050,000
Scotiabank Europe Plc	50,000,000	0	61,050,000
Société Générale, London Branch	50,000,000	0	61,050,000
Total	650,000,000	0	1,221,000,000

Lender	US$ B2 Facility Commitment (US$)	EUR B2 Facility Commitment (€)	US$ B3 Facility Commitment (US$)	EUR B3 Facility Commitment (€)
ABN Amro Bank N.V.	0	39,300,000	0	64,700,000
Bank of America, N.A., London Branch	0	157,200,000	0	258,800,000
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (trading as Rabobank International)	0	39,300,000	0	64,700,000
Crédit Agricole Corporate And Investment Bank	0	39,300,000	0	64,700,000
Credit Suisse AG, London Branch	0	157,200,000	0	258,800,000
Deutsche Bank Ag, London Branch	0	39,300,000	0	64,700,000
HSBC Bank Plc	0	39,300,000	0	64,700,000
ING Bank N.V.	0	39,300,000	0	64,700,000
JP Morgan Chase Bank, N.A., London Branch	0	78,600,000	0	129,400,000
Morgan Stanley Bank, N.A.	0	0	0	0
Morgan Stanley Senior Funding, Inc.	0	39,300,000	0	64,700,000
Nomura International Plc	0	39,300,000	0	64,700,000
Scotiabank Europe Plc	0	39,300,000	0	64,700,000
Société Générale, London Branch	0	39,300,000	0	64,700,000
Total	0	786,000,000	0	1,294,000,000

Part 2: Bookrunners

ABN Amro Bank N.V.

Bank of America Merrill Lynch International Limited

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (trading as Rabobank International)

Crédit Agricole Corporate and Investment Bank

Credit Suisse AG, London Branch

Deutsche Bank AG, London Branch

HSBC Bank Plc

HSBC Securities (USA) Inc

ING Bank N.V.

J.P. Morgan Limited

Morgan Stanley Bank International Limited

Nomura International Plc

Société Générale, London Branch

The Bank of Nova Scotia

Part 3: Mandated Lead Arrangers

ABN Amro Bank N.V.

Bank of America Merrill Lynch International Limited

Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (trading as Rabobank International)

Crédit Agricole Corporate and Investment Bank

Credit Suisse AG, London Branch

Deutsche Bank AG, London Branch

HSBC Bank Plc

ING Bank N.V.

J.P. Morgan Limited

Morgan Stanley Bank International Limited

Nomura International Plc

Société Générale, London Branch

The Bank of Nova Scotia

SCHEDULE 2

Part 1:The Original Guarantors

Name	Jurisdiction	Registration Number
Amsterdamse Beheer-En Consultingmaatschappij B.V.	The Netherlands	33195889
Ziggo B.V.	The Netherlands	37026706
Torenspits II B.V.	The Netherlands	34262281
Ziggo Netwerk B.V.	The Netherlands	37141989
Ziggo Netwerk II B.V.	The Netherlands	54158923

Part 2: Members of the Bank Group

Name	Jurisdiction	Registration Number
Amsterdamse Beheer-En Consultingmaatschappij B.V.	The Netherlands	33195889
Ziggo B.V.	The Netherlands	37026706
Torenspits II B.V.	The Netherlands	34262281
Ziggo Netwerk B.V.	The Netherlands	37141989
Ziggo Netwerk II B.V.	The Netherlands	54158923
Esprit Telecom B.V.	The Netherlands	17177850
Breezz Nederland B.V.	The Netherlands	30213080

SCHEDULE 3

CONDITIONS PRECEDENT

Part 1: Conditions Precedent

(A) Conditions Precedent to Signing

1. **Corporate Documents**

(a) A copy of the constitutional documents (including without limitation an extract of registration in the Trade Register of the Chamber of Commerce) of (i) the Original Borrower; and (ii) each Original Guarantor.

(b) A copy of a resolution of the board or, if applicable, a committee of the board of directors of (i) the Original Borrower; and (ii) each Original Guarantor:

(i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;

(ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf;

(iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party; and

(iv) in the case of an Obligor other than the Parent, authorising the Parent to act as its agent in connection with the Finance Documents.

(c) If applicable, a copy of a resolution of the board of directors of the relevant company, establishing the committee referred to in paragraph (b) above.

(d) A specimen of the signature of each person authorised by the resolution referred to in paragraph (b) above in relation to the Finance Documents and related documents.

(e) To the extent legally necessary, a copy of a resolution signed by all the holders of the issued shares in each Original Guarantor, approving the terms of, and the transactions contemplated by, the Finance Documents to which the Original Guarantor is a party.

(f) A certificate of the Parent (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments would not cause any borrowing, guarantee, security or similar limit binding on any Original Borrower or Original Guarantor to be exceeded.

(g) A certificate of an authorised signatory of the Parent or other relevant Original Borrower or Original Guarantor certifying that each copy document relating to it specified in this Schedule 1 is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the first Utilisation Date.

2. **Acquisition Agreement**

A copy of the Ziggo Acquisition Agreement duly executed by each of the parties thereto (provided that it shall not be required to be satisfactory, in form and substance, to the Facility Agent).

3. **Finance Documents and other documents**

(a) A copy of this Agreement duly executed by each of the Original Guarantors and the Original Borrower.

(b) A copy of each Fee Letter duly executed by the Parent or its Affiliates (as applicable), Bidco and Bidco Parent.

(c) The Acquisition Facilities Agreement, duly executed by each of the parties thereto.

(d) The Subordinated Bridge Facility Agreement, duly executed by each of the parties thereto.

(e) A copy of the Information Memorandum.

(f) The Group Structure Chart.

4. **Intercreditor Documents**

(a) A duly executed copy of a written notice from the Parent to each Agent (as defined in the Intercreditor Agreement) which is a party to the Intercreditor Agreement on the Signing Date designating this Agreement as a Senior Facilities Agreement (as defined in the Intercreditor Agreement) with effect from the first Utilisation Date under this Agreement.

(b) Accession by the Facility Agent, the Lenders and the Arrangers to the Intercreditor Agreement.

(c) The Loss Sharing Deed, duly executed by each of the parties thereto.

5. **Legal Opinions**

(a) A legal opinion of Allen & Overy LLP, legal advisers to the Facility Agent and the Mandated Lead Arrangers as to English law, substantially in the form distributed to the Original Lenders prior to the Signing Date.

(b) A legal opinion of Clifford Chance LLP, legal advisers to the Facility Agent and the Mandated Lead Arrangers as to Dutch law, substantially in the form distributed to the Original Lenders prior to the Signing Date.

6. **Other documents and evidence**

(a) The Original Financial Statements.

(b) Evidence that the process agent referred to in Clause 47.3 (*Service of Process*) has accepted its appointment.

(B) Conditions Precedent to first Utilisation

1. **Corporate Documents**

A certificate of an authorised signatory of the Parent or other relevant Original Borrower or Original Guarantor certifying that each copy document relating to it specified in Part 1(A)(1) of Schedule 3 (*Conditions Precedent*) is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the first Utilisation Date.

2. **Other documents and evidence**

All "know your client" information required by law and regulation relating to the Obligors satisfactory to the Finance Parties (acting reasonably).

3. **Repayment of existing debt**

Evidence that the Existing Senior Credit Facilities Agreement will be fully and irrevocably prepaid and in relation to the Existing Credit Agreement and the 2017 Senior Secured Notes 2017 an irrevocable redemption notice has been submitted in respect of the entire outstanding principal amount thereunder.

4. **Other documents**

(a) Confirmation from the Parent that it has received a positive or neutral works council advice (*advies*) (unconditional or with conditions that are acceptable to the Parent and that can be satisfied) with regard to the entry into this Agreement to effect a refinancing of Financial Indebtedness of the Bank Group.

(b) Confirmation from the Parent to the Facility Agent that the Structure Memorandum has not been amended, supplemented or replaced in a manner that is materially adverse to the interests of the Lenders (unless the Instructing Group has consented to such amendments, supplements or replacements).

5. **Legal opinion**

A "no-conflicts" legal opinion of Ropes & Gray LLP, legal advisers to Liberty Global plc, substantially in the form distributed to the Original Lenders on the date of the Supplemental Agreement.

Part 2:Form of Officer's Certificate

To: [●] as Facility Agent

We refer to the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") and made between, inter alia, [●] as Original Borrower, [●] as Global Coordinator [●] as Bookrunners and Mandated Lead Arrangers, [●] as Facility Agent, [●] as Security Agent and the financial and other institutions named in it as Lenders. Terms defined in the Facilities Agreement shall have the same meanings in this Certificate.

I, [name], a [Director/General Partner/Partner/Officer] of [name of Obligor] of [address] (the ["**Company**"/"**Partnership**"])

CERTIFY without personal liability, that:

(a) [attached to this Certificate marked "**A**" are true, correct, complete and up-to-date copies of all documents which contain or establish or relate to the [constitution of the Parent]/[due formation of the Partnership]*] / [the [Company/Partnership] has not amended any of its constitutional documents in a manner which could be reasonably expected to be materially adverse to the interests of the Lenders since the date such documents were last delivered to the Facility Agent];

(b) attached to this Certificate marked ["**A**"/"**B**"] is a true, correct and complete copy of [resolutions duly passed] at [a meeting of the Board of Directors] [a meeting of the managers] [a meeting of the partners] duly convened and held on [*] or the equivalent thereof passed as a written resolution of the [Company/Partnership] approving the Finance Documents to which the [Company/Partnership] is a party and authorising their execution, signature, delivery and performance and such resolutions have not been amended, modified or revoked and are in full force and effect;

(c) each copy document relating to it specified in Part 1 of Schedule 3 (*Conditions Precedent*) of the Facilities Agreement is correct, complete and in full force and effect and has not been amended or superseded as at the date of this Certificate;

(d) the entry into and performance of the Finance Documents to which it is a party by the [Company/Partnership] will not breach any borrowing, guaranteeing or other indebtedness limit to which the [Company/ Partnership] is subject; and

(e) the following signatures are the true signatures of the persons who have been authorised to sign any necessary documents on behalf of the [Company/ Partnership] and to give notices and communications (including Utilisation Requests), under or in connection with the Finance Documents on behalf of the [Company/Partnership].

Name	**Position**	**Signature**
[*]	[*]	[*]

Signed: ______________________________
Director/Partner/Officer

Date: [*]

I, [name], a [Director/Secretary/General Partner/Partner] of [name of Obligor] (the ["**Company**"/"**Partnership**"]), certify that the persons whose names and signatures are set out above are duly appointed [*] of the [Company/Partnership] and that the signatures of each of them above are their respective signatures.

Signed: ______________________________
[Director/Secretary] [Partner]

Date: [*]

Notes:

* Including for the avoidance of doubt any partnership agreement.

SCHEDULE 4

Part 1:Form of Utilisation Request (Advances)

From: [*Name of Borrower*] (the "**Borrower**")

To: [●]

as Facility Agent

Date: [●]

Dear Sirs

We refer to the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") and made between, *inter alia*, [●]. Terms defined in the Facilities Agreement shall have the same meanings in this Utilisation Request.

We, being authorised signatories of the Borrower named below, give you notice that, pursuant to the Facilities Agreement, we wish the Lenders to make an Advance on the following terms:

(a) Facility to be used: [US$ B1/EUR B1/US$ B2/EUR B2/US$ B3/EUR B3/Revolving Facility]

(b) Euro Amount: €[●]/Dollar Amount: USD [●]

(c) Currency: [●]

(d) Interest Period/Term: [●] month[s]

(e) Proposed date of Advance: [●] (or if that day is not a Business Day, the next Business Day)

[We hereby inform you that as of the date of this Utilisation Request, the following Event of Default has occurred and is continuing or would result from the making of this Utilisation [*insert details*]. [1] [We confirm that, at the date of this Utilisation Request, the Repeating Representations are true in all material respects and no Default is continuing or would result from the Advance to which this Utilisation Request relates.][2]

The proceeds of this Utilisation should be credited to [*insert account details*].

This Utilisation Request is made by the authorised signatories of the Borrower named below and is given without personal liability.

Yours faithfully,

....

---

[1] Applicable for Rollover Advances only. Insert details of relevant Event of Default, if any.

[2] Applicable for any Advance other than a Rollover Advance or a Certain Funds Utilisation.

Authorised Signatory

for and on behalf of

[*Name of Borrower*]

Authorised Signatory

for and on behalf of

[*Name of Borrower*]

Part 2:Form of Utilisation Request (Documentary Credits)

From: [*Name of Borrower*] (the "**Borrower**")

To:	[●]	[●]
	as Facility Agent; and	as a L/C Bank

Date: [●]

Dear Sirs

We refer to the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") and made between, *inter alia*, [●]. Terms defined in the Facilities Agreement shall have the same meanings in this Utilisation Request.

We, being authorised signatories of the Borrower named below, give you notice that, pursuant to the Facilities Agreement, we wish [*name of L/C Bank*] to issue a Documentary Credit on the following terms:

(a) Name of Beneficiary: [●]

(b) Address of Beneficiary: [●]

(c) Purpose of/Liabilities to be assured by the Documentary Credit: [insert details]

(d) Euro Amount: €[●]

(e) Currency: [●]

(f) Expiry Date: [●] month[s]

(g) Proposed date of issue of Documentary Credit: [●] (or if that day is not a Business Day, the next Business Day)

[We hereby inform you that as of the date of this Utilisation Request, the following Event of Default has occurred and is continuing or would result from the making of this Utilisation [insert details].]] [We confirm that, at the date of this Utilisation Request, the Repeating Representations are true in all material respects and no Default is continuing or would result from the Advance to which this Utilisation Request relates.]

Upon issuance of the Documentary Credit requested hereunder, please send the Documentary Credit to the Beneficiary at the address shown above, with a copy to [*insert details of relevant contact at the Borrower*].

This Utilisation Request is made by the authorised signatories of the Borrower named below and is given without personal liability.

Yours faithfully

....	....
Authorised Signatory	Authorised Signatory
for and on behalf of	for and on behalf of
[*Name of Borrower*]	[*Name of Borrower*]

SCHEDULE 5

FORM OF TRANSFER DEED

To: [●] as Facility Agent

To: [●] as Security Agent

This Deed is dated [●] and relates to:

(i) the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") whereby certain facilities were made available to the Borrowers under the guarantee of the Guarantors, by a group of banks and other financial institutions on whose behalf [●] acts as Facility Agent in connection therewith;

(ii) [●].

1. Terms defined in the Facilities Agreement shall, subject to any contrary indication, have the same meanings in this Deed. The terms "Lender", "New Lender", "Lender's Participation", "Transfer Date" and "Portion Transferred" are defined in the Schedule to this Deed.

2. The Lender:

   (a) confirms that the details in the Schedule to this Deed are an accurate summary of the Lender's Participation in the Facilities Agreement and the Interest Periods or Terms (as the case may be) for existing Advances as at the date of this Deed; and

   (b) requests the New Lender to accept and procure the transfer by novation to the New Lender of the Portion Transferred by countersigning and delivering this Deed to the Facility Agent at its address for the service of notices designated to the Facility Agent in accordance with the Facilities Agreement.

3. The New Lender requests the Facility Agent to accept this Deed as being delivered to the Facility Agent pursuant to and for the purposes of Clause 26.4 (*Transfer Deed*) of the Facilities Agreement so as to take effect in accordance with the terms of it on the Transfer Date or on such later date as may be determined in accordance with the terms of it.

4. The New Lender confirms that it has received a copy of the Facilities Agreement together with such other information as it has required in connection with this transaction and that it has not relied and will not rely on the Lender to check or enquire on its behalf into the legality, validity, effectiveness, adequacy, accuracy or completeness of any such information and further agrees that it has not relied and will not rely on the Lender to assess or keep under review on its behalf the financial condition, creditworthiness, condition, affairs, status or nature of any Obligor.

5. The New Lender undertakes with the Lender and each of the other parties to the Facilities Agreement that it will perform in accordance with their terms all those obligations which by the terms of the Finance Documents will be assumed by it after delivery of this Deed to the Facility Agent and satisfaction of the conditions (if any) subject to which this Deed is expressed to take effect.

6. The Lender makes no representation or warranty and assumes no responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of the Facilities Agreement, any other Finance Document or other document relating to it and assumes no responsibility for the financial condition of any Obligor or for the performance and observance by any Obligor of any of its obligations under the Facilities Agreement, any Finance Document or any other document relating to it and any and all such conditions and warranties, whether express or implied by Law or otherwise, are excluded.

7. The Lender gives notice that nothing in this Deed or in the Facilities Agreement (or any Finance Document or other document relating to it) shall oblige the Lender (a) to accept a re transfer from the New Lender of the whole or any part of its rights, benefits and/or obligations under the Finance Documents transferred pursuant to this Deed or (b) to support any losses directly or indirectly sustained or incurred by the New Lender for any reason whatsoever (including the failure by any Obligor or any other party to the Finance Documents (or any document relating to them) to perform its obligations under any such document) and the New Lender acknowledges the absence of any such obligation as is referred to in (a) and (b) above.

ACCESSION TO THE INTERCREDITOR AGREEMENT

[We further refer to clause [21.3] (*Change of Senior Lender, Pari Passu Creditors*) of the Intercreditor Agreement. In consideration of the New Lender being accepted as a Senior Lender for the purposes of the Intercreditor Agreement (and as defined therein), the New Lender confirms that, as from the Transfer Date, it will be party to the Intercreditor Agreement as a Senior Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Senior Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.]

ACCESSION TO THE LOSS SHARING DEED

[We further refer to clause 9.1 (*Change of Lender, Pari Passu Creditor*) of the Loss Sharing Deed. In consideration of the New Lender being accepted as a Refinancing Facilities Lender for the purposes of the Loss Sharing Deed (and as defined therein), the New Lender confirms that, as from the date of this deed, it will be party to the Loss Sharing Deed as a Refinancing Facilities Lender, and undertakes to perform all the obligations expressed in the Loss Sharing Deed to be assumed by a Refinancing Facilities Lender, and agrees that it shall be bound by all the provisions of the Loss Sharing Deed, as if it had been an original party to the Loss Sharing Deed.]

This Deed, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

WARNING. PLEASE SEEK DUTCH LEGAL ADVICE (I) UNTIL THE INTERPRETATION OF THE TERM “PUBLIC” (AS REFERRED TO IN ARTICLE 4.1(1) OF THE CAPITAL

REQUIREMENTS REGULATION (EU/575/2013)) HAS BEEN PUBLISHED BY THE COMPETENT AUTHORITY, IF ANY AMOUNT LENT TO A DUTCH BORROWER IS TO BE TRANSFERRED WHICH IS LESS THAN EUR 100,000 (OR THE FOREIGN CURRENCY EQUIVALENT THEREOF) AND (II) AS SOON AS THE INTERPRETATION OF THE TERM "PUBLIC" HAS BEEN PUBLISHED BY THE COMPETENT AUTHORITY, IF THE NEW LENDER IS CONSIDERED TO BE PART OF THE PUBLIC ON THE BASIS OF SUCH INTERPRETATION.

THE SCHEDULE

1.		Lender:			
2.		New Lender:			
3.		Transfer Date:			
4.		Lender’s Participation in Term Facilities	Portion Transferred		
	(a)	Lender’s Available US$ B1 Facility Commitment*			
	(b)	Lender’s Available EUR B1 Facility Commitment*			
	(c)	Lender’s Available US$ B2 Facility Commitment*			
	(d)	Lender’s Available EUR B2 Facility Commitment*			
	(e)	Lender’s Available US$ B3 Facility Commitment*			
	(f)	Lender’s Available EUR B3 Facility Commitment*			
5.		Lender’s Participation in Term Facility Outstandings		Interest Period	Portion Transferred
	(a)	US$ B1 Facility Advances			
	(b)	EUR B1 Facility Advances			
	(c)	US$ B2 Facility Advances			
	(d)	EUR B2 Facility Advances			
	(e)	US$ B3 Facility Advances			
	(f)	EUR B3 Facility Advances			
6.	[(a)]	Lender’s Revolving Facility Commitment		Portion Transferred	
	[(b)]	Lender’s Ancillary Facility Commitment		Portion Transferred 100%]	
7.	[(a)]	Lender’s Participation in Revolving Facility Outstandings		Term	Portion Transferred
8.	[(b)]	Lender’s Participation in Ancillary Facility Outstandings			Portion Transferred 100%]
		[Documentary Credits Issued		Term and Expiry Date	Portion Transferred]

* Details of the Lender’s Available Commitment should not be completed after the applicable Termination Date.

The Lender
Signed for and on
behalf of [●]
By:

The New Lender
Signed for and on
behalf of [●]
By:

The Facility Agent
Signed for and on
behalf of [●]
By:

The Security Agent
Signed for and on
behalf of [●]
By:

ADMINISTRATIVE AND FACILITY OFFICE DETAILS

8. **Facility Office Address:**

Please provide administrative details of the New Lender, to the extent such details have not been provided to the Facility Agent by way of a prior administrative form.

Administrative Office Address:

Contact Name:

Account for Payments:

Fax:

Telephone:

SCHEDULE 6

FORM OF TRANSFER AGREEMENT

1. **Assignment and Assumption**

This Assignment and Assumption (the "**Assignment and Assumption**") is dated as of the Effective Date set forth below and is entered into by and between [the][each][5] Assignor identified in item 1 below ([the][each, an] "**Assignor**") and [the][each][6] Assignee identified in item 2 below ([the][each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][7] hereunder are several and not joint.][8] Capitalised terms used but not defined herein shall have the meanings given to them in the Senior Facilities Agreement identified below (as amended, the "**Senior Facilities Agreement**"), receipt of a copy of which is hereby acknowledged by [the][each] Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns absolutely to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Senior Facilities Agreement, as of the Effective Date inserted by the Facility Agent as contemplated below (i) all of [the Assignor's][the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Senior Facilities Agreement and any other documents or instruments delivered (including the Security Documents) pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below (including without limitation any letters of credit or guarantees included in such facilities), and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any person, whether known or unknown, arising under or in connection with the Senior Facilities Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] "**Assigned Interest**"). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

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[5] For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

[6] For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

[7] Select as appropriate.

[8] Include bracketed language if there are either multiple Assignors or multiple Assignees.

1. Assignor[s]: ______________________

[Assignor [is] [is not] a Defaulting Lender] ______________________

2. Assignee[s]: ______________________

[for each Assignee, indicate [Affiliate][other] ______________________

3. Borrower(s): ______________________

4. Facility Agent: [●], as the facility agent under the Senior Facilities Agreement

5. Senior Facilities Agreement: [The [*amount*] Senior Facilities Agreement dated as of [●] among [*name of Borrower(s)*], the Lenders parties thereto and [*name of Facility Agent*], as Facility Agent]

6. Assigned Interest[s]:

Assignor[s][9]	Assignee[s][10]	Facility Assigned[11]	Aggregate Amount of Commitment/ Loans for all Lenders[12]	Amount of Commitment Loans Assigned	Percentage Assigned of Commitment/ Loans[13]	CUSIP Number
			$	$	%	
			$	$	%	
			$	$	%	

2. **Accession to the Intercreditor Agreement**

[We further refer to clause [21.3] (*Change of Senior Lender, Pari Passu Creditors*) of the Intercreditor Agreement. In consideration of the New Lender being accepted as a Senior Lender for the purposes of the Intercreditor Agreement (and as defined therein), the New Lender confirms that, as from the [ ], it will be party to the Intercreditor Agreement as a Senior Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Senior Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.]

[9] List each Assignor, as appropriate.
[10] List each Assignee, as appropriate.

[11] Fill in the appropriate terminology for the types of facilities under the Senior Facilities Agreement that are being assigned under this Assignment.
[12] Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.
[13]Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

3. **Accession to the Loss Sharing Deed**

[We further refer to clause 9.1 (*Change of Lender, Pari Passu Creditor*) of the Loss Sharing Deed. In consideration of the Assignee being accepted as a Refinancing Facilities Lender for the purposes of the Loss Sharing Deed (and as defined therein), the Assignee confirms that, as from the date of this deed, it will be party to the Loss Sharing Deed as a Refinancing Facilities Lender, and undertakes to perform all the obligations expressed in the Loss Sharing Deed to be assumed by a Refinancing Facilities Lender, and agrees that it shall be bound by all the provisions of the Loss Sharing Deed, as if it had been an original party to the Loss Sharing Deed.]

[7. Trade Date: ____________________][14]

Effective Date: _____________ ___, 20___ [TO BE INSERTED BY FACILITY AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S][15]
[NAME OF ASSIGNOR]

By: ______________________________

Title:

[NAME OF ASSIGNOR]

By: ______________________________

Title:

ASSIGNEE[S][16]

[NAME OF ASSIGNEE]

By: ______________________________

Title:

[NAME OF ASSIGNEE]

By: ______________________________

Title:

---

[14] To be completed if the Assignor(s) and the Assignee(s) intend that the minimum assignment amount is to be determined as of the Trade Date.

[15] Add additional signature blocks as needed.

[16] Add additional signature blocks as needed.

ADMINISTRATIVE AND FACILITY OFFICE DETAILS

Facility Office Address:

Please provide administrative details of the Assignee, to the extent such details have not been provided to the Facility Agent by way of a prior administrative form.

Administrative Office Address:

Contact Name:

Account for Payments:

Fax:

Telephone[17]:

[Accepted:

[NAME OF FACILITY AGENT], as
Facility Agent

By: __
Title:

[NAME OF SECURITY AGENT], as
Security Agent

By: __
Title:

[Consented to:][18]

[NAME OF RELEVANT PARTY]

By: __
Title:

WARNING. PLEASE SEEK DUTCH LEGAL ADVICE (I) UNTIL THE INTERPRETATION OF THE TERM "PUBLIC" (AS REFERRED TO IN ARTICLE 4.1(1)

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[17] To be replicated for each Assignee.

[18] To be added only if the consent of the Parent and/or other parties (e.g. L/C Bank) is required by the terms of the Senior Facilities Agreement.

OF THE CAPITAL REQUIREMENTS REGULATION (EU/575/2013)) HAS BEEN PUBLISHED BY THE COMPETENT AUTHORITY, IF ANY AMOUNT LENT TO A DUTCH BORROWER IS TO BE ASSIGNED WHICH IS LESS THAN EUR 100,000 (OR THE FOREIGN CURRENCY EQUIVALENT THEREOF) AND (II) AS SOON AS THE INTERPRETATION OF THE TERM “PUBLIC” HAS BEEN PUBLISHED BY THE COMPETENT AUTHORITY, IF THE NEW LENDER IS CONSIDERED TO BE PART OF THE PUBLIC ON THE BASIS OF SUCH INTERPRETATION.

ANNEX 1

[____________________][19]

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

1. **Representations and Warranties**

(a) **Assignor[s]**. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Senior Facilities Agreement or any other Finance Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Finance Documents or any collateral thereunder, (iii) the financial condition of the Obligors, any of its Subsidiaries or Affiliates or any other person obligated in respect of any Finance Document, or (iv) the performance or observance by the Obligors, any of their Subsidiaries or Affiliates or any other person of any of their respective obligations under any Finance Document.

(b) **Assignee[s]**. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Senior Facilities Agreement, (ii) it meets all the requirements to be an assignee under Clauses 26.2 (*Conditions of assignment or transfer*) to 26.4 (*Transfer Deed*) of the Senior Facilities Agreement (subject to such consents, if any, as may be required under Clause 26.2 (*Conditions of assignment or transfer*) of the Senior Facilities Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Senior Facilities Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a

[19] Describe Senior Facilities Agreement at option of Facility Agent.

Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Senior Facilities Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Clause 24.2 (*Financial information*) thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon the Facility Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this

Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vii) [if it is a Foreign Lender][20] attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Senior Facilities Agreement, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance on the Facility Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Finance Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Finance Documents are required to be performed by it as a Lender.

2. **Payments**

From and after the Effective Date, the Facility Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date.[21] Notwithstanding the foregoing, the Facility Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the][the relevant] Assignee.

3. **General Provisions**

This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, English Law.

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[20] The concept of "Foreign Lender" should be conformed to the section in the Senior Facilities Agreement governing withholding taxes and gross-up. If the Borrower is a U.S. Borrower, the bracketed language should be deleted.

[21] Note Clause 35.17 (*Pro rata Interest Settlement*) of the Senior Facility Agreement. The Facility Agent should consider whether this method conforms to its systems. In some circumstances, the following alternative language may be appropriate:
"From and after the Effective Date, the Facility Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor[s] and the Assignee[s] shall make all appropriate adjustments in payments by the Facility Agent for period prior to the Effective Date or with respect to the making of this assignment directly between themselves."

SCHEDULE 7
FORM OF ACCESSION NOTICE

THIS ACCESSION NOTICE is entered into on [●] by [***insert name of any member of the Bank Group or any Permitted Affiliate Parent*** (the "**New Obligor**")] and [●] (the "**Parent**")] by way of a deed in favour of the Facility Agent, the Mandated Lead Arrangers and the Lenders (each as defined in the Facilities Agreement referred to below).

BACKGROUND

1. We refer to the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") and made between, inter alia, [●].

2. [The Parent has requested that the New Obligor becomes an Acceding Borrower and an Acceding Guarantor pursuant to Clause 27.2 (*Acceding Borrowers*) of the Facilities Agreement.]

   OR

   [The Parent has requested that the New Obligor become an Acceding Guarantor pursuant to Clause 27.3 (*Acceding Guarantors*) of the Facilities Agreement.]

NOW THIS DEED WITNESS AS FOLLOWS:

Terms defined in the Facilities Agreement have the same meanings in this Accession Notice.

[The New Obligor] is a company [*or specify any other type of entity*] duly incorporated, established or organised under the laws of [*insert relevant jurisdiction*].

[The New Obligor] confirms that it has received from the Parent a true and up-to-date copy of the Facilities Agreement and the other Finance Documents.

[The New Obligor] undertakes, upon its becoming a [party to the Facilities Agreement/Borrower/Guarantor], to perform all the obligations expressed to be undertaken under the Facilities Agreement, the Intercreditor Agreement, and the other Finance Documents by a [Borrower] [Guarantor] and agrees that it shall be bound by the Facilities Agreement, the Intercreditor Agreement, [the Supplemental Intercreditor Agreement][22] and the other Finance Documents in all respects as if it had been an original party to them as [a Borrower] [a Guarantor][23].

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[22] Delete if inapplicable.

[23] Insert any legal limitations on guarantee, if applicable.

The Parent:

(a) repeats the repeating representations identified as being made by it under Clause 22.29 (*Times for Making Representations and Warranties*) upon the date New Obligor accedes to the Facilities Agreement; and

(b) confirms that no Default [(other than any Default which will be remedied by the accession of the [Acceding Borrower][Acceding Guarantor] and each other person acceding as a [Borrower][Guarantor] on or about the date of this Accession Notice)] is continuing or will occur as a result of New Obligor becoming an [Acceding Borrower/an Acceding Guarantor/ a party to this Agreement].

[The Subsidiary makes, in relation to itself, the representations and warranties expressed to be made by a Guarantor in Clause 22 (*Representations and Warranties*) of the Facilities

Agreement.] [24]

[The New Obligor makes, in relation to itself, the Repeating Representations expressed to be made by a Borrower in Clause 22 (*Representations and Warranties*) of the Facilities Agreement]

OR

[The New Obligor makes, in relation to itself, the Repeating Representations expressed to be made by a Guarantor in Clause 22 (*Representations and Warranties*) of the Facilities Agreement] [25]

[The New Obligor confirms that it has appointed [ ] to be its process agent for the purposes of accepting service of Proceedings on it.][26]

[The New Obligor's administrative details for the purposes of the Facilities Agreement are as follows:

Address:

Contact:

Telephone No:

Fax No:

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[24] Original Guarantors only.
[25] Acceding Guarantors only.
[26] Non-English entities only.

This Accession Notice, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

This Accession Notice has been executed as a Deed by the Parent and the New Obligor and signed by the Facility Agent on the date written at the beginning of this Accession Notice.

IT IS AGREED as follows:

(a) Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Accession Notice, bear the same meaning when used in paragraphs (b) to (d).

(b) The New Obligor and the Security Agent agree that the Security Agent shall hold:

(i) any Security in respect of Liabilities created or expressed to be created pursuant to the [Relevant Documents];

(ii) all proceeds of that Security; and

(iii) all obligations expressed to be undertaken by the New Obligor to pay amounts in respect of the Liabilities to the Security Agent as trustee for the Secured Parties (in the [Relevant Documents] or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the New Obligor (in the Relevant Documents or otherwise) in favour of the Security Agent as trustee for the Secured Parties,

to the extent permitted by applicable law on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.

(c) The New Obligor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

(d) [In consideration of the New Obligor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement].*

[**THE SUBSIDIARY**

EXECUTED as a **DEED** by
[Name of New Obligor] acting by

Director	)……….……….……….……….
	[insert name of director]
	)……….……….……….……….
	WITNESS
	Witness name:
	Address:
	Occupation:

THE PARENT

EXECUTED as a **DEED** by
[●]
acting by

Director

)……….……….……….……….……….
[insert name of director]
)……….……….……….……….……….
WITNESS
Witness name:
Address:
Occupation:

THE FACILITY AGENT

[●]

By:

By:

THE SECURITY AGENT

[●]

By:

By:

SCHEDULE 8
ACCESSION DOCUMENTS

1. **Corporate Documents**

In relation to the proposed Acceding Group Company:

(e) a copy of its up-to-date constitutional documents;

(f) a board resolution or a manager's resolution or a partner's resolution of such person approving the execution and delivery of the relevant Accession Notice, its accession to the Facilities Agreement as an Acceding Guarantor or Acceding Borrower, as applicable, and the performance of its obligations under the Finance Documents and authorising a person or persons identified by name or office to sign such Accession Notice and any other documents to be delivered by it pursuant thereto;

(g) to the extent legally necessary, a copy of a shareholders' resolution of all the shareholders of such person approving the execution, delivery and performance of the Finance Documents to which it is a party and the terms and conditions to it; and

(h) a duly completed certificate of a duly authorised officer of such person substantially in the form of Part 2 of Schedule 3 (*Form of Officer's Certificate*).

2. **Legal Opinions**

(a) Such legal opinions as the Facility Agent may reasonably require of such legal advisers as may be acceptable to the Facility Agent, as to:

(b) the due incorporation, capacity and authorisation of the relevant Acceding Group Company; and

(c) the relevant obligations to be assumed by the relevant Acceding Group Company under the Finance Documents to which it is a party being legal, valid, binding and enforceable against it,

in each case, under the relevant laws of the jurisdiction of organisation or establishment of such Acceding Group Company, as the case may be.

3. **Necessary Authorisations**

A copy of any Necessary Authorisation as is in, the reasonable opinion of counsel to the Lenders necessary to render the Finance Documents to which the relevant Acceding Group Company, is or is to be party legal, valid, binding and enforceable, to make the Finance Documents to which the relevant Acceding Group Company is or is to be party admissible in evidence in such Acceding Group Company's jurisdiction of incorporation and (if different) in England and to enable such Acceding Group Company to perform its obligations thereunder, as a matter of law save, in the case of any Acceding Guarantor or Acceding Borrower, for any registrations or recordings required for the perfection of the Security Documents and subject to the reservations referred to in Clause 22.4(a) (*Legal Validity*) (to the extent applicable).

4. **Security Documents**

In the case of an Acceding Guarantor or Acceding Borrower, at least 2 original copies of any Security Documents required by the Facility Agent, acting reasonably in accordance with the terms of this Agreement duly executed by the proposed Acceding Guarantor, Acceding Borrower or other relevant security provider together with all documents required to be delivered pursuant to it provided the Acceding Guarantor or Acceding Borrower shall be under no obligation to procure the granting of Security over any shares, in receivables owed by, or any other interest in any Bank Group Excluded Subsidiary or Project Company.

5. **Process Agent**

Written confirmation from any process agent referred to in the relevant Accession Notice that it accepts its appointment as process agent.

6. **Financial Statements**

The latest annual audited financial statements of the relevant Acceding Group Company, if any.

7. **Accession Documents**

Evidence that the Acceding Group Company has acceded to the Intercreditor Agreement as an Intra-Group Lender and Debtor.

8. **Other Documents and Evidence**

A certificate of good standing from the applicable Secretary of State or other governmental official of the jurisdiction of the organisation or formation of any Acceding Group Company established in the US.

SCHEDULE 9

Part 1: Form of Additional Facility Accession Deed

To: [●] as Facility Agent

To: [●] as Security Agent

[*Date*]

Dear Sirs

Additional Facility Accession Deed

This Deed is dated [●] and relates to:

(a) the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") whereby certain facilities were made available to the Borrowers under the guarantee of the Guarantors, by a group of banks and other financial institutions on whose behalf [●] acts as Facility Agent in connection therewith;

(b) [●]

Terms defined in the Facilities Agreement shall have the same meaning in this Additional Facility Accession Deed.

We refer to Clause 2.4 (*Additional Facilities*) of the Facilities Agreement.

[Unless otherwise indicated herein, the terms of this Additional Facility Accession Deed shall be consistent in all material respects with the terms of the Facilities Agreement including, without limitation, with respect to interest period, conditions precedent, tax gross-up provisions and indemnity provisions, representations and warranties, utilisation mechanics, cancellation and prepayment (including the treatment of this Additional Facility Accession Deed under the prepayment waterfall), fees, costs and expenses, transfers, voting, amendments and waivers, financial and non-financial covenants and events of default.]

No Utilisation may be made of the Additional Facility made available pursuant to this Additional Facility Accession Deed, if, at the time of such Utilisation, an Event of Default is continuing or would result from such Utilisation.

This Additional Facility Accession Deed is made as a [term loan/revolving loan].

[Each of] [Name of Additional Facility Lender(s)] agrees to become party to and to be bound by the terms of the Facilities Agreement as an Additional Facility Lender in accordance with Clause 2.4 (*Additional Facilities*).

The aggregate principal amount of the Additional Facility being made available under this Additional Facility Accession Deed is EUR/US$ [●].

The Additional Facility Availability Period is [●].

Interest on the Additional Facility will accrue and be payable as follows: [●]. The Additional Facility Margin is [●] per annum.

The Final Maturity Date[27] in respect of the Additional Facility is [●].

Use of proceeds: [●].

The Additional Facility shall be repaid as follows: [●].

The Additional Facility Commencement Date is [●].

The commitment fee in relation to this Additional Facility under Clause 18 (*Commission and Fees*) is [●] per cent. per annum.

[Add additional terms of the Additional Facility, as required, as set out in Clause 2.4 (*Additional Facilities*)]

The Parent confirms that all requirements of paragraph 2.4(b) of Clause 2.4 (*Additional Facilities*) are fulfilled as of the date of this Additional Facility Accession Deed;

[Each/The] Additional Facility Lender confirms to each other Finance Party that:

(c) it has made its own independent investigation and assessment of the financial condition and affairs of each Obligor and such Obligor's related entities in connection with its participation in the Additional Facility being made available pursuant to this Additional Facility Accession Deed and has not relied on any information provided to it by any other Finance Party in connection with any Finance Document; and

(d) it will continue to make its own independent appraisal of the creditworthiness of each Obligor and such Obligor's related entities while any amount is or may be outstanding under the Facilities Agreement or any Additional Facility Commitment is in force.

The Facility Office and address for notices of [each/the] Additional Facility Lender for the purposes of Clause 40 (*Notices and Delivery of Information*) is:

[ ]

ACCESSION TO THE INTERCREDITOR AGREEMENT

[We further refer to clause [21.3] (*Change of Senior Lender, Pari Passu Creditors*) of the Intercreditor Agreement. In consideration of the New Lender being accepted as a Senior Lender for the purposes of the Intercreditor Agreement (and as defined therein), the New Lender confirms that, as from [ ], it will be party to the Intercreditor Agreement as a Senior Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Senior Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.]

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[27] The Final Maturity Date shall be no earlier than the latest Final Maturity Date existing at the time of establishment of such Additional Facility and shall have no scheduled repayments prior to this date.

ACCESSION TO THE LOSS SHARING DEED

[We further refer to clause 9.1 (*Change of Lender, Pari Passu Creditor*) of the Loss Sharing Deed. In consideration of the New Lender being accepted as a Refinancing Facilities Lender for the purposes of the Loss Sharing Deed (and as defined therein), the New Lender confirms that, as from the date of this deed, it will be party to the Loss Sharing Deed as a Refinancing Facilities Lender, and undertakes to perform all the obligations expressed in the Loss Sharing Deed to be assumed by a Refinancing Facilities Lender, and agrees that it shall be bound by all the provisions of the Loss Sharing Deed, as if it had been an original party to the Loss Sharing Deed.]

This Additional Facility Accession Deed, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

IN WITNESS WHEREOF this Deed has been executed as a deed by the parties hereto and is delivered on the date written above.

[**INSERT APPROPRIATE SIGNATURE BLOCK FOR EACH ADDITIONAL FACILITY LENDER(S)**]

THE PARENT

EXECUTED as a **DEED** for and on behalf of

[●] acting by

Director	)……………………………………………. [insert name of director])……………………………………………. **WITNESS** Witness name: Address: Occupation:

[**INSERT APPROPRIATE SIGNATURE BLOCK FOR EACH ADDITIONAL FACILITY BORROWER**]

THE FACILITY AGENT

EXECUTED as a **DEED** for and on behalf of

[●]

By: By:

THESECURITY AGENT

EXECUTED as a **DEED** for and on behalf of

[●]

By: By:

Administrative Details of Additional Facility Lender and its Facility Office[28]

Facility Office Address:

Administrative Office:

Contact Name:

Account for Payments:

Fax:

Telephone:

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[28] To be replicated for each Additional Facility Lender.

Part 2: Conditions Precedent to Additional Facility Utilisation

1. **Corporate Documents**

In relation to each Borrower in respect of the Additional Facility:

(a) a copy of its up-to-date constitutional documents or a certificate of an authorised officer of the Parent confirming that such Borrower has not amended its constitutional documents in a manner which could reasonably be expected to be materially adverse to the interests of the Lenders since the date the officer's certificate in relation n to such Obligor was last delivered to the Facility Agent.

(b) a copy of a board resolution or a manager's or partner's resolution of such person approving the incurrence by such person of the indebtedness under the Additional Facility; and

(c) a duly completed certificate of a duly authorised officer of such person in the form attached in Part 3 of Schedule 9 (*Form of Additional Facility Officer's Certificate*) with such amendments as the Facility Agent may agree.

2. **Fees**

Evidence that the agreed fees payable by the Parent or the relevant Borrower (or both) in connection with the utilisation of the Additional Facility have been or will be paid.

3. **Legal Opinions**

Such legal opinions as the Facility Agent may reasonably require of such legal advisers as may be acceptable to the Facility Agent, as to:

(a) the due incorporation, capacity and authorisation of the relevant Additional Facility Borrower; and

(b) the relevant obligations to be assumed by the relevant Acceding Facility Borrower under the Finance Documents to which it is a party being legal, valid, binding and enforceable against it,

in each case, under the relevant laws of the jurisdiction of organisation or establishment of such Additional Facility Borrower, as the case may be.

Part 3: Form of Additional Facility Officer's Certificate

To: [●] as Facility Agent

We refer to the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") and made between, *inter alia*, [●]. Terms defined in the Facilities Agreement shall have the same meanings in this Certificate.

I, [*name*], a [Director/Partner/General Partner/Officer] of [*name of Obligor*] of [*address*] (the ["**Company**"/"**Partnership**"])

CERTIFY without personal liability, that:

(a) [attached to this Certificate marked "**A**" are true, correct, complete and up-to-date copies of all documents which contain or establish or relate to the constitution of the [Company/Partnership];] / [the [Company/Partnership] has not amended any of its constitutional documents in a manner which could be reasonably expected to be materially adverse to the interests of the Lenders since the date such documents were last delivered to the Facility Agent];

(b) attached to this Certificate marked ["**A**"/"**B**"] is a true, correct and complete copy of [resolutions duly passed] at [a meeting of the Board of Directors] [a meeting of the managers] [a meeting of the partners] duly convened and held on [●] or the equivalent thereof passed as a written resolution of the [Company/Partnership] approving the Finance Documents to which the [Company/Partnership] is a party and authorising their execution, signature, delivery and performance and such resolutions have not been amended, modified or revoked and are in full force and effect; and

(c) the incurrence of the indebtedness under the Additional Facility by the [Company/Partnership] will not breach any borrowing, guaranteeing or other indebtedness limit to which the [Company/Partnership] is subject.

SCHEDULE 10
ORIGINAL SECURITY DOCUMENTS

Non-notarial Dutch Security Documents

1. A security agreement relating to a pledge of bank accounts, moveable assets, insurances, intercompany receivables, intellectual property rights, domain names and rights dated 13 September 2006 between, among others, the Company, Christina Beheer- en Adviesmaatschappij B.V. (merged into Torenspits II B.V.), PrimaCom Netherlands Holding B.V. (renamed Ziggo Holding B.V. and subsequently merged into Torenspits II B.V.) and Serpering Investments B.V. (merged into Torenspits II B.V.) as security providers and ING Bank N.V. as security agent.

2. A security agreement relating to a deed of pledge of bank accounts, intercompany receivables and rights dated 31 January 2007 between Torenspits II B.V. and Plinius Investments II B.V. (merged into Torenspits II B.V.) as security provider and ING Bank N.V. as security agent.

3. A security agreement relating to a deed of pledge of bank accounts, moveable assets, insurances, intercompany receivables, intellectual property rights, domain names and rights dated 17 September 2008 between Ziggo B.V. and Ziggo Netwerk B.V. as security providers and ING Bank N.V. as security agent.

4. A security agreement relating to a pledge of bank accounts, moveable assets, insurances, intercompany receivables, intellectual property rights, domain names and rights dated 22 December 2011 between Ziggo Netwerk B.V. as security provider and ING Bank N.V. as security agent.

5. A security agreement relating to a second ranking pledge of rights, bank accounts, moveable assets, insurances, intellectual property rights and domain names dated 27 March 2013 between Amsterdamse Beheer- en Consultingmaatschappij B.V., Torenspits II B.V., Ziggo B.V., Ziggo Netwerk B.V. and Ziggo Netwerk II B.V. as security providers and ING Bank N.V. as security agent.

6. A supplemental deed and amendment agreement relating to various security documents dated 27 March 2013 between Amsterdamse Beheer- En Consultingmaatschappij B.V., Torenspits II B.V., Ziggo B.V., Ziggo Netwerk B.V. and Ziggo Netwerk II B.V. as security providers and ING Bank N.V. as security agent.

7. An omnibus deed of pledge dated within 60 days of the Signing Date between Amsterdamse Beheer- En Consultingmaatschappij B.V., Torenspits II B.V., Ziggo B.V., Ziggo Netwerk B.V. and Ziggo Netwerk II B.V. as pledgors and ING Bank N.V. as pledgee.

Dutch Share Pledges

8. First ranking deed of pledge of shares dated 31 January 2007 between the Parent as security provider, ING Bank N.V. as security agent and Torenspits II B.V. as the company whose shares are being pledged.

9. First ranking deed of pledge of shares dated 13 September 2006 between PrimaCom Netherlands Holding B.V. (renamed Ziggo Holding B.V. and subsequently merged into Torenspits II B.V.) as security provider, ING Bank N.V. as security agent and Multikabel B.V. (renamed as Ziggo B.V.) as the company whose shares are being pledged.

10. First ranking deed of pledge of shares dated 23 October 2008 between Ziggo B.V. as security provider, ING Bank N.V. as security agent and Ziggo Netwerk B.V. as the company whose shares are being pledged.

11. First ranking deed of pledge of shares dated 22 December 2011 between Ziggo B.V. as security provider, ING Bank N.V. as security agent and Ziggo Netwerk II B.V. as the company whose shares are being pledged.

12. Second ranking deed of pledge of shares dated 27 March 2013 between the Parent as security provider, ING Bank N.V. as security agent and Torenspits II B.V. as the company whose shares are being pledged.

13. Second ranking deed of pledge of shares dated 27 March 2013 between Torenspits II B.V. as security provider, ING Bank N.V. as security agent and Ziggo B.V. as the company whose shares are being pledged.

14. Second ranking deed of pledge of shares dated 27 March 2013 between Ziggo B.V. as security provider, ING Bank N.V. as security agent and Ziggo Netwerk B.V. as the company whose shares are being pledged.

15. Second ranking deed of pledge of shares dated 27 March 2013 between Ziggo B.V. as security provider, ING Bank N.V. as security agent and Ziggo Netwerk II B.V. as the company whose shares are being pledged.

16. A third ranking deed of pledge of shares dated within 60 days of the Signing Date between between the Parent as pledgor, ING Bank N.V. as pledgee and Torenspits II B.V. as the company whose shares are being pledged.

17. A third ranking deed of pledge of shares dated within 60 days of the Signing Date between between Torenspits II B.V. as pledgor, ING Bank N.V. as pledgee and Ziggo B.V. as the company whose shares are being pledged.

18. A third ranking deed of pledge of shares dated within 60 days of the Signing Date between between Ziggo B.V. as pledgor, ING Bank N.V. as pledgee and Ziggo Netwerk B.V. as the company whose shares are being pledged.

19. A third ranking deed of pledge of shares dated within 60 days of the Signing Date between between Ziggo B.V. as pledgor, ING Bank N.V. as pledgee and Ziggo Netwerk II B.V. as the company whose shares are being pledged.

Dutch Mortgages

20. A mortgage dated 12 December 2006 between Multikabel B.V. (renamed Ziggo B.V.), Communikabel B.V. (merged into Ziggo Netwerk B.V.), Cai-Bussum B.V. (merged into Casema Holding B.V., which merged into Multikabel B.V. which is renamed as Ziggo

B.V.) and Casema B.V. (merged into Casema Holding B.V., which merged into Multikabel B.V. which is renamed as Ziggo B.V.) as mortgagors and ING Bank N.V. as mortgagee (registration number Hyp3 51794/3).

21. A mortgage dated 27 April 2007 between @Home B.V. (merged into Multikabel B.V. which is renamed as Ziggo B.V.) and @Home Network & Access Services B.V. (merged into Ziggo Netwerk B.V.) as mortgagors and ING Bank N.V. as mortgagee (registration number Hyp3 53015/77).

22. A mortgage dated 11 December 2008 between Ziggo Netwerk B.V. as mortgagor and ING Bank N.V. as mortgagee (registration number Hyp3 57726/72), as ratified on 16 June 2009 (registration number Hyp3 58713/124).

23. A mortgage dated 6 May 2009 between Ziggo Netwerk B.V. as mortgagor and ING Bank N.V. as mortgagee (registration number Hyp3 58503/182).

24. A mortgage dated 20 January 2010 between Ziggo Netwerk B.V. as mortgagor and ING Bank N.V. as mortgagee (registration number Hyp3 59837/60).

25. A mortgage dated 10 June 2011 between Ziggo Netwerk B.V. as mortgagor and ING Bank N.V. as mortgagee (registration number Hyp3 62387/151).

26. A mortgage dated 27 March 2013 between Ziggo Netwerk B.V. as mortgagor and ING Bank as mortgagee.

27. A mortgage dated 27 March 2013 between Ziggo Netwerk B.V. as mortgagor and ING Bank as mortgagee.

28. A mortgage dated within 60 days of the Signing Date between between Ziggo Netwerk B.V. as mortgagor and ING Bank N.V. as mortgagee.

29. A mortgage dated 31 October 2013 between Ziggo Netwerk B.V. as mortgagor and ING Bank N.V. as mortgagee (registration number Hyp3 65607/63).

SCHEDULE 11
EXISTING FINANCIAL INDEBTEDNESS

1. Original Senior Unsecured Notes

2. Existing Senior Secured Notes

3. Existing Credit Agreement

4. Existing Senior Credit Facilities Agreement

SCHEDULE 12
FORM OF L/C BANK ACCESSION CERTIFICATE

To: [●]

cc: [●]

From: [L/C Bank]

Date:

Dear Sirs

We refer to the facilities agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "**Facilities Agreement**") and made between, *inter alia*, [●]. Terms defined in the Facilities Agreement shall have the same meanings in this L/C Bank Accession Certificate.

This L/C Bank Accession Certificate is delivered pursuant to Clause 7.11 (*Appointment and Change of L/C Bank*) of the Facilities Agreement.

[*Name of L/C Bank*] undertakes, upon its becoming an L/C Bank, to perform all the obligations expressed to be undertaken under the Facilities Agreement and the Finance Documents by an L/C Bank and agrees that it shall be bound by the Facilities Agreement and the other Finance Documents in all respects as if it had been an original party to it as an L/C Bank.

[*Name of L/C Bank*]'s administrative details are as follows:

Address:

Fax No:

Contact:

[and the address of the office having the beneficial ownership of our participation in the Facilities Agreement (if different from the above) is:

Address:

Fax No:

Contact:]

This L/C Bank Accession Certificate, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

For and on behalf of
[**Name of L/C Bank**]

SCHEDULE 13
FORM OF DOCUMENTARY CREDIT

[**L/C Bank's Letterhead**]

To: [Beneficiary]

(the "**Beneficiary**")

Non-transferable Irrevocable Documentary Credit No. [●]

At the request of [*insert name of Borrower*], [*L/C Bank*] (the "**L/C Bank**") issues this irrevocable non-transferable documentary credit ("**Documentary Credit**") in your favour on the following terms and conditions:

1. **Definitions**

In this Documentary Credit:

"**Business Day**" means a day (other than a Saturday or a Sunday) on which banks are open for general business in [London].[29]

"**Demand**" means a demand for payment under this Documentary Credit in the form of the schedule to this Documentary Credit.

"**Expiry Date**" means [●].

"**Total L/C Amount**" means [●].

2. **L/C Bank's Agreement**

(a) The Beneficiary may request a drawing or drawings under this Documentary Credit by giving to the L/C Bank a duly completed Demand. A Demand must be received by the L/C Bank on or before [●] p.m. ([London] time) on the Expiry Date.

(b) Subject to the terms of this Documentary Credit, the L/C Bank unconditionally and irrevocably undertakes to the Beneficiary that, within [10] Business Days of receipt by it of a Demand, it will pay to the Beneficiary the amount demanded in that Demand.

(c) The L/C Bank will not be obliged to make a payment under this Documentary Credit if as a result the aggregate of all payments made by it under this Documentary Credit would exceed the Total L/C Amount.

[29] This may need to be amended depending on the currency of payment under the Documentary Credit.

3. **Expiry**

(a) The L/C Bank will be released from its obligations under this Documentary Credit on the date (if any) notified by the Beneficiary to the L/C Bank as the date upon which the obligations of the L/C Bank under this Documentary Credit are released.

(b) Unless previously released under paragraph (a) above, at [●] p.m. ([London] time) on the Expiry Date the obligations of the L/C Bank under this Documentary Credit will cease with no further liability on the part of the L/C Bank except for any Demand validly presented under the Documentary Credit before that time that remains unpaid.

(c) When the L/C Bank is no longer under any further Obligations under this Documentary Credit, the Beneficiary must promptly return the original of this Documentary Credit to the L/C Bank.

4. **Payments**

All payments under this Documentary Credit shall be made in [●] and for value on the due date to the account of the Beneficiary specified in the Demand.

5. **Delivery of Demand**

Each Demand shall be in writing, and, unless otherwise stated, may be made by letter, fax or telex and must be received in legible form by the L/C Bank at its address and by the particular department or officer (if any) as follows:

[●]

6. **Assignment**

The Beneficiary's rights under this Documentary Credit may not be assigned or transferred.

7. **UCP**

Except to the extent it is inconsistent with the express terms of this Documentary Credit, this Documentary Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision), International Chamber of Commerce Publication No. 500.

8. **Governing Law**

This Documentary Credit, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

9. **Jurisdiction**

The courts of England have exclusive jurisdiction to settle any disputes, including those that are non-contractual, arising out of or in connection with this Documentary Credit.

Yours faithfully,

[**L/C Bank**]

By:

FORM OF DEMAND

To: [L/C Bank]

Dear Sirs,

Non-transferable Irrevocable Documentary Credit No. [●] issued in favour of [*name of beneficiary*] (the "Documentary Credit")

We refer to the Documentary Credit. Terms defined in the Documentary Credit have the same meaning when used in this Demand.

We certify that the sum of [●] is due [and has remained unpaid for at least [●] Business Days] [under [set out underlying contract or agreement]]. We therefore demand payment of the sum of [●].

Payment should be made to the following account:

Name:

Account Number:

Bank:

The date of this Demand is not later than the Expiry Date.

Yours faithfully,

(Authorised Signatory) (Authorised Signatory)

For

[**Beneficiary**]

SCHEDULE 14
FORM OF INCREASE CONFIRMATION

To: [●] as Facility Agent, [●] as Security Agent, [●] London Branch as L/C Bank and [●] as the Parent, for and on behalf of each Obligor

From: [*the Increase Lender*] (the "**Increase Lender**")

Dated:

Senior Facilities Agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "Facilities Agreement")

We refer to the Facilities Agreement, the Intercreditor Agreement and the Security Trust Agreement (as each of those terms are defined in the Facilities Agreement). This agreement (the "**Agreement**") shall take effect as an Increase Confirmation for the purpose of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.

We refer to Clause 2.2 (*Increase*) of the Facilities Agreement.

The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Commitment(s) specified in the Schedule (the "**Relevant Commitment**") as if it was an Original Lender under the Facilities Agreement.

The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the "**Increase Date**") is [●].

On the Increase Date, the Increase Lender becomes party to the relevant Finance Documents.

The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 40 (*Notices and Delivery of Information*) are set out in the Schedule.

The Increase Lender expressly acknowledges the limitations on the Lenders' obligations referred to in Clause 2.2 (*Increase*).

[We further refer to clause [21.3] (*Change of Senior Lender, Pari Passu Creditors*) of the Intercreditor Agreement. In consideration of the New Lender being accepted as a Senior Lender for the purposes of the Intercreditor Agreement (and as defined therein), the New Lender confirms that, as from the Increase Date, it will be party to the Intercreditor Agreement as a Senior Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Senior Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.]

[We further refer to clause 9.1 (*Change of Lender, Pari Passu Creditor*) of the Loss Sharing Deed. In consideration of the New Lender being accepted as a Refinancing Facilities Lender for the purposes of the Loss Sharing Deed (and as defined therein), the New Lender confirms that, as from the date of this deed, it will be party to the Loss Sharing Deed as a Refinancing Facilities Lender, and undertakes to perform all the obligations expressed in the Loss Sharing

Deed to be assumed by a Refinancing Facilites Lender, and agrees that it shall be bound by all the provisions of the Loss Sharing Deed, as if it had been an original party to the Loss Sharing Deed.]

This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

This Agreement, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

THE SCHEDULE

Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[*insert relevant details*]

[*Facility office address, fax number and attention details for notices and account details for payments*]

[Increase Lender]

By:

This Agreement is accepted as an Increase Confirmation for the purposes of the Facilities Agreement by the Facility Agent [and each L/C Bank]*, and the Increase Date is confirmed as [●].

Facility Agent [L/C Bank

By: By:]*

Security Agent

By:

NOTE:

* Only if increase in the Total Revolving Facility Commitments.

SCHEDULE 15
FORM OF RESIGNATION LETTER

To: [●] as Facility Agent

From: [resigning Borrower] and the Parent

Dated:

Dear Sirs

Senior Facilities Agreement dated [●] (as from time to time amended, varied, novated or supplemented, the "Facilities Agreement")

We refer to the Facilities Agreement. This is a Resignation Letter. Terms defined in the Facilities Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.

Pursuant to Clause 26.19 (*Resignation of a Borrower*), we request that the resigning Borrower be released from its obligations as a [Borrower]/[Guarantor] under the Facilities Agreement and the Finance Documents [(other than the Intercreditor Agreement)].

We confirm that:

(a) no Event of Default is continuing or would result from the acceptance of this request; and

(b) the resigning Borrower is under no actual or contingent obligations as a Borrower under any Finance Documents; and

(c) [the resigning Borrower's obligations in its capacity as Guarantor continue to be legal, valid, binding and enforceable and in full force and effect (subject to the any relevant reservations or qualifications contained in any legal opinion referred to in Clause 22.4(a) (*Legal Validity*)) and the amount guaranteed by it as a Guarantor is not decreased, subject to Clause 43.7 (*Release of Guarantees and Security*)].

This Resignation Letter, including all non-contractual obligations arising out of or in connection with it, shall be governed by, and construed in accordance with, English Law.

[The Parent] [resigning Borrower]

By: By:

IN WITNESS of which this Agreement has been executed as an agreement on the date which first appears above.

[●]

SCHEDULE 16
AGREED SECURITY PRINCIPLES

At any time prior to the Asset Security Release Date

1. Security Principles

(a) The guarantees and security to be provided will be given in accordance with the security principles set out in this Schedule. This Schedule addresses the manner in which the security principles will impact on the guarantees and security proposed to be taken in relation to this transaction.

(b) The security principles embody recognition by all parties that there may be certain legal and practical difficulties in obtaining guarantees and security from all Obligors in every jurisdiction in which Obligors are incorporated. In particular:

(i) general statutory limitations, financial assistance, corporate benefit, fraudulent preference, “thin capitalisation” and “capital maintenance” rules, retention of title claims and similar principles may limit the ability of a Obligor to provide a guarantee or security or may require that the guarantee be limited by an amount or otherwise; the Parent will use reasonable endeavours to assist in demonstrating that adequate corporate benefit accrues to each Obligor;

(ii) the security and extent of its perfection will be agreed taking into account the cost to the Bank Group of providing security being proportionate to the benefit accruing to the Lenders;

(iii) any assets subject to third party arrangements which are permitted by this Agreement and which prevent those assets from being charged will be excluded from the fixed charge in any relevant security document provided that reasonable endeavours to obtain consent to charging any such assets shall be used by the relevant Obligor if the relevant asset is material if the Parent (acting reasonably) determines that such endeavours will not involve placing commercial relationships with third parties in jeopardy;

(iv) Obligors will not be required to give guarantees or enter into security documents if that would conflict with the fiduciary duties of their directors or contravene any legal prohibition or result in a risk of personal or criminal liability on the part of any officer provided that the relevant Obligor shall use reasonable endeavours to overcome any such obstacle;

(v) the granting of guarantees, perfection of security, when required, and other legal formalities will be completed as soon as practicable and, in any event, within the time periods specified in the Finance Documents therefore or (if earlier or to the extent no such time periods are specified in the Finance Documents) within the time periods specified by applicable law in order to ensure due perfection. The perfection of security granted will not be required if it would have a material adverse effect on the ability of the relevant Obligor to conduct its operations and business in the ordinary course as otherwise permitted by the Finance Documents;

(vi) the Security Agent on behalf of each of the Lenders shall be able, subject to the terms of the Intercreditor Agreement, to enforce the security constituted by the security documents without any restriction from either (i) the constitutional documents of the relevant Obligor or (ii) any Obligor which is or whose assets are the subject of such security document (but subject to any inalienable statutory rights which the Obligor may have to challenge such enforcement) or (iii) any shareholders of the foregoing not party to the relevant security document;

(vii) the maximum secured amount may be limited to minimise stamp duty, notarisation, registration or other applicable fees, taxes and duties where the benefit of increasing the guaranteed or secured amount is disproportionate to the likely value of the asset in an enforcement process, taking into account the level of such taxes and duties, provided that no maximum secured amount may be limited to minimise any taxes imposed pursuant to section 956 of the US Internal Revenue Code of 1986;

(viii) where a class of assets to be secured includes material and immaterial assets, if the cost of granting security over the immaterial assets is disproportionate to the benefit of such security, security will, subject to sub-paragraph (B) above, be granted over the material assets only;

(ix) unless granted under a global security document governed by the law of the jurisdiction of a Obligor or under English law all security (other than share security over its Obligor subsidiaries) shall be governed by the law of and secure assets located in the jurisdiction of incorporation of that Obligor;

(x) guarantee limitations may mean that access to the assets of an Obligor for its guarantee is limited, in which case, any asset security granted by that Obligor shall be proportionate (in terms of liability) to the value of its guarantee;

(xi) no perfection action will be required in jurisdictions where Obligors or material assets are not located;

(xii) local law restrictions may mean that the Lenders may not be able to benefit from the same security;

(xiii) the Security Agent will hold one set of security for the Lenders; and

(xiv) under the Dutch Works Council Act certain Dutch members of the Bank Group may not, without the advice of their works council, inter alia resolve to enter into any transaction effectuating:

(A) the attraction of an important credit on behalf of the relevant Dutch members of the Bank Group,

(B) the provision of an important credit by such Dutch members of the Bank Group,

(C) the granting of guarantees and security by the relevant Dutch members of the Bank Group for important debts of another entrepreneur, and

(D) the establishment of a right of pledge over the shares of the relevant Dutch members of the Bank Group and the conditional transfer of the voting rights to the pledgee.

2. Guarantors And Security

(a) Each guarantee and security will be an upstream, cross-stream and downstream guarantee and each guarantee and security will be for all liabilities of the Obligors under the Finance Documents in accordance with, and subject to, the requirements of the security principles set out in section 1 (the "**Security Principles**") above in each relevant jurisdiction.

(b) To the extent possible, all security shall be given in favour of the Security Agent and not the finance parties individually. "Parallel debt" provisions will be used where necessary; such provisions will be contained in the Intercreditor Agreement and not the individual security documents unless required under local laws. To the extent possible, there should be no action required to be taken in relation to the guarantees or security when any Lender transfers any of its participation in the Facilities to a new Lender.

3. Terms of Security Documents

The following principles will be reflected in the terms of any security taken as part of this transaction:

(a) the security will be first ranking, to the extent possible;

(b) security will not be enforceable until the occurrence of an event of default in respect of which a notice of acceleration has been served (a "**Declared Default**");

(c) any rights of set off will not be exercisable until the occurrence of a Declared Default;

(d) notification of receivables security to debtors (other than intra-group debtors where prompt notice will be given) will only be given if a Declared Default has occurred (subject to local law advice);

(e) all security over bank accounts (other than any mandatory prepayment accounts) will permit the relevant obligor to operate those accounts freely without reference to the Security Agent prior to a Declared Default. Security over banks accounts shall require the relevant security provider to use reasonable endeavours to procure that the account bank waives any right of set-off or other interest arising by law or under its general business conditions;

(f) no security shall be taken over moveable plant or equipment if it would require any labelling or segregation of that plant or equipment;

(g) no security shall be taken over any stock in trade if it would require any item-specific or periodic listing of stock in trade or any segregation thereof;

(h) representations and undertakings shall only be included in each security document to the extent they relate to the security interest or secured assets or any registration or perfection of the security unless otherwise required by local law;

(i) the provisions of each security document will not be unduly burdensome on the Obligor (in relation to the benefit conferred) or interfere materially with the operation of its business and will be limited to those required to create effective security and not impose additional commercial obligations;

(j) information on, and lists of, trade receivables will be provided quarterly; information on insurances, intercompany receivables, bank accounts, domain names will be provided quarterly only if, and to the extent, any such assets were acquired in the preceding quarter; and information on intellectual property rights and movable assets will be provided half yearly (or, following an Event of Default which is continuing, on the Security Agent's reasonable request);

(k) the Lenders and secured hedging providers shall only be able to exercise a power of attorney following the occurrence of a Declared Default or if the relevant Obligor has failed to comply with a further assurance or perfection obligation within ten Business Days of being notified of that failure and being requested to comply;

(l) security, will where possible and practical, automatically create security over future assets of the same type as those already secured;

(m) no repetition or extension of clauses in the this Agreement or the Intercreditor Agreement;

(n) the terms of any security over intellectual property (including domain names) will not require any registration, protection or perfection of intellectual property or the security granted over it in any jurisdiction other than, in respect of material intellectual property (including domain names), The Netherlands or any other jurisdiction in which the relevant Obligor is incorporated or carries on business; and

(o) the pledges over bank accounts and insurances will be subject to a disclosed pledge.

4. Share Security

(a) Subject to these principles the shares in each Obligor (other than the Parent) shall be secured.

(b) The security document will be governed by the laws of the Obligor whose shares are being secured and not by the law of the country of the Obligor granting the security.

(c) Until a Declared Default, the pledgor will be permitted to retain and to exercise voting rights to any shares pledged by them in a manner which does not adversely affect the validity or enforceability of the security or cause an event of default to occur and the pledgors will be permitted to pay dividends.

(d) Where customary the share certificate and a stock transfer form executed in blank will be provided to the Security Agent and where required by law the share certificate or shareholders register will be endorsed or written up and the endorsed share certificate or a copy of the written up register provided to the Security Agent.

(e) Unless the restriction is required by law, the constitutional documents of the pledgor will be amended to remove any restriction on the transfer or the registration of the transfer of the shares on enforcement of the security granted over them.

5. Release of Security

Unless required by local law, the circumstances in which the security shall be released should not be dealt with in individual security documents but, if so required, shall, except to the extent required by local law, be the same as those set out in the Intercreditor Agreement.

At any time on or after the Asset Security Release Date

6. Any new share security shall be granted in the form of the share pledges granted under the Original Security Documents.

7. Any new security over Subordinated Funding shall be granted in the form of the receivables pledges given in the Original Security Documents.

8. Any new security over any rights of the Parent in relation to any intercompany loan from the Parent to Torenspits II B.V. or any of its Subsidiaries shall be granted in the form of the receivables pledges given in the Original Security Documents.

SCHEDULE 17
TIMETABLE

	Advance or Documentary Credit in euro	**Advance or Documentary Credit in Dollars**	**Advance or Documentary Credit in other currencies**
Delivery of a duly completed Utilisation Request under Clause 4.1(a) (*Conditions to Utilisation*)	U-2 9 a.m.	U-2 9.a.m.	U-3 9 a.m.
Agent determines (in relation to a Utilisation) the Euro Amount of the Loan, if required under Clause 4.2 (*Lenders' Participation*) and notifies the Lenders of the Loan in accordance with Clause 4.2 (*Lenders' Participations*)	U-2 noon	U-2 Noon	U-3 noon
Agent receives a notification from a Lender under Clause 9.2 (*Unavailability of Optional Currency*)	-	-	Quotation Date 9.30 a.m.
Agent gives notice in accordance with Clause 9.2 (*Unavailability of Optional Currency*)	-	-	Quotation Date 5.30 p.m.
LIBOR or EURIBOR is fixed	Quotation Date 11:00 a.m. (Brussels time)	Quotation Date 11:00 a.m.	Quotation Date 11:00 a.m.

"U" = date of utilisation

"U - X" = X Business Days prior to date of utilisation

SCHEDULE 18
PROPOSED NEW INTERCREDITOR AGREEMENT

SCHEDULE 19
LIST OF DESIGNATED ENTITIES

Related Lender	Designated Entity	Jurisdictions in relation to which the Designated Entity will participate in Advances
Banc of America Merrill Lynch International Limited	Bank of America, N.A	United States of America

SCHEDULE 20
FORM OF DESIGNATED ENTITY ACCESSION AGREEMENT

To: [FACILITY AGENT] as Facility Agent

From: [DESIGNATED ENTITY] and [RELATED LENDER]

Date: [ ]

[Company] – [Amount] Senior Facilities Agreement dated [●] (the "Agreement")

1. Words and expressions defined in the Agreement have the same meaning in this accession agreement.

2. We refer to the Clause 26.18 (*Designated Entities*) of the Agreement. This is an accession agreement.

3. The Related Lender designates the Designated Entity as its Facility Office for the purpose of participating in Advances to Borrowers in [JURISDICTION].

4. [Name of Designated Entity] agrees to become a party to and to be bound by the terms of the Agreement as a Designated Entity.

5. For the purposes of Clause 40 (*Notices and Delivery of Information*) of the Agreement, the Designated Entity's address for notices is:

6. [ ]

7. This Accession Agreement and any non-contractual obligations arising in connection with it are governed by English law.

[DESIGNATED ENTITY]

By:

[RELATED LENDER]

By:

[FACILITY AGENT]

By:

Liberty Global plc Subsidiaries
December 31, 2014

Name	Country
Liberty Movies Australia Pty Limited	Australia
UPC Austria GmbH	Austria
UPC Austria Services GmbH	Austria
UPC Business Austria GmbH	Austria
UPC Cablecom Austria GmbH	Austria
UPC DSL Telecom GmbH	Austria
UPC Oberöstereich GmbH	Austria
UPC Telekabel Wien GmbH	Austria
UPC Telekabel-Fernsehnetz Region Baden Betriebe GmbH	Austria
UPC Telekabel-Fernsehnetz Wiener Neustadt Neunkirchen Betriebs GmbH	Austria
Telenet Group Holding N.V.	Belgium
Telenet Mobile NV	Belgium
Telenet NV	Belgium
Telenet Service Center BV/BA	Belgium
Telenet Tecteo Bidco NV	Belgium
Telenet Vlaanderen NV	Belgium
T-VGAS NV	Belgium
Diego Bidco Ltd.	Cayman Islands
LCPR Cayman Holding Inc.	Cayman Islands
United Chile Ventures, Inc.	Cayman Islands
Birmingham Cable Finance Limited	Channel Islands
Cable Finance Limited	Channel Islands
IVS Cable Holdings Limited	Channel Islands
Bazuca.com, Chile S.p.A.	Chile
Sociedad Televisora CBC Limitada	Chile
VTR Chile Holdings S.p.A	Chile
VTR Comunicaciones S.p.A.	Chile
VTR Galaxy Chile S.p.A.	Chile
VTR Global Carrier S.A.	Chile
VTR GlobalCom S.p.A.	Chile
VTR Ingeniería S.A.	Chile
VTR Movíl S.p.A.	Chile
VTR Southam Chile S.p.A.	Chile
UPC Ceska Republica Sro	Czech Republic
UPC Infrastructure s.r.o.	Czech Republic
UPC Real Estate s.r.o.	Czech Republic
UPC Broadband France S.A.S.	France
UPC Broadband France SNC	France
Arena Sport Rechte und Marketing GmbH	Germany
CM CE Services GmbH	Germany
Kabel BW GmbH	Germany

Name	**Country**
Unitymedia Hessen GmbH & Co. KG	Germany
Unitymedia Hessen Verwaltungs GmbH	Germany
Unitymedia International GmbH	Germany
Unitymedia KabelBW GmbH	Germany
Unitymedia Management GmbH	Germany
Unitymedia NRW GmbH	Germany
Unitymedia Services GmbH	Germany
UPC Germany Financing Holding GmbH	Germany
UPC Germany NewCo GmbH	Germany
LGI China Holdings, Limited	Hong Kong
Netfront Information Technology Ltd.	Hong Kong
Sky Vision Ltd.	Hong Kong
UPC Magyarorszag Kft	Hungary
Cable Management Ireland Ltd.	Ireland
CableTel Northern Ireland Limited	Ireland
Chorus Communications Ltd.	Ireland
Imminus (Ireland) Limited	Ireland
Independent Wireless Cable Ltd.	Ireland
LGI DTH Ireland	Ireland
NTL Communications (Ireland) Ltd.	Ireland
NTL Irish Networks Ltd.	Ireland
Suir Nore Relays Ltd.	Ireland
Tara Television Ltd.	Ireland
Ulana Business Management Ltd	Ireland
UPC Broadband Ireland Ltd	Ireland
UPC Communications Ireland Ltd	Ireland
Westward Horizon Ltd	Ireland
Finance Center Telenet Sarl	Luxembourg
Future Entertainment Sarl	Luxembourg
Magrina Sarl	Luxembourg
Telenet International Finance Sarl	Luxembourg
Telenet Luxembourg Finance Center Sarl	Luxembourg
Telenet Solutions Luxemburg NV	Luxembourg
UPC DTH Leasing Sarl	Luxembourg
UPC DTH Sarl	Luxembourg
UPC DTH Slovakia Sarl	Luxembourg
Liberty Global Holding Limited	Malta
Liberty Global Insurance Company Limited	Malta
2014 Film1 BV	Netherlands
Bicatobe Investments B.V.	Netherlands
Binan Investments B.V.	Netherlands
Chellomedia Services B.V.	Netherlands
CM Priority B.V.	Netherlands
DLG Acquisitions Limited	Netherlands
DLG Financing 1 Limited	Netherlands
DLG Financing 2 Limited	Netherlands

Name	Country
Finco Handsets Nederland BV	Netherlands
Labesa Holding B.V.	Netherlands
LGCI Holdco I BV	Netherlands
LGE Holdco V BV	Netherlands
LGE Holdco VI BV	Netherlands
LGE Holdco VII BV	Netherlands
LGE Holdco VIII BV	Netherlands
LGE Intermediate HoldCo BV	Netherlands
LGE SubCo BV	Netherlands
LGI China Holdings B.V.	Netherlands
LGI Mobile BV	Netherlands
LGI Ventures B.V.	Netherlands
Liberty Global B.V.	Netherlands
Liberty Global CM B.V.	Netherlands
Liberty Global Content Investments BV	Netherlands
Liberty Global Content Netherlands BV	Netherlands
Liberty Global Europe Financing B.V.	Netherlands
Liberty Global Europe Holding B.V.	Netherlands
Liberty Global Europe Investments B.V.	Netherlands
Liberty Global Europe Management B.V.	Netherlands
Liberty Global Holding B.V.	Netherlands
Liberty Global New Ventures B.V.	Netherlands
Liberty Global Operations B.V.	Netherlands
Liberty Global Services B.V.	Netherlands
Liberty Global Ventures Holding BV	Netherlands
Lila Chile Holdings BV	Netherlands
Priority Telecom B.V.	Netherlands
Priority Wireless B.V.	Netherlands
UGC Australia BV	Netherlands
UPC Belgium B.V.	Netherlands
UPC Broadband B.V.	Netherlands
UPC Broadband Holding B.V.	Netherlands
UPC Broadband Ireland B.V.	Netherlands
UPC Central Europe Holding B.V.	Netherlands
UPC Chile Holding BV	Netherlands
UPC Czech Holding B.V.	Netherlands
UPC Direct Programming II B.V.	Netherlands
UPC Equipment BV	Netherlands
UPC Extra II B.V.	Netherlands
UPC France Holding B.V.	Netherlands
UPC Germany Holding B.V.	Netherlands
UPC Holding B.V.	Netherlands
UPC Holding II B.V.	Netherlands
UPC International Operations BV	Netherlands
UPC Internet Holding B.V.	Netherlands
UPC Luxembourg Holding B.V.	Netherlands

Name	Country
UPC Nederland B.V.	Netherlands
UPC Nederland Business B.V.	Netherlands
UPC Nederland Mobile B.V.	Netherlands
UPC Nederland Netwerk 2 BV	Netherlands
UPC Nederland Services B.V.	Netherlands
UPC Poland Holding B.V.	Netherlands
UPC Romania Holding B.V.	Netherlands
UPC Southern Europe Holding BV	Netherlands
UPC Switzerland Holding BV	Netherlands
UPC Western Europe Holding B.V.	Netherlands
VTR Finance BV	Netherlands
Ziggo Holding BV	Netherlands
Zesko BV	Netherlands
Torenspits BV	Netherlands
Plinius Investments BV	Netherlands
Ziggo Bond Company BV	Netherlands
Amsterdamse Beheer-en Consultingmaatschappij BV	Netherlands
Torenspits II BV	Netherlands
Ziggo BV	Netherlands
Ziggo Deelnemingen BV	Netherlands
Ziggo Netwerk BV	Netherlands
Ziggo Netwerk II BV	Netherlands
Breedband Breda BV	Netherlands
TeleCai Den Haag BV	Netherlands
Esprit Telecom BV	Netherlands
Zoranet Connectivity Services BV	Netherlands
XB Facilities BV	Netherlands
Zomerwind Holding B.V.	Netherlands
ZUMB B.V.	Netherlands
Aster Marketing Sp. z o.o	Poland
Azart-Sat Sp Zoo	Poland
Telco Lublin Sp Zoo	Poland
UPC Polska Sp. z o.o	Poland
Liberty Cablevision of Puerto Rico LLC	Puerto Rico
Focus Sat Romania Srl (aka Focus Sat Srl)	Romania
UPC Romania Srl	Romania
JimJam East LLC	Russia
Zone East 1 LLC	Russia
Zone East 2 LLC	Russia
Zone East LLC (aka OOO "30YH BOCTOK")	Russia
CableTel Scotland Limited	Scotland
Capital City Cablevision Limited	Scotland
Dundee Cable and Satellite Limited	Scotland
Hieronymous Limited	Scotland

Name	**Country**
ntl Glasgow Holdings Limited	Scotland
Perth Cable Television Limited	Scotland
SANE Network Limited	Scotland
Telewest Communications (Cumbernauld) Limited	Scotland
Telewest Communications (Dumbarton) Limited	Scotland
Telewest Communications (Dundee & Perth) Limited	Scotland
Telewest Communications (Falkirk) Limited	Scotland
Telewest Communications (Glenrothes) Limited	Scotland
Telewest Communications (Motherwell) Limited	Scotland
Telewest Communications (Scotland Holdings) Limited	Scotland
Telewest Communications (Scotland) Limited	Scotland
Telewest Communications (Scotland) Venture (P)	Scotland
Trnavatel s.r.o.	Slovak Rep.
UPC Broadband Slovakia sro	Slovak Rep.
RAE Regionalantenne Ermatingen AG	Switzerland
Sitel SA	Switzerland
Stadtantenne Kreuzlingen AG	Switzerland
Telelavaux SA	Switzerland
UPC Cablecom GmbH	Switzerland
Video 2000 SA	Switzerland
Wicab GmbH	Switzerland
Action Stations (2000) Limited	United Kingdom
Action Stations (Lakeside) Limited	United Kingdom
All3Media Holdings Ltd	United Kingdom
Anglia Cable Communications Limited	United Kingdom
Avon Cable Investments Limited	United Kingdom
Avon Cable Joint Venture (P)	United Kingdom
Barnsley Cable Communications Limited	United Kingdom
BCMV Leasing Limited	United Kingdom
BCMV Limited	United Kingdom
Birmingham Cable Corporation Limited	United Kingdom
Birmingham Cable Limited	United Kingdom
Blue Yonder Workwise Limited	United Kingdom
Bluebottle Call Limited	United Kingdom
Bradford Cable Communications Limited	United Kingdom
Cable Adnet Limited	United Kingdom
Cable Camden Limited	United Kingdom
Cable Communications Limited	United Kingdom
Cable Enfield Limited	United Kingdom
Cable Hackney & Islington Limited	United Kingdom
Cable Haringey Limited	United Kingdom
Cable Internet Limited	United Kingdom
Cable London Limited	United Kingdom
Cable on Demand Limited	United Kingdom
CableTel (UK) Limited	United Kingdom
CableTel Cardiff Limited	United Kingdom

Name	Country
CableTel Herts and Beds Limited	United Kingdom
CableTel Surrey and Hampshire Limited	United Kingdom
CableTel West Riding Limited	United Kingdom
Cambridge Cable Services Limited	United Kingdom
Cambridge Holding Company Limited	United Kingdom
CCL Corporate Communication Services Limited	United Kingdom
Central Cable Sales Limited	United Kingdom
Continental Shelf 16 Limited	United Kingdom
Credit-Track Debt Recovery Limited	United Kingdom
Crystal Palace Radio Limited	United Kingdom
Diamond Cable Communications Limited	United Kingdom
Doncaster Cable Communications Limited	United Kingdom
East Coast Cable Limited	United Kingdom
Ed Stone Limited	United Kingdom
EMS Investments Limited	United Kingdom
Eurobell (Holdings) Limited	United Kingdom
Eurobell (IDA) Limited	United Kingdom
Eurobell (No 2) Limited	United Kingdom
Eurobell (No 3) Limited	United Kingdom
Eurobell (No 4) Limited	United Kingdom
Eurobell (South West) Limited	United Kingdom
Eurobell (Sussex) Limited	United Kingdom
Eurobell (West Kent) Limited	United Kingdom
Eurobell Internet Services Limited	United Kingdom
Eurobell Limited	United Kingdom
Filegale Limited	United Kingdom
FinCo Partner 1 BV	United Kingdom
Fleximedia Limited	United Kingdom
Flextech (1992) Limited	United Kingdom
Flextech (Kindernet Investment) Limited	United Kingdom
Flextech (Travel Channel) Limited	United Kingdom
Flextech B Limited	United Kingdom
Flextech Broadband Holdings Limited	United Kingdom
Flextech Broadband Limited	United Kingdom
Flextech Broadcasting Limited	United Kingdom
Flextech Business News Limited	United Kingdom
Flextech C	United Kingdom
Flextech Childrens Channel Limited	United Kingdom
Flextech Communications Limited	United Kingdom
Flextech Digital Broadcasting Limited	United Kingdom
Flextech Distribution Limited	United Kingdom
Flextech Family Channel Limited	United Kingdom
Flextech Homeshopping Limited	United Kingdom
Flextech Interactive Limited	United Kingdom
Flextech IVS Limited	United Kingdom
Flextech L Limited	United Kingdom

Name	Country
	United Kingdom
Flextech Media Holdings Limited	United Kingdom
Flextech Music Publishing Limited	United Kingdom
Flextech T Limited	United Kingdom
Flextech Ventures Limited	United Kingdom
Flextech Video Games Limited	United Kingdom
Flextech-Flexinvest Limited	United Kingdom
Florida Homeshopping Limited	United Kingdom
General Cable Group Limited	United Kingdom
General Cable Holdings Limited	United Kingdom
General Cable Investments Limited	United Kingdom
General Cable Limited	United Kingdom
General Cable Programming Limited	United Kingdom
Global Handset Finco Ltd	United Kingdom
Halifax Cable Communications Limited	United Kingdom
Interactive Digital Sales Limited	United Kingdom
Jewel Holdings	United Kingdom
Lanbase European Holdings Limited	United Kingdom
Lanbase Limited	United Kingdom
Lewis Reed Debt Recovery Limited	United Kingdom
Liberty Global Broadband II Limited	United Kingdom
Liberty Global CIHB Ltd	United Kingdom
Liberty Global Content Investments Holding Ltd.	United Kingdom
Liberty Global Content Ltd.	United Kingdom
Liberty Global Europe Ltd.	United Kingdom
Liberty Global Incorporated Limited	United Kingdom
Liberty Global plc	United Kingdom
Lynx Europe 2 Limited	United Kingdom
Lynx Europe 4 Limited	United Kingdom
M&NW Network II Limited	United Kingdom
M&NW Network Limited	United Kingdom
Matchco Directors Limited	United Kingdom
Matchco Limited	United Kingdom
Matchco Secretaries Limited	United Kingdom
Mayfair Way Management Limited	United Kingdom
Middlesex Cable Limited	United Kingdom
Network Gaming Consulting Limited	United Kingdom
ntl (Aylesbury and Chiltern) Limited	United Kingdom
ntl (B) Limited	United Kingdom
ntl (BCM Plan) Pension Trustees Limited	United Kingdom
ntl (Broadland) Limited	United Kingdom
ntl (County Durham) Limited	United Kingdom
ntl (CRUK)	United Kingdom
ntl (CWC Holdings)	United Kingdom

Name	Country
ntl (CWC) Corporation Limited	United Kingdom
ntl (CWC) Limited	United Kingdom
ntl (CWC) UK	United Kingdom
ntl (Ealing) Limited	United Kingdom
ntl (Fenland) Limited	United Kingdom
ntl (Hampshire) Limited	United Kingdom
ntl (Harrogate) Limited	United Kingdom
ntl (Kent) Limited	United Kingdom
ntl (Leeds) Limited	United Kingdom
ntl (Norwich) Limited	United Kingdom
ntl (Peterborough) Limited	United Kingdom
ntl (South East) Limited	United Kingdom
ntl (South London) Limited	United Kingdom
ntl (Southampton and Eastleigh) Limited	United Kingdom
ntl (V)	United Kingdom
ntl (V) Plan Pension Trustees Limited	United Kingdom
ntl (Wearside) Limited	United Kingdom
ntl (West London) Limited	United Kingdom
ntl (YorCan) Limited	United Kingdom
ntl (York) Limited	United Kingdom
ntl Acquisition Company Limited	United Kingdom
ntl Bolton Cablevision Holding Company	United Kingdom
ntl Business (Ireland) Limited	United Kingdom
ntl Business Limited	United Kingdom
ntl CableComms Bolton	United Kingdom
ntl CableComms Bolton Leasing Limited	United Kingdom
ntl CableComms Bromley	United Kingdom
ntl CableComms Bromley Leasing Limited	United Kingdom
ntl CableComms Bury and Rochdale	United Kingdom
ntl CableComms Cheshire	United Kingdom
ntl CableComms Derby	United Kingdom
ntl CableComms Derby Leasing Limited	United Kingdom
ntl CableComms East Lancashire	United Kingdom
ntl CableComms Greater Manchester	United Kingdom
ntl CableComms Greater Manchester Leasing Limited	United Kingdom
ntl CableComms Group Limited	United Kingdom
ntl CableComms Holdings No 1 Limited	United Kingdom
ntl CableComms Holdings No 2 Limited	United Kingdom
ntl CableComms Limited	United Kingdom
ntl CableComms Macclesfield	United Kingdom
ntl CableComms Manchester Limited	United Kingdom
ntl CableComms Oldham and Tameside	United Kingdom
ntl CableComms Solent	United Kingdom
ntl CableComms Staffordshire	United Kingdom
ntl CableComms Stockport	United Kingdom
ntl CableComms Surrey	United Kingdom

Name	Country
ntl CableComms Surrey Leasing Limited	United Kingdom
ntl CableComms Sussex	United Kingdom
ntl CableComms Sussex Leasing Limited	United Kingdom
ntl CableComms Wessex	United Kingdom
ntl CableComms Wessex Leasing Limited	United Kingdom
ntl CableComms Wirral	United Kingdom
ntl CableComms Wirral Leasing Limited	United Kingdom
ntl Cambridge Limited	United Kingdom
ntl Chartwell Holdings Limited	United Kingdom
ntl Communications Services Limited	United Kingdom
ntl Darlington Limited	United Kingdom
ntl Derby Cablevision Holding Company	United Kingdom
ntl Digital Ventures Limited	United Kingdom
ntl Fawnspring Limited	United Kingdom
ntl Funding Limited	United Kingdom
ntl Glasgow	United Kingdom
ntl Glasgow Holdings Limited	United Kingdom
ntl Holdings (Broadland) Limited	United Kingdom
ntl Holdings (East London) Limited	United Kingdom
ntl Holdings (Fenland) Limited	United Kingdom
ntl Holdings (Leeds) Limited	United Kingdom
ntl Holdings (Norwich) Limited	United Kingdom
ntl Holdings (Peterborough) Limited	United Kingdom
ntl Internet Services Limited	United Kingdom
ntl Irish Holdings Limited	United Kingdom
ntl Kirklees	United Kingdom
ntl Kirklees Holdings Limited	United Kingdom
ntl Manchester Cablevision Holding Company	United Kingdom
ntl Microclock Services Limited	United Kingdom
ntl Midlands Leasing Limited	United Kingdom
ntl Midlands Limited	United Kingdom
ntl National Networks Limited	United Kingdom
ntl Partcheer Company Limited	United Kingdom
ntl Pension Trustees Limited	United Kingdom
ntl Rectangle Limited	United Kingdom
ntl Sideoffer Limited	United Kingdom
ntl Solent Telephone and Cable TV Company Limited	United Kingdom
ntl South Central Limited	United Kingdom
ntl South Wales Limited	United Kingdom
ntl Streetunique Projects Limited	United Kingdom
ntl Streetunit Projects Limited	United Kingdom
ntl Streetusual Services Limited	United Kingdom
ntl Streetvision Services Limited	United Kingdom
ntl Streetvital Services Limited	United Kingdom
ntl Streetwarm Services Limited	United Kingdom
ntl Streetwide Services Limited	United Kingdom

Name	**Country**
ntl Strikeagent Trading Limited	United Kingdom
ntl Strikeamount Trading Limited	United Kingdom
ntl Strikeapart Trading Limited	United Kingdom
ntl Technical Support Company Limited	United Kingdom
ntl Teesside Limited	United Kingdom
ntl Telecom Services Limited	United Kingdom
ntl Trustees Limited	United Kingdom
ntl UK Telephone and Cable TV Holding Company Limited	United Kingdom
ntl Victoria II Limited	United Kingdom
ntl Victoria Limited	United Kingdom
ntl Winston Holdings Limited	United Kingdom
ntl Wirral Telephone and Cable TV Company	United Kingdom
Omne Telecommunications Limited	United Kingdom
Pinnacle Debt Recovery Limited	United Kingdom
Rapid Business Solutions Limited	United Kingdom
Rapid Travel Solutions Limited	United Kingdom
Screenshop Limited	United Kingdom
Sheffield Cable Communications Limited	United Kingdom
Smallworld Cable Limited	United Kingdom
Smashedatom Limited	United Kingdom
Southwestern Bell International Holdings Limited	United Kingdom
Supporthaven Limited	United Kingdom
Telewest Communications (Central Lancashire) Limited	United Kingdom
Telewest Communications (Cotswolds) Limited	United Kingdom
Telewest Communications (Cotswolds) Venture (P)	United Kingdom
Telewest Communications (Fylde & Wyre) Limited	United Kingdom
Telewest Communications (Internet) Limited	United Kingdom
Telewest Communications (Liverpool) Limited	United Kingdom
Telewest Communications (London South) Joint Venture (P)	United Kingdom
Telewest Communications (London South) Limited	United Kingdom
Telewest Communications (Midlands and North West) Leasing Limited	United Kingdom
Telewest Communications (Midlands and North West) Limited	United Kingdom
Telewest Communications (Midlands) Limited	United Kingdom
Telewest Communications (North East) Limited	United Kingdom
Telewest Communications (North East) Partnership (P)	United Kingdom
Telewest Communications (North West) Limited	United Kingdom
Telewest Communications (Publications) Limited	United Kingdom
Telewest Communications (South East) Limited	United Kingdom
Telewest Communications (South East) Partnership (P)	United Kingdom
Telewest Communications (South Thames Estuary) Limited	United Kingdom
Telewest Communications (South West) Limited	United Kingdom
Telewest Communications (Southport) Limited	United Kingdom
Telewest Communications (St Helens & Knowsley) Limited	United Kingdom
Telewest Communications (Telford) Limited	United Kingdom
Telewest Communications (Tyneside) Limited	United Kingdom
Telewest Communications (Wigan) Limited	United Kingdom

Name	Country
Telewest Communications Cable Limited	United Kingdom
Telewest Communications Holdco Limited	United Kingdom
Telewest Communications Holdings Limited	United Kingdom
Telewest Communications Networks Limited	United Kingdom
Telewest Limited	United Kingdom
Telewest Parliamentary Holdings Limited	United Kingdom
Telewest Secretaries Limited	United Kingdom
Telewest Trustees Limited	United Kingdom
Telewest UK Limited	United Kingdom
Telewest Workwise Limited	United Kingdom
The Cable Corporation Limited	United Kingdom
The North London Channel Limited	United Kingdom
The Yorkshire Cable Group Limited	United Kingdom
Theseus No. 1 Limited	United Kingdom
Theseus No.2 Limited	United Kingdom
TVS Television Limited	United Kingdom
Tyneside Cable Limited Partnership (P)	United Kingdom
United Artists Investments Limited	United Kingdom
UPC Broadband UK Limited	United Kingdom
Virgin Media Business Limited	United Kingdom
Virgin Media Communications Limited	United Kingdom
Virgin Media Communications Networks Limited	United Kingdom
Virgin Media Directors Limited	United Kingdom
Virgin Media Employee Medical Trust Limited	United Kingdom
Virgin Media Finance plc	United Kingdom
Virgin Media Finco Limited	United Kingdom
Virgin Media Investment Holdings Limited	United Kingdom
Virgin Media Investments Limited	United Kingdom
Virgin Media Limited	United Kingdom
Virgin Media Mobile Finance Limited	United Kingdom
Virgin Media Payments Limited	United Kingdom
Virgin Media Sales Limited	United Kingdom
Virgin Media Secretaries Limited	United Kingdom
Virgin Media Secured Finance plc	United Kingdom
Virgin Media SFA Finance Limited	United Kingdom
Virgin Media Wholesale Limited	United Kingdom
Virgin Mobile Group (UK) Limited	United Kingdom
Virgin Mobile Holdings (UK) Limited	United Kingdom
Virgin Mobile Telecoms Limited	United Kingdom
Virgin Net Limited	United Kingdom
VM Pension Asset Company Limited	United Kingdom
VM Real Estate Limited	United Kingdom
VM Sundial Limited	United Kingdom
VMFH Limited	United Kingdom
VMIH Sub Limited	United Kingdom
VMWH Limited	United Kingdom

Name	Country
W Television Leasing Limited	United Kingdom
Wakefield Cable Communications Limited	United Kingdom
Windsor Television Limited	United Kingdom
Workplace Technologies Trustees Company Limited	United Kingdom
X-TANT Limited	United Kingdom
Yorkshire Cable Communications Limited	United Kingdom
Yorkshire Cable Finance Limited	United Kingdom
Yorkshire Cable Limited	United Kingdom
Yorkshire Cable Properties Limited	United Kingdom
Yorkshire Cable Telecom Limited	United Kingdom
Avon Cable Limited Partnership (P)	USA-Colo
Cotswolds Cable Limited Partnership (P)	USA-Colo
Edinburgh Cable Limited Partnership (P)	USA-Colo
Estuaries Cable Limited Partnership (P)	USA-Colo
LGI International Holdings, Inc.	USA-Colo
LGI Technology Holdings Inc.	USA-Colo
Liberty Global Management, LLC	USA-Colo
Liberty Global Services II, LLC	USA-Colo
Liberty Global Services, LLC	USA-Colo
Liberty Home Shop International, Inc.	USA-Colo
London South Cable Partnership (P)	USA-Colo
Lynx Finance 1 LLC	USA-Colo
Merger Sub Inc.	USA-Colo
TCI US West Cable Communications Group (P)	USA-Colo
UIH Philippines Holdings, LLC	USA-Colo
UIH SFCC Holdings L.P.	USA-Colo
UIH SFCC II, LLC	USA-Colo
UIH SFCC LP	USA-Colo
UIM Aircraft, LLC	USA-Colo
United AUN, LLC	USA-Colo
United Austar Partners	USA-Colo
United Cable (London South) Limited Partnership (P)	USA-Colo
United Chile, LLC	USA-Colo
Virgin Media Group LLC	USA-Colo
Virgin Media Inc.	USA-Colo
Associated SMR, Inc.	USA-Del
Chartwell Investors, LP	USA-Del
LCPR Ventures LLC	USA-Del
Leo Cable LLC	USA-Del
Leo Cable LP	USA-Del
LG Financing Partnership	USA-Del
LGI Broadband Operations, Inc.	USA-Del
LGI International, Inc.	USA-Del
LGI Ventures Management, Inc.	USA-Del
LGJ Holdings LLC	USA-Del
Liberty Global Europe, Inc.	USA-Del

Name	Country
Liberty Global Japan, LLC	USA-Del
Liberty Global, Inc.	USA-Del
Liberty Japan MC, LLC	USA-Del
Liberty Japan V, Inc.	USA-Del
Liberty Media International Holdings, LLC	USA-Del
Liberty Programming Japan, LLC	USA-Del
Liberty VIV II, Inc.	USA-Del
LMI Japan Management, Inc.	USA-Del
LMINT Holdings, LLC	USA-Del
NNS UK Holdings 1 LLC	USA-Del
NNS UK Holdings 2, Inc	USA-Del
North CableComms Holdings, Inc	USA-Del
North CableComms LLC	USA-Del
North CableComms Management, Inc	USA-Del
NTL (Triangle) LLC	USA-Del
NTL Bromley Company	USA-Del
NTL CableComms Group, Inc	USA-Del
NTL Chartwell Holdings 2, Inc	USA-Del
NTL Chartwell Holdings, Inc	USA-Del
NTL North CableComms Holdings, Inc	USA-Del
NTL North CableComms Management, Inc	USA-Del
NTL Programming Subsidiary Company	USA-Del
NTL Solent Company	USA-Del
NTL South CableComms Holdings, Inc	USA-Del
NTL South CableComms Management, Inc	USA-Del
NTL Surrey Company	USA-Del
NTL Sussex Company	USA-Del
NTL UK CableComms Holdings, Inc	USA-Del
NTL Wessex Company	USA-Del
NTL Winston Holdings, Inc	USA-Del
NTL Wirral Company	USA-Del
Priority Telecom Service Corporation, Inc.	USA-Del
South CableComms Holdings, Inc	USA-Del
South CableComms LLC	USA-Del
South CableComms Management, Inc	USA-Del
Telewest Global Finance LLC	USA-Del
United Asia\Pacific Communications, LLC	USA-Del
UnitedGlobalCom, Inc.	USA-Del
UPC Financing Partnership	USA-Del
Virgin Media (UK) Group LLC	USA-Del
Virgin Media Bristol LLC	USA-Del
Virgin Media Dover LLC	USA-Del
Winston Investors LLC	USA-Del

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Liberty Global plc:

We consent to the incorporation by reference in the registration statements (Nos. 333-189220, 333-189222, 333-189223, 333-189224, 333-194578 and 333-194581) on Form S-8, the registration statements (Nos. 333-189390 and 333-194555) on Form S-3 and the registration statement (No. 333-199552) on Form S-4, in each case, of Liberty Global plc of our report dated February 12, 2015, with respect to the consolidated balance sheets of Liberty Global plc and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of operations, comprehensive earnings (loss), equity and cash flows for each of the years in the three-year period ended December 31, 2014, and the related financial statement schedules I and II, and our report dated February 12, 2015 on the effectiveness of internal control over financial reporting as of December 31, 2014, which reports appear in the December 31, 2014 annual report on Form 10-K of Liberty Global plc.

Our report on the effectiveness of internal control over financial reporting as of December 31, 2014 contains an explanatory paragraph that states that the aggregate amount of total assets and revenue of Ziggo Holding B.V. that are excluded from management's assessment of the effectiveness of internal control over financial reporting as of and for the year ended December 31, 2014 are $15,426.7 million and $272.0 million, respectively. Our audit of internal control over financial reporting also excluded an evaluation of the internal control over financial reporting of these subsidiaries.

/s/ KPMG LLP

Denver, Colorado
February 12, 2015

Exhibit 23.2

Consent of Independent Auditors

The Board of Directors

Liberty Global plc:

We consent to the incorporation by reference in the registration statements (Nos. 333-189390 and 333-194555) on Form S-3 and the registration statement (No. 333-199552) on Form S-4, in each case, of Liberty Global plc of our report dated June 4, 2014, with respect to the consolidated financial statements of Ziggo N.V., Utrecht, the Netherlands, and subsidiaries as of and for the year ended December 31, 2013, which report appears in the December 31, 2014 annual report on Form 10-K of Liberty Global plc.

AMSTERDAM, February 12, 2015

ERNST & YOUNG ACCOUNTANTS LLP

Exhibit 31.1

CERTIFICATION

I, Michael T. Fries, certify that:

1. I have reviewed this annual report on Form 10-K of Liberty Global plc;
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and
    d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2015

/s/ Michael T. Fries

Michael T. Fries
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Charles H.R. Bracken, certify that:

1. I have reviewed this annual report on Form 10-K of Liberty Global plc;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

    d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2015

/s/ Charles H.R. Bracken

Charles H.R. Bracken
Executive Vice President and Co-Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.3

CERTIFICATION

I, Bernard G. Dvorak, certify that:

1. I have reviewed this annual report on Form 10-K of Liberty Global plc;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this annual report based on such evaluation; and

    d) Disclosed in this annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2015

/s/ Bernard G. Dvorak

Bernard G. Dvorak
Executive Vice President and Co-Chief Financial Officer
(Principal Accounting Officer)

Exhibit 32

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Liberty Global plc (the "Company"), does hereby certify, to such officer's knowledge, that:

The Annual Report on Form 10-K for the year ended December 31, 2014 (the "Form 10-K") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company as of December 31, 2014 and December 31, 2013, and for the years ended December 31, 2014, 2013 and 2012.

Dated:	February 12, 2015	/s/ Michael T. Fries
		Michael T. Fries President and Chief Executive Officer
Dated:	February 12, 2015	/s/ Charles H.R. Bracken
		Charles H.R. Bracken Executive Vice President and Co-Chief Financial Officer (Principal Financial Officer)
Dated:	February 12, 2015	/s/ Bernard G. Dvorak
		Bernard G. Dvorak Executive Vice President and Co-Chief Financial Officer (Principal Accounting Officer)

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-K or as a separate disclosure document.