

**Strictly Private & Confidential**

From: Cable & Wireless Communications, Inc. ("**CWC Inc.**")

To: Gamco Investors, Inc (the "**Shareholder**"),

(each a "**Party**" and together, the "**Parties**").

Dated: 16 November 2015

Dear Sirs,

**Project Captain – US Carve-out Deed**

We refer to the proposed takeover of Cable & Wireless Communications Plc (the "**Company**" or "**CWC**") by Liberty Global plc ("**Liberty Global**") (the "**Transaction**") as described in the rule 2.7 announcement dated on the same date as this Deed (the "**Rule 2.7 Announcement**").

Prior to completion of the Transaction, the Company will undertake the US Carve-out. This Deed sets out certain arrangements agreed between CWC Inc. and you, in your capacity as Shareholder in respect of CWC New Cayman Holdco Limited ("**Carve-out Holdco**") and related matters.

Each Party acknowledges and agrees that the shares in Carve-out Holdco held by the Shareholder are held in the same manner as the Shareholder holds its shares in CWC as at the date hereof.

**1. Interpretation**

Save where otherwise defined in this Deed, capitalised terms set out in this Deed shall have the same meanings as set out in the Rule 2.7 Announcement. In this Deed, the following words and expressions shall have the meanings given below.

"**Affiliate**" means (a) in the case of a body corporate, any parent undertaking or subsidiary undertaking of that body corporate and any subsidiary undertaking of any such parent undertaking, in each case from time to time; and (b) in the case of a limited partnership, any nominee or trustee of the limited partnership, the partners in that limited partnership or their nominees, any investment manager or investment adviser to the limited partnership, any parent undertaking or subsidiary undertaking of that investment manager or investment adviser and any other investment fund managed or advised by any such person;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

"**Carve-out Assets**" means the FCC-licensed business of the Relevant Entities;

"**Carve-out Holdco Shares**" means all the shares in the capital of Carve-out Holdco;

**“CWC New Cayman Limited”** means CWC New Cayman Limited, a company incorporated in the Cayman Islands (registered number 305513), whose registered office is at Walkers Corporate Limited, Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands;

**“Dispose”** means in relation to any share, without limitation: (i) any sale, assignment, transfer or other disposal; (ii) creating or permitting to subsist any Encumbrance; (iii) creating any trust or conferring any interest; (iv) any agreement, arrangement or understanding in respect of votes or the right to receive dividends or other distributions; (v) the renunciation or assignment of any right to subscribe or receive a share or any legal or beneficial interest in a share; (vi) any agreement to do any of the above (whether or not conditional), except an agreement to transfer shares which is conditional on compliance with the terms of this Deed; and (vii) the transmission of that share by operation of law;

**“Encumbrance”** means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, and any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;

**“FCC”** means the United States Federal Communications Commission;

**“FCC Licences”** means the FCC licences forming part of the Carve-out Assets;

**“MSA”** means the management and services agreement to be entered into between CWC, CWC Inc. and CWC New Cayman Limited, dated on or around the date of this Deed;

**“Offer”** means a takeover offer in respect of the Company in accordance with section 974 of the Companies Act;

**“Relevant Entities”** means CWC Inc., CWC WS Holdings Panama S.A., Cable and Wireless (BVI) Limited, Cable and Wireless (EWC) Limited and Cable and Wireless Network Services Limited;

**“Relevant Shares”** has the meaning given in clause 2.1;

**“Repatriation Closing Date”** means the date of completion of the Repatriation SPA;

**“Repatriation SPA”** means the share purchase agreement entered into between Carve-out Holdco and CWC Inc. on the date of this Deed pursuant to which Carve-out Holdco agrees to sell and CWC Inc. agrees to purchase all of the shares in CWC New Cayman Limited following receipt of FCC approval to such transfer;

**“Scheme”** means a scheme of arrangement in respect of the Company under Part 26 of the Companies Act 2006;

**“Share Purchase Agreement”** means the share purchase agreement to be entered into between CWC Inc. and other members of the CWC group (as sellers) and Carve-out Holdco (as

purchaser) pursuant to which CWC New Cayman Limited shall be transferred to Carve-out Holdco, dated on or around the date of this Deed;

“**US Carve-out**” means the sale by CWC Inc. and certain other shareholders of CWC New Cayman Limited (containing the Carve-out Assets) to Carve-out Holdco; and

“**Working Hours**” means 8.30am to 6.30pm (London time) on a Business Day.

#### 1.1 In this Deed:

- (A) references to clauses are to clauses of this Deed;
- (B) use of either gender includes the other gender;
- (C) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- (D) a reference to any legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be treated as a reference to any analogous term in that jurisdiction;
- (E) the expressions “**subsidiary undertaking**” and “**parent undertaking**” shall have the meaning given in the Companies Act 2006; and
- (F) headings and titles are inserted for convenience only and are to be ignored in the interpretation of this Deed.

## 2. First Put Option

- 2.1 CWC Inc. hereby irrevocably grants to the Shareholder a put option (the “**First Put Option**”), exercisable at any time on and from the date immediately following the date of completion of the Repatriation SPA (the “**First Put Option Exercise Period**”), to require CWC Inc. to purchase all of the shares held by the Shareholder in Carve-Out Holdco (the “**Relevant Shares**”) for a price of £1.00.
- 2.2 The First Put Option may be exercised by the Shareholder giving written notice to CWC Inc. (in the form set out in Schedule 1 to this Deed) of the Shareholder’s intention to exercise the First Put Option, and its receipt by CWC Inc. during the First Put Option Exercise Period (the “**First Put Option Notice**”). A First Put Option Notice may not be withdrawn once given.
- 2.3 If the First Put Option is exercised by the Shareholder then the Shareholder shall sell with full title guarantee and CWC Inc. (or such other Affiliate of the Company as CWC Inc. may elect by notice to the Shareholder) shall purchase the Relevant Shares free from any Encumbrance and with all rights attached or accruing to them on a date, as

agreed between CWC Inc. and the Shareholder, each acting reasonably, falling not later than 10 Business Days after the First Put Option Notice, and the date on which such sale and purchase is completed shall be the “**First Put Option Closing Date**”.

### 3. Call Option

- 3.1 The Shareholder hereby grants to CWC Inc. a call option (the “**Call Option**”), exercisable at any time during the First Put Option Exercise Period, to require the Shareholder to sell all of the shares held by the Shareholder in Carve-Out Holdco (the “**Call Option Shares**”) to CWC Inc. (or such other Affiliate of the Company as CWC Inc. may elect) for a price of £1.00.
- 3.2 The Call Option may be exercised by CWC Inc. giving written notice to the Shareholder (in the form set out in Schedule 1 to this Deed) of CWC Inc.’s intention to exercise the Call Option, and its receipt by the Shareholder during the First Put Option Exercise Period (the “**Call Option Notice**”). A Call Option Notice may not be withdrawn once given.
- 3.3 If the Call Option is exercised by CWC Inc. then the Shareholder shall sell with full title guarantee and CWC Inc. (or such other Affiliate of the Company as CWC Inc. may elect by notice to the Shareholder) shall purchase the Call Option Shares free from any Encumbrance and with all rights attached or accruing to them on a date, as agreed between CWC Inc. and the Shareholder, each acting reasonably, falling not later than 10 Business Days after the Call Option Notice, and the date on which such sale and purchase is completed shall be the “**Call Option Closing Date**”.

### 4. Second Put Option

- 4.1 CWC Inc. hereby irrevocably grants to the Shareholder a put option (the “**Second Put Option**”), exercisable at any time from the date falling 15 months after the date of this Deed (the “**Second Put Option Exercise Period**”), to require CWC Inc. to purchase all of the shares held by the Shareholder in Carve-Out Holdco (the “**Second Put Option Shares**”) for a price of £1.00.
- 4.2 The Second Put Option may be exercised by the Shareholder giving written notice to CWC Inc. (in the form set out in Schedule 1 to this Deed) of the Shareholder’s intention to exercise the Second Put Option, and its receipt by CWC Inc. during the Second Put Option Exercise Period (the “**Second Put Option Notice**”). A Second Put Option Notice may not be withdrawn once given.
- 4.3 If the Second Put Option is exercised by the Shareholder then the Shareholder shall sell with full title guarantee and CWC Inc. (or such other Affiliate of the Company or other shareholder in Carve-out Holdco, as CWC Inc. may elect by notice to the Shareholder) shall purchase the Second Put Option Shares free from any Encumbrance and with all rights attached or accruing to them on a date, as agreed between CWC Inc. and the Shareholder, each acting reasonably, falling not later than 10 Business Days after the

Second Put Option Notice, and the date on which such sale and purchase is completed shall be the “**Second Put Option Closing Date**”.

## **5. Restrictions on disposals**

Without prejudice to any contractual or other restrictions to which the Shareholder is subject, the Shareholder hereby undertakes to the Company not to, save for completion of a Scheme or any Offer accepted by the Shareholder (if relevant), Dispose of any of the shares in the Company (or any interest therein or in respect thereof) held by the Shareholder as at the date of this Deed until the earlier to occur of (i) the fourth day after the date of completion of the US Carve-out; and (ii) the date falling two months after the date of this Deed.

## **6. Ongoing obligations**

6.1 On and from the date of this Deed until and including the first to occur of (i) the First Put Option Closing Date; (ii) the Second Put Option Closing Date; or (iii) the Shareholder ceasing to hold any of the Relevant Shares in accordance with this Deed save with the prior written consent of CWC Inc.:

- (A) the Shareholder shall not Dispose of its interests in the shares of Carve-out Holdco or any of them or grant (or knowingly permit to arise) any Encumbrance over any Carve-out Holdco Shares held by the Shareholder, and shall exercise such voting and any other rights as it may have in its capacity as a shareholder in Carve-out Holdco to vote against Carve-out Holdco Disposing of its interests in the shares of CWC New Cayman Limited or any of them and shall not grant (or permit to arise) any Encumbrance over any CWC New Cayman Limited shares;
- (B) the Shareholder shall exercise such voting rights as it may have in its capacity as a shareholder in Carve-out Holdco to vote in favour (or against, as the case may be) any measures, as far as it is able to in accordance with such rights, so that:
  - (i) no amendment is made to the constitutional documents of Carve-out Holdco (including any change to the terms (including class rights) of the shares in Carve-out Holdco);
  - (ii) Carve-out Holdco is maintained as an SPV and takes no actions save: (a) as are necessary to undertake its function as the holding company of CWC New Cayman Limited; or (b) as are necessary to comply with its obligation in sub-paragraph 6.1(C) below;
  - (iii) Carve-out Holdco remains as sole shareholder of CWC New Cayman Limited and that none of the shares in CWC New Cayman Limited are sold;

- (iv) CWC New Cayman Limited does not dispose of any of its assets;
- (v) Carve-out Holdco does not declare, authorise, make, undertake or pay any dividend (in cash or in specie) or other distribution or any reduction of capital;
- (vi) Carve-out Holdco does not: (a) allot or agree to allot any shares or other securities in Carve-out Holdco; (b) create, allot, issue or grant any option over, right to subscribe or purchase any share or loan capital or other securities in Carve-out Holdco; or (c) repurchase, redeem or agree to repurchase or redeem any shares or other securities in Carve-out Holdco;
- (vii) no proceeding for the voluntary dissolution, winding-up or bankruptcy of Carve-out Holdco is commenced;
- (viii) no new appointment is made to, or resignation accepted from, the board of directors of Carve-out Holdco;
- (ix) no change is made to the registered office or tax residency of Carve-out Holdco; and
- (x) Carve-out Holdco and CWC New Cayman Limited comply with the provisions of the Share Purchase Agreement, the Repatriation SPA and the MSA,

save as provided for by (i) the Repatriation SPA; (ii) any other arrangement directed by CWC Inc. in accordance with clause 7; or (iii) otherwise with the prior consent of CWC Inc., such consent not be unreasonably withheld or delayed;

- (C) the Shareholder will exercise such rights as it may have in its capacity as a shareholder of Carve-out Holdco to prevent CWC New Cayman Limited, as far as it is able in accordance with such rights, from:
  - (i) taking any steps or actions that could prevent or restrict CWC New Cayman Limited from maintaining the Carve-out Assets in full force and effect;
  - (ii) carrying out any steps with respect to Carve-out Holdco or CWC New Cayman Limited that could prevent or hinder the activities of Carve-out Holdco or CWC New Cayman Limited, or their financial position,

save as provided for by (i) the Repatriation SPA; (ii) any other arrangement directed by CWC Inc. in accordance with clause 7; or (iii) otherwise with the prior consent of CWC Inc., such consent not to be unreasonably withheld or delayed.

- 6.2 It is acknowledged by the Parties that, collectively, the shareholders in Carve-out Holdco will exercise, in their capacity as shareholders, ultimate control, direction and oversight of CWC New Cayman Limited in connection with its FCC regulated operations

## 7. **Forced disposal**

- 7.1 Subject to applicable law and regulation and in accordance with the FCC Licences, and subject to the Shareholder, acting reasonably, being satisfied that the relevant person(s) is qualified to hold the FCC Licences, if CWC Inc., acting reasonably and in good faith, considers that the Repatriation Closing Date is not likely to occur within the time period initially envisaged or that the overall outcome of the US Carve-out contemplated by the Parties is not likely to be achieved in a timely and efficient manner (save if such circumstances arise as a result of any breach, fraud or misconduct by CWC Inc., the Company or an Affiliate of either), if CWC Inc. so elects and the Shareholder agrees, such agreement not to be unreasonably withheld, the Shareholder shall consent to, and take such reasonable steps as requested by CWC Inc., at the cost of CWC Inc. in respect of (i) the sale of some or all of the Carve-out Assets by CWC New Cayman Limited or (ii) the sale of some or all of the shares in CWC New Cayman Limited, to such persons and on such terms as agreed by CWC Inc. and the Shareholder, each acting reasonably, and shall account to CWC Inc. for any net proceeds of such sale.
- 7.2 For the avoidance of doubt in connection with any sale pursuant to clause 7.1, the Shareholder shall not provide any representations, warranties, indemnities or other contractual assurances of any kind to any third party other than in respect of title to, and capacity to sell, the Carve-out Assets or shares in CWC New Cayman Limited (as the case may be).

## 8. **Notices**

- 8.1 A notice given under this Deed shall only be effective if it is given in writing. A First Put Option Notice, a Call Option Notice or a Second Put Option (each a "**Relevant Notice**") given under this Deed shall only be effective if it is given in writing in the form provided in Schedule 1. For any notice, including a Relevant Notice, given under this Deed, e-mail is permitted.
- 8.2 Notices, including a Relevant Notice, under this Deed shall be sent to a Party at its address or number and for the attention of the individual set out below:

**(A) CWC Inc.**

Name: Cable & Wireless Communications, Inc.

Address: 1 Alhambra Plaza, 10th Floor Coral Gables, FL 33134, USA

Marked for the attention of: Belinda Bradberry

E-mail: belinda.bradberry@cw.com

**(B) The Shareholder**

Name: Gamco Investors, Inc

Address: One Corporate Center, Rye, NY 10580

Marked for the attention of: David Goldman

E-mail: dgoldman@gabelli.com

8.3 Any notice, including a Relevant Notice, given under this Deed shall, in the absence of earlier receipt, be deemed to have been duly given and received as follows:

- (A) if delivered personally, on delivery together with written confirmation from the other Party of such receipt;
- (B) if sent by first class inland post, two clear Business Days after the date of posting; and
- (C) if sent by e-mail, at the expiration of 48 hours after the time it was sent.

8.4 Any notice, including a Relevant Notice, given under this Deed outside Working Hours in the place to which it is addressed shall be deemed not to have been given until the start of the next period of Working Hours in such place.

**9. Miscellaneous**

9.1 This Deed may be executed in any number of counterparts, each of which shall be an original and which shall together constitute one Deed. Each Party hereto may enter into this Deed by signing any such counterpart.

9.2 No variation to or waiver under this Deed shall be effective unless made in writing and signed by or on behalf of all the Parties and the Company.

9.3 No Party shall, without the prior written consent of each other Party, assign or purport to assign, all or any part of the benefit of, or its rights or benefits under, this Deed.

9.4 Save in respect of the express rights and benefits conferred on the Company pursuant to clauses 5 and 9.2, no person other than the Parties shall have any right to enforce this Deed under the Contracts (Rights of Third Parties) Act 1999.

9.5 This Deed shall be governed by and construed in accordance with English law. Any matter, claim or dispute arising out of or in connection with this Deed, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.



9.6 The Parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales in respect of any matter, claim or dispute arising out of or in connection with this Deed, whether contractual or non-contractual.

If you are in agreement with the terms of this Deed, please execute as a deed and return to us the enclosed copy of this Deed to confirm your agreement to be bound by its terms.

*[signature pages follow]*

Yours faithfully,


**EXECUTED as a DEED** and delivered on the date hereof by:

.....  


For and on behalf of

**Cable & Wireless Communications, Inc.**

In the presence of:

Signed:  .....

Name: LUKE ROWLAND .....

Title: .....

Address: **Trainee Solicitor**  
**One Bunhill Row**  
**London**  
**EC1Y 8YY** .....

Occupation: .....

I confirm our agreement to be bound by the terms of this Deed.

EXECUTED as a DEED and delivered on the date hereof by:

*Daniel Miller*

Signed for and on behalf of

Gamco Investors, Inc

Position: *Grant Counsel*

Dated: *11/15/15*

In the presence of:

Signed: *[Signature]*

Name: *Daniel Miller*

Title: *MO*

Address: *One Corporate Center*

*Rye, NY 10580*

Occupation: .....

**Schedule 1**

**FORM OF [FIRST PUT OPTION NOTICE / CALL OPTION NOTICE / SECOND PUT OPTION NOTICE]**

To: [insert counterparty]

For the attention of: [insert recipient]

Date [•]

Dear Sirs,

**US Carve-out shareholding arrangements deed between [Note: to list all carve-out shareholders] and Cable & Wireless Communications, Inc. dated [•] (the "Deed")**

We refer to the Deed. Terms defined in the Deed shall have the same meaning when used in this letter.

We hereby:

- (A) give notice in accordance with [clause 2.2, clause 3.2 or clause 4.2] of the Deed **[Note: delete as appropriate.]** that we are exercising [the First Put Option, the Call Option or the Second Put Option] **[Note: delete as appropriate.]** in respect of [the Relevant Shares, the Call Option Shares or the Second Put Option Shares] **[Note: delete as appropriate.]**; and
- (B) acknowledge that this notice is irrevocable.

This letter is governed by English law and we hereby irrevocably submit to the exclusive jurisdiction of the Courts of England and Wales.

Yours faithfully,

For and on behalf of

[•]