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COMPANIES FORM No. 395

395

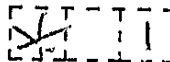
Particulars of a mortgage or charge

Pursuant to section 395 of the Companies Act 1985

Please do not
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this marginPlease complete
legibly, preferably
in black type or
bold block
lettering*Insert full name
of company

To the Registrar of Companies

For official use Company number



2236984

Name of company

* MPC 92 LIMITED

Date of creation of the charge

12th November, 1992

Description of the instrument (if any) creating or evidencing the charge (note 2)

SEE CONTINUATION SHEET 1

Amount secured by the mortgage or charge

SEE CONTINUATION SHEET 1

Names and addresses of the mortgagees or persons entitled to the charge

S.G. Warburg & Co. Ltd.

2 FINCHBURY AVENUE

LONDON as Security Trustee (as defined)

Postcode EC2M 2PA

Presentor's name, address and
reference (if any):Allen & Overy
9 Cheapside
London EC2V 6AD
Ref: GP

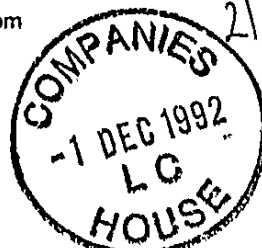
For official use

Mortgage creation

REGISTERED

1 DEC 1992

Post room



Time critical reference

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SEE CONTINUATION SHEET 1

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Particulars as to commission allowance or discount (note 3)

NIL

Signed

Allen & Overy

Date

1/12/92

On behalf of ~~[company]~~ [mortgagee/chargee]*

*Delete as
appropriate

Notes

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
3. In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

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Particulars of a mortgage or charge (continued)

Continuation sheet No. 1
to Forms Nos 395 and 410 (Scot)

Company number

2236984

Please complete
legibly, preferably
in black type, or
bold block lettering

Name of company

MPC 92

Limited*

*Delete if
inappropriate

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

Security Agreement incorporating fixed and floating charges
dated 12th November, 1992 (the "Agreement") between:

- (1) Mercury Personal Communications Limited, MPC 92 Limited
and USW PCN, INC., carrying on business in partnership
under the name of Mercury Personal Communications (the
"Borrower");
- (2) Mercury Personal Communications Limited ("MPCL");
- (3) MPC 92 Limited (the "Chargor");
- (4) USW PCN, INC. ("USW PCN"); and
- (5) S.G. Warburg & Co. Ltd. as Security Trustee.

Amount due or owing on the mortgage or charge (continued)

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All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Borrower to any Beneficiary (as defined) under each of the Finance Documents (as defined) to which the Borrower is a party.

- (1) By way of assignment to the Security Trustee all of the present and future right, title and interest of the Chargor in and to:
- (i) the Relevant Unpaid Contributions (as defined) including the right of the Chargor to receive the same whether pursuant to the Merger Agreement (as defined), the Partnership Agreement (as defined) or otherwise;
 - (ii) the net proceeds of any claims, awards and judgements which may at any time be receivable or received by the Chargor in respect of the Relevant Unpaid Contributions; and
 - (iii) all of the present and future right, title and interest of the Chargor in and to the Assigned Material Contracts (as defined) and each Interest Rate Swap Agreement (as defined) including, without limitation, all moneys which at any time may be or become payable to the Chargor pursuant thereto and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Chargor pursuant thereto.
- (2) By way of first fixed charge:
- (i) all of the right, title and interest of the Chargor in and to the Ericsson Equipment (as defined);
 - (ii) all benefits in respect of the Insurances (as defined) and all claims and return of premiums in respect of them;
 - (iii) all moneys standing to the credit of the Cash Collateral Account (as defined) and the debts represented by them from time to time; and
 - (iv) all moneys due and owing to the Chargor at any time in the future by any Parent (as defined) or any member of that Parent's group by virtue of any loans of surplus cash made by the Chargor pursuant to Clause 18.16 (Distributions) of the Credit Agreement (as defined).
- (3) By way of first floating charge:
- all the assets referred to in (2) above to the extent any of those assets are not, at any time, subject to an effective fixed charge pursuant to Clause 2.3 (Creation of Fixed Security) of the Agreement.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

- (1) By way of assignment to the Security Trustee all of the present and future right, title and interest of the Chargor in and to:
- (i) the Relevant Unpaid Contributions (as defined) including the right of the Chargor to receive the same whether pursuant to the Merger Agreement (as defined), the Partnership Agreement (as defined) or otherwise;
 - (ii) the net proceeds of any claims, awards and judgements which may at any time be receivable or received by the Chargor in respect of the Relevant Unpaid Contributions; and
 - (iii) all of the present and future right, title and interest of the Chargor in and to the Assigned Material Contracts (as defined) and each Interest Rate Swap Agreement (as defined) including, without limitation, all moneys which at any time may be or become payable to the Chargor pursuant thereto and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Chargor pursuant thereto.
- (2) By way of first fixed charge:
- (i) all of the right, title and interest of the Chargor in and to the Ericsson Equipment (as defined);
 - (ii) all benefits in respect of the Insurances (as defined) and all claims and return of premiums in respect of them;
 - (iii) all moneys standing to the credit of the Cash Collateral Account (as defined) and the debts represented by them from time to time; and
 - (iv) all moneys due and owing to the Chargor at any time in the future by any Parent (as defined) or any member of that Parent's group by virtue of any loans of surplus cash made by the Chargor pursuant to Clause 18.16 (Distributions) of the Credit Agreement (as defined).
- (3) By way of first floating charge:
- all the assets referred to in (2) above to the extent any of those assets are not, at any time, subject to an effective fixed charge pursuant to Clause 2.3 (Creation of Fixed Security) of the Agreement.

NOTE:

The Agreement contains the following restrictions on dealing without the prior written consent of the Security Trustee:

- (a) The Chargor shall not create or permit to subsist any Security Interest (as defined) on any Security Asset (as defined) other than a Security Interest constituted by the Agreement or permitted to be created in accordance with Clause 18.18(b)(ii) or (ix) (Negative pledge) of the Credit Agreement;
- (b) The Chargor shall not sell, transfer, grant, lease or otherwise dispose of any Security Asset except as permitted by Clause 18.9 (Transactions similar to security) or Clause 18.10 (Disposals) of the Credit Agreement.

Definitions:

"Assigned Material Contracts" means the Supply Agreement.

"Beneficiaries" means:

- (a) each Lender (as defined) (including Ericsson Treasury Ireland Limited (the "Original Lender") and Ericsson Limited ("Ericsson") (if it becomes a Lender);
- (b) S.G. Warburg & Co. Ltd. as agent (the "Agent");
- (c) S.G. Warburg & Co. Ltd. as Security Trustee;
- (d) Telefonaktiebolaget L.M. Ericsson (the "Guarantor"); and
- (e) each Swap Counterparty (as defined)

"Beneficiary Deed of Accession" means a deed delivered or to be delivered in accordance with Clause 6.1 (Accession) or 9.3 (Beneficiaries) of the Intercreditor Agreement (as defined).

"Business Plan" means the Business Plan which relates to Phase I (as defined) delivered by the Borrower to the Agent pursuant to paragraph 1(b) of Part I of Schedule 3 (the "First Business Plan") of the Credit Agreement and thereafter each Business Plan delivered to the Agent pursuant to Clause 18.3 (Information - Miscellaneous) of the Credit Agreement.

"Cash Collateral Account" means the account opened or to be opened under Clause 8.2 of the Credit Agreement with the Security Trustee.

NOTE:

The Agreement contains the following restrictions on dealing without the prior written consent of the Security Trustee:

- (a) The Chargor shall not create or permit to subsist any Security Interest (as defined) on any Security Asset (as defined) other than a Security Interest constituted by the Agreement or permitted to be created in accordance with Clause 18.18(b)(ii) or (ix) (Negative pledge) of the Credit Agreement;
- (b) The Chargor shall not sell, transfer, grant, lease or otherwise dispose of any Security Asset except as permitted by Clause 18.9 (Transactions similar to security) or Clause 18.10 (Disposals) of the Credit Agreement.

Definitions:

"Assigned Material Contracts" means the Supply Agreement.

"Beneficiaries" means:

- (a) each Lender (as defined) (including Ericsson Treasury Ireland Limited (the "Original Lender") and Ericsson Limited ("Ericsson") (if it becomes a Lender);
- (b) S.G. Warburg & Co. Ltd. as agent (the "Agent");
- (c) S.G. Warburg & Co. Ltd. as Security Trustee;
- (d) Telefonaktiebolaget L.M. Ericsson (the "Guarantor"); and
- (e) each Swap Counterparty (as defined)

"Beneficiary Deed of Accession" means a deed delivered or to be delivered in accordance with Clause 6.1 (Accession) or 9.3 (Beneficiaries) of the Intercreditor Agreement (as defined).

"Business Plan" means the Business Plan which relates to Phase I (as defined) delivered by the Borrower to the Agent pursuant to paragraph 1(b) of Part I of Schedule 3 (the "First Business Plan") of the Credit Agreement and thereafter each Business Plan delivered to the Agent pursuant to Clause 18.3 (Information - Miscellaneous) of the Credit Agreement.

"Cash Collateral Account" means the account opened or to be opened under Clause 8.2 of the Credit Agreement with the Security Trustee.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

- b) any bank or other financial institution approved by the Agent,
such approval not to be unreasonably withheld; and
- c) any other person agreed by the Borrower, the Agent and Ericsson
for such purpose,

and in form and substance satisfactory to the beneficiaries thereof and
the Lenders (other than the Original Lender and Ericsson).

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

- v) each letter of undertaking to be addressed to the Security Trustee by each Parent in the form of Schedule 9 of the Credit Agreement;
- vi) each acknowledgement to be delivered by the Borrower pursuant to paragraph 4(c) of Part I of Schedule 3 of the Credit Agreement or pursuant to paragraph (g) of Part II of Schedule 3 of the Credit Agreement;
- vii) each option to acquire an Essential Asset granted to the Security Trustee pursuant to Clause 19.4 (Essential Assets) of the Credit Agreement;
- viii) all other documents executed or to be executed creating, evidencing or granting security in favour of the Security Trustee for the obligations of the Borrower under the Finance Documents; and
- ix) any other document designated in writing by the Borrower and the Security Trustee.

Security Interest" means any mortgage, pledge, lien, charge, security assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security.

Security Trustee" means S.G. Warburg & Co. Ltd. or any other person from time to time who is a successor trustee under the Agreement.

Shareholder" means Cable and Wireless Plc, US West UK Limited, US West International Holdings, Inc. or any other person which is a beneficial owner of shares issued by a Partner.

Supply Agreement" means the Network Infrastructure Supply Agreement dated 13th May, 1992 (issued on 17th June, 1992) made between the Borrower and Ericsson.

Swap Counterparty" means each Quote Provider with whom the Borrower enters into an Interest Rate Swap Agreement and which has either executed the Intercreditor Agreement or has executed a Beneficiary Deed of Accession.

Third Party Guarantee" means a guarantee or standby or direct payment letter of credit issued or to be issued pursuant to the facility referred to in Clause 2.1(b) (Facilities) of the Credit Agreement in favour of;

- a) any government owned or government based or managed corporation, agency or similar organisation established by (or pursuant to) statute, treaty, protocol or other inter-governmental agreement and which is authorised (in accordance with the terms under which it is so established) to make loans or other financial accommodation available for the benefit of any person carrying on business in the United Kingdom;

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Partnership Deed of Accession" means each deed delivered or to be delivered pursuant to the terms of the Credit Agreement, the Agreement, the Partnership Debenture or the Intercreditor Agreement substantially in the form of Part 2 of Schedule 5 of the Credit Agreement.

Phase 1" means a radio telecommunications system generally known as a personal communications network to be owned by the Borrower and operated by MPCL in its capacity as a Partner within the Phase I Area pursuant to the Operator's Licence.

Phase 1 Area" means the area delineated in black on the map set out in Schedule 2 of the Credit Agreement together with any additional area covered by, or containing, Ericsson Equipment the purchase of which is financed or refinanced, or the purchase price of which is reimbursed, utilising either of the facilities referred to in Clause 2.1 (Facilities) of the Credit Agreement.

Quote Provider" means the Agent, the Original Lender, each other lender and any other bank or financial institution nominated by the Borrower and approved by the Agent.

Relevant Unpaid Contributions" means the sum of £85,000,000 (or such lesser sum as reduced in accordance with Clause 18.18 (Minimum Unpaid Contributions) of the Credit Agreement) being the last part of the aggregate amount of the capital which each Shareholder (as defined) and each Partner has agreed or is committed to contribute to the Borrower prior to the date hereof and which has not been paid to the Borrower or to its order at the date hereof.

Security Assets" means all assets of the Chargor the subject of any security Interest created or intended to be created by the Agreement.

Security Document" means:

- i) the Agreement;
- ii) the Partnership Debenture;
- iii) the guarantee which may be given by the Guarantor in the event of syndication as contemplated in Clause 28.6 (Syndication) of the Credit Agreement substantially in the form contained in Schedule 10 of the Credit Agreement or in such other form as may be reasonably satisfactory to the Guarantor, the Borrower and Security Trustee;
- iv) the counter indemnity in the form or substantially in the form contained in Schedule 11 of the Credit Agreement to be entered into by the Borrower and the Guarantor if the Guarantor enters into the Guarantee;

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

Interest Rate Swap Agreement means an interest rate swap or similar agreement entered into by the Borrower and a Quote Provider (as defined).

Lenders means (subject to Clause 28.2 (Transfers by Lenders) of the Credit Agreement):

- a) the Original Lender;
- b) Ericsson, if and only to the extent that (i) at such time as it is performing any of the Original Lenders' obligations under the Finance Documents in accordance with Clause 2.5(c) (Nature of a Finance Party's rights and obligations) of the Credit Agreement or (ii) the Borrower is under any obligation or liability to Ericsson under any Finance Document; and
- c) each bank or financial institution which becomes a lender under Clause 28.2 (Transfers by Lenders) of the Credit Agreement.

Merger Agreement means the Merger Agreement dated 5th May, 1992 between (inter alia) MPCL, the Parents, the Chargor, US West UK, USW PCN and the Borrower including any deed of adherence executed pursuant hereto or in respect thereof.

Network has the meaning given to the expression "PCN Network" in the Partnership Agreement.

Novation Certificate means a duly completed certificate substantially in the form of Part I of Schedule 5 of the Credit Agreement.

Operator's Licence means the telecommunications licence issued to MPCL (formerly Unitel Limited) on 9th July, 1991 by the Secretary of State for Trade and Industry under Section 7 of the Telecommunications Act, 1984.

Parent means in the case of the Chargor, means Cable and Wireless plc, in the case of USW PCN, means US West, Inc. and, in the case of any other Partner (as defined), means the company which is the ultimate holding company within the meaning of Section 736 of the Companies Act 1985 of the group of companies of which that Partner is a member.

Partner means the Chargor, USW PCN or MPCL or any other person who is or becomes a partner for the purposes of the Partnership Agreement.

Partnership Agreement means the Partnership Agreement between the Partners dated 5th May, 1992.

Partnership Debenture means the debenture which may be entered into by the Borrower in the form of or substantially in the form of Schedule 7 of the Credit Agreement.

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Names, addresses and descriptions of the mortgagees or persons entitled to the charge (continued)

"Credit Agreement" means the £85,000,000 credit agreement dated 12th November, 1992 between the Borrower, the Chargor, USW PCN and MPCL as partners, the Original Lender, Ericsson as supplier, the Agent and Security Trustee.

"Essencial Assets" means any item of equipment, plant, containers, hardware, software or material (other than Ericsson Equipment) essential for the operation of the Network (as defined) in the Phase I Area (as defined) to the standard and with the capacity expected of the Network in the Phase I Area as envisaged in the Business Plan at the time at which the relevant item is acquired.

"Ericsson Equipment" means all and any equipment and parts thereof together with all other materials, plant, hardware and spares supplied by Ericsson from time to time under the Supply Agreement.

"Finance Documents" means:

- (a) the Credit Agreement;
- (b) each Third Party Guarantee (as defined);
- (c) each Security Document (as defined);
- (d) the Intercreditor Agreement;
- (e) each Interest Rate Swap Agreement;
- (f) each Novation Certificate (as defined);
- (g) each Partner Deed of Accession (as defined);
- (h) each Beneficiary Deed of Accession; and
- (i) each other document designated as such by the Agent with the prior written consent of the Borrower.

"Insurances" means all contracts and policies of insurance in respect of the Security Assets of whatever nature which are from time to time taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest.

"Intercreditor Agreement" means the intercreditor agreement entered or to be entered into by the Borrower, the Original Lender, the Guarantor and S.G. Warburg & Co. Ltd. (as Agent and Security Trustee) in the form, or substantially in the form, of Schedule 12 of the Credit Agreement.

FILE COPY



**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 401(2) of the Companies Act 1985

I hereby certify that a mortgage or charge dated the 12th NOVEMBER 1992
and created by MPC 92 LIMITED

for securing all moneys due or to become due from THE COMPANY AND/OR ALL
OR ANY OF THE OTHER COMPANIES NAMED THEREIN to S.G. WARBURG & CO. LTD. AS
THE "SECURITY TRUSTEE" FOR THE BENEFICIARIES (AS DEFINED) UNDER EACH OF
THE FINANCE DOCUMENTS (AS DEFINED)

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 1st DECEMBER 1992

Given under my hand at the Companies Registration Office,
Cardiff the 7th DECEMBER 1992

No. 2236984

le

A handwritten signature in cursive script, reading 'A.P. Goddard'.

A.P. GODDARD
an authorised officer

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*Insert full name
of company

COMPANIES FORM No. 395**Particulars of a mortgage or charge**

Pursuant to section 395 of the Companies Act 1985

M462C

395

To the Registrar of Companies

For official use Company number

Name of company

*MPC 92 Limited

2236984

Date of creation of the charge

22 FEBRUARY 1993

Description of the instrument (if any) creating or evidencing the charge (note 2)

Licence ("the Licence") dated 22nd February 1993 made between
(1) Grosvenor Estate Belgravia (2) Regent Lion Properties Ltd
and (3) The Lord Mayor and Citizens of the City of Westminster

Amount secured by the mortgage or charge

The observance and performance of the obligations of the
Licensee contained in Clause 3(viii) of the Licence

Names and addresses of the mortgagees or persons entitled to the charge

GROSVENOR ESTATE BELGRAVIA whose registered office is at
53 Davies Street London W1Y 1EH

Postcode

Presentor's name, address and
reference (if any):

Boodle Hatfield
43 Brook Street
London W1Y 2BL

Ref JMT/TES/03022 132

Time critical reference

For official use
Mortgage section

3 MAR 1993

COMPANIES HOUSE
13 MAR 1993
85

Short particulars of all the property mortgaged or charged

The Company's equitable interest in the sum of Five Thousand Pounds (£5,000) deposited by the Licensee with the Chargee

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Particulars as to commission allowance or discount (note 3)

N/A

Signed

Bonnie Halford

Date

2 March

1993

On behalf of [company] {mortgagee/chargee}*

*Delete as
appropriate

Notes

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in the course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
3. In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

Page 2

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Particulars of a mortgage or charge (continued)

Continuation sheet No. _____
to Forms Nos 395 and 410 (Scot)

Company number

2236984

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Name of company

MPC 92 LIMITED

*Delete if
inappropriate

Limited*

Description of the instrument creating or evidencing the mortgage or charge (continued) (note 2)

and (4) Mercury Personal Communications Ltd, MPC 92 Ltd and
USW PCN Inc (collectively referred to as "the Licensee")

Amount due or owing on the mortgage or charge (continued)

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Short particulars of all the property mortgaged or charged (continued)

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Page 4



The Solicitors' Law Stationery Society plc, 24 Gray's Inn Road, London WC1X 8HR

Companies 395 (Cont.) 410 (Scot) (Cont.)

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**CERTIFICATE OF THE REGISTRATION
OF A MORTGAGE OR CHARGE**

Pursuant to section 401(2) of the Companies Act 1985

I hereby certify that a mortgage or charge dated the 22nd FEBRUARY 1993
and created by MPC 92 LIMITED

for securing all moneys due or to become due from THE COMPANY AND/OR ALL
OR ANY OF THE OTHER COMPANIES NAMED THEREIN to GROSVENOR ESTATE BELGRAVIA
UNDER THE TERMS OF THE CHARGE (BEING THE OBLIGATIONS OF THE LICENCEE
CONTAINED IN CLAUSE 3 viii OF THE LICENCE)

was registered pursuant to Chapter I Part XII of the Companies Act
1985, on the 3rd MARCH 1993

Given under my hand at the Companies Registration Office,
Cardiff the 8th MARCH 1993

No. 2236984

A handwritten signature in dark ink, appearing to be 'R. Jones'.

C. J. JONES

an authorised officer

C.69

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*Insert full name
of company

COMPANIES FORM No. 395**Particulars of a mortgage or charge**

Pursuant to section 395 of the Companies Act 1985

D/W 23 82161

3

M157

To the Registrar of Companies

For official use Company number

☒ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

2236984

Name of company

* MPC 92 Limited (the "Borrower")

Date of creation of the charge

13th April, 1994

Description of the instrument (if any) creating or evidencing the charge (note 2)

A debenture (the "Debenture") (see Continuation Sheet 1)

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Chargor to any Beneficiary under each of the Finance Documents to which the Borrower is a party (the "Secured Liabilities").

Names and addresses of the mortgagees or persons entitled to the charge

S. G. Warburg & Co. Ltd (the "Security Trustee")

2 Finsbury Avenue

London

EC2M 2PA

Postcode

Presentor's name, address and
reference (if any):

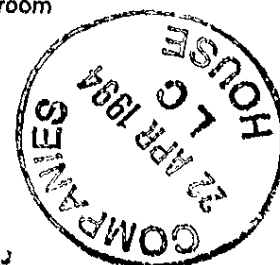
Allen & Overy
9 Cheapside
London EC2V 6AD
AW/GP/B2/13261.1

For official use

Mortgage section

Post room

22 APR 1994



Time critical reference

Short particulars of all the property mortgaged or charged

See Continuation Sheet 2

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legibly, preferably
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Particulars as to commission allowance or discount (note 3)

Nil

Signed

Allen + Overy

Date

21st April 1994

On behalf of ~~[company]~~ [mortgagee/chargee]*

*Delete as
appropriate

Notes

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
3. In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional, for any of the debentures included in this return. The rate or interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.

Particulars of a Mortgage or Charge (Continuation 1)

MPC 92 Limited (2236984)

Description of the instrument creating or evidencing the Charge

dated 13th April, 1994 made between Mercury Personal Communications Limited (Registered number 2382161), MPC 92 Limited (Registered number 2236984) and USW PCN, Inc (a company incorporated under the laws of the State of Colorado, USA) carrying on business in partnership under the name of Mercury Personal Communications (the "Partnership"), Mercury Personal Communications Limited, MPC 92 Limited, USW PCN, Inc and S. G. Warburg & Co. Ltd.

Particulars of a Mortgage or Charge (Continuation 2)

MPC 92 Limited (2236984)

Short particulars of all the property mortgaged or charged

1. FIXED SECURITY

Subject to Clause 3(a) (below) of this Form 395, the Chargor, as beneficial owner and as security for the payment of all the Secured Liabilities, charges in favour of the Security Trustee for the benefit of itself and the Beneficiaries:

- (a) by way of a first legal mortgage:
 - (i) all the property specified in Schedule 1; and
 - (ii) all estates or interests in any freehold or leasehold property (except any Security Assets specified in sub-paragraph (i) above belonging to it on the date hereof;
- (b) by way of first fixed charge:
 - (i) (to the extent that they are not the subject of a mortgage under paragraph (a) above) all present and future estates or interests in any freehold or leasehold property belonging to it;
 - (ii) all the right, title and interest of the Chargor in and to all the Shares held now or in the future by it and/or by any nominee on its behalf and all Related Rights accruing to the Shares now or in the future;
 - (iii) all plant and machinery now or in the future owned by the Chargor and its interest in any plant or machinery in its possession;
 - (iv) (A) all monies standing to the credit of each Collections Account and the debts represented by them from time to time;
(B) all monies from time to time standing to the credit of each of its other present and future accounts with any person and the debts represented by them;
 - (v) all benefits in respect of the Insurances and all claims and returns of premiums in respect of them;
 - (vi) all of the Chargor's present and future book and other debts, the proceeds of the same and all other monies due and owing to the Chargor at any time in the future and the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any of the foregoing;
 - (vii) (to the extent that they do not fall within any other sub-paragraph of this paragraph (b) or Clause 2 (below) of this Form 395 all of the Chargor's rights and benefits under any distributorship or similar agreements entered into by it,

any letters of credit issued in its favour and all bills of exchange and other negotiable instruments held by it;

- (viii) any beneficial interest, claim or entitlement of the Chargor in any pension fund;
- (ix) the Chargor's present and future goodwill;
- (x) subject to Clause 3(b) (below) of this Form 395, the benefit of the Licences and all other licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any Security Asset specified in any other sub-paragraph in this Clause and the right to recover and receive all compensation which may be payable to it in respect of them; and
- (xi) all its present and future Intellectual Property Rights.

2. ASSIGNMENT

- (a) Subject to Clause 3(a) (below) of this Form 395, the Chargor and each Partner, as beneficial owner and as security for the payment of the Secured Liabilities, hereby each assigns and agrees to assign all its present and future right, title and interest in and to all the Cell Site Licences, Customer Agreements and Interconnect Agreements to which it is or will be a party including, without limitation, all debts, receivables, income and other monies which at any time may be or become payable to the Chargor or that Partner, as the case may be, pursuant thereto and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Chargor or that Partner, as the case may be, pursuant thereto.
- (b) There shall be automatically released from any Security Interest created by the Debenture all Excluded Phase I Receivables of the Chargor over which the Chargor creates a Security Interest in accordance with Clause 4.2(b)(vi) of the Debenture (Negative pledge) and any other Phase I Asset over which the Chargor creates a Security Interest in accordance with Clause 4.2(b)(ix) of the Debenture and any other Phase I Asset with which the Chargor deals in accordance with Clause 4.3 of the Debenture (Disposals); such release shall be deemed to take effect from time to time:
 - (i) in the case of Clause 4.2(b)(vi) of the Debenture (Negative pledge), immediately prior to the creation of that Security Interest; or
 - (ii) in the case of Clause 4.2(b)(ix) of the Debenture (Negative pledge), immediately prior to the repayment in full of any Financial Indebtedness incurred by the Chargor in connection with the acquisition of the asset concerned or, if no such Financial Indebtedness was incurred, immediately prior to the creation of that Security Interest; or
 - (iii) in the case of Clause 4.3 of the Debenture (Disposals), immediately prior to the relevant disposal being made.

The Security Trustee shall from time to time execute any document which the Chargor reasonably requires to evidence each release.

3. MISCELLANEOUS

- (a) Nothing in Clauses 1 or 2 (above) of this Form 395 shall create any Security Interest over the Excluded Assets
- (b) In the case of any Licence or other licence subject to Clause 1(b)(x) (above) of this Form 395 (each a licence) or any Relevant Contract which provides by its terms for the consent of any other party thereto to be obtained to any fixed charge or security assignment by the Chargor or a Partner of its rights under that licence or that Relevant Contract, as the case may be, the charge contained in Clause 1(b)(x) (above) of this Form 395 and the assignment by way of security contained in Clause 2(a) (above) of this Form 395 shall not take effect until that consent has been obtained and the Chargor shall use its reasonable endeavours to obtain such consent as soon as practicable after the date hereof (if that licence was obtained, or that Relevant Contract was entered into, prior to the date hereof) or after that licence has been obtained or that Relevant Contract has been entered into (in any other case). Subject to the obligations of the Chargor to use its reasonable endeavours as aforesaid any failure by the Chargor to obtain the consent of any relevant party for the purposes of this Clause 3(b) shall not be a breach of the Debenture or any other Finance Document.
- (c) A reference in the Debenture to a charge or mortgage of the estate or interests of the Chargor in any freehold or leasehold property includes:
 - (i) all buildings and Fixtures on that property;
 - (ii) the proceeds of sale of any part of that property; and
 - (iii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any monies paid or payable in respect of those covenants.
- (d) The fact that no details of properties or agreements are included in Schedule 1 does not affect the validity or enforceability of any security created by the Debenture.

4. FLOATING CHARGE

The Chargor, as beneficial owner and as security for the payment of all of the Security Liabilities, ~~charges~~ in favour of the Security Trustee by way of a first floating charge all its undertaking and assets whatsoever and wheresoever both present and future other than the Excluded Assets.

NOTE:-

- (a) The Chargor shall not, and the Chargor shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest on any of its assets.
- (b) paragraph (a) does not apply to:
 - (i) any lien arising by operation of law in the ordinary course of business and securing amounts not more than 60 days overdue;

- (ii) any Security Interest constituted under the Finance Documents or created with the prior consent of the Lenders;
- (iii) any Security Interest constituted by title retention in the case of agreements entered into by the Chargor in the ordinary course of its trade;
- (iv) any Security Interest granted by the Borrower in favour of any Permitted Beneficiary over the Phase I Assets or any of them provided that each permitted Beneficiary, before the grant of that Security Interest, accedes to the Intercreditor Agreement with respect to that Security Interest;
- (v) any Security Interest over any of the assets of the Borrower referred to in paragraph (f) of the definition of "Excluded Assets" (below) provided that Security Interest only secures, at any time, Financial Indebtedness of the Chargor which is limited to the amount of the Financial Indebtedness which may be incurred by the Chargor under Clause 18.11(b)(vi) (Other Indebtedness) of the Credit Agreement at that time;
- (vi) any Security Interest over any Excluded Phase I Receivables;
- (vii) any Security Interest over Other Network Receivables;
- (viii) any Security Interest over Unpaid Contributions other than the Relevant Unpaid Contributions;
- (ix) any Security Interest over any assets (including without limitation handsets and related peripheral equipment) acquired or refinanced (whether by way of purchase, lease, hire or otherwise) utilising Financial Indebtedness permitted by Clause 18.11(b)(iv) or (v) (Other Indebtedness) of the Credit Agreement or any refinancing thereof permitted by Clause 18.11(b)(ii) (Other indebtedness) of the Credit Agreement but not exceeding the lower of the acquisition cost and market value of those assets together with interest thereon and any fees and other expenses related thereto payable by the Chargor provided:
 - (A) the Security Interest was given in contemplation of the acquisition or refinancing of that asset and came into existence at the time of its acquisition or refinancing or immediately thereafter; and
 - (B) the amount secured is not increased at any time thereafter;
- (x) any Security Interest over the Phase I Assets granted by the Chargor in favour of any person providing the finance referred to in Clause 18.11(b)(v), (vi) or (vii) (Other Indebtedness) of the Credit Agreement provided that each person providing that finance, before the grant of that Security Interest, enters into an intercreditor agreement in form and substance reasonably satisfactory to the Security Trustee under which that person (A) agrees that, in point of priority, that Security Interest shall rank behind the Security Interests over the Phase I Assets created by the Security Documents; (B) agrees that it shall have no right whatsoever to enforce or take any other action in respect of its Security Interest over the Phase I Assets until all the monies and liabilities secured by the Security Documents have been irrevocably discharged and satisfied in full

provided that it shall be entitled to make demands and declare a default or other breach in accordance with any agreement pursuant to which such finance is advanced; and (C) agrees that it shall have no right to share in the proceeds of any enforcement of the Security Documents until all monies and liabilities owed to the Security Beneficiaries have been discharged and satisfied in full.

- (c)
 - (i) If the Chargor creates or permits to subsist any Security Interest on any of its assets contrary to paragraphs (a) and (b) above, all the obligations of the Chargor under the Credit Agreement shall automatically and immediately be secured upon the same assets, ranking at least *pari passu* with the other obligations secured on those assets.
 - (ii) Without prejudice to the effectiveness of Clause 4.2(c)(i) of the Debenture (Negative pledge) but for the avoidance of doubt, no Security Interest was created pursuant to that Clause on the date of the Credit Agreement.
- (d) The Chargor shall not, and the Chargor shall procure that none of its Subsidiaries will, either in a single transaction or in a series of voluntarily or involuntarily, sell, transfer, grant or lease or otherwise dispose of:
 - (i) all or any part of its Phase I Assets; or
 - (ii) all or a substantial part of its other assets.
- (e) Paragraph (d) does not apply to:
 - (i) disposals made in the ordinary course of trade of the disposing entity;
 - (ii) disposals of cash raised or borrowed for the purpose for which it was raised or borrowed;
 - (iii) disposals on terms which are not in contravention of Clause 18.9 (Transactions similar to security) of the Credit Agreement;
 - (iv) disposal of assets for cash on an arm's length basis provided the prior consent of the Majority Lenders is obtained, such consent not to be unreasonably withheld;
 - (v) disposals of assets by a Subsidiary to the Chargor and disposals of assets (other than Phase I Assets) by the Chargor to a Subsidiary;
 - (vi) any disposal, whether or not for any consideration, of an asset with a book value of less than £20,000 and where the aggregate of all such disposals does not exceed £1,000,000 (or its equivalent in any other currency) in any year;
 - (vii) disposals of assets in exchange for other assets comparable or superior as to type, value and quality;
 - (viii) any transfer of the Operator's Licence;

- (ix) any transfer of an Essential Asset in accordance with Clause 19.4 (Essential Assets) of the Credit Agreement;
- (x) the surrender or termination of a lease, licence or other right relating to a Cell Site in accordance with its terms where such Cell Site is either replaced by another Cell Site or the Chargor certifies to the Agent that such Cell Site is no longer essential for the operation of Phase I; and
- (xi) any disposal required to achieve a reconstruction permitted under Clause 18.13 (Reconstructions) of the Credit Agreement or as a direct consequence of the introduction of a new Partner in accordance with Clause 18.15 (New Partners) of the Credit Agreement.

For the purpose of this Form 395

"Acknowledgement" means each Acknowledgement to be delivered by the Borrower pursuant to paragraph 4(c) of Part 1 of Schedule 3 of the Credit Agreement or pursuant to paragraph (g) of Part 2 of Schedule 3 of the Credit Agreement.

"Agent" means S. G. Warburg & Co. Limited.

"Annual Budget" means the Annual Budget relating to Phase I approved by the Parents delivered by the Borrower to the Agent pursuant to paragraph 1(b) of Part 1 of Schedule 3 of the Credit Agreement and thereafter each Annual Budget delivered to the Agent pursuant to Clause 18.3 of the Credit Agreement (Information - Miscellaneous).

"Applicable Percentage" means, in respect of each context in which the expression "Majority Lenders" is used in the Credit Agreement;

- (i) in the case of Clause 9.3 (Mandatory Prepayment), Clause 20.1 (Events of Default) and Clause 20.16 (Acceleration) of the Credit Agreement, 75 per cent; and
- (ii) in all other cases 66 $\frac{2}{3}$ per cent or such other percentage as may be agreed between the Borrower and the Lenders in respect of that context.

"Beneficiary" means any of the following:

- (a) any government owned or government based or managed corporation, agency or similar organisation established by (or pursuant to) statute, treaty, protocol or other inter-governmental agreement and which is authorised (in accordance with the terms under which it is so established) to make loans or other financial accommodation available for the benefit of any person carrying on business in the United Kingdom;
- (b) any bank or other financial institution approved by the Agent such approval not to be unreasonably withheld; and
- (c) any other person agreed by the Borrower, the Agent and Ericsson for such purpose.

"Beneficiary Deed of Accession" has the meaning given to that expression in the Intercreditor Agreement.

"Business Plan" means the Business Plan which relates to Phase I delivered by the Borrower to the Agent pursuant to paragraph 1(b) of Part 1 of Schedule 3 of the Credit Agreement (the "First Business Plan") and thereafter each Business Plan delivered to the Agent pursuant to Clause 18.3 of the Credit Agreement (Information - Miscellaneous).

"Cash Collateral Account" means the account opened or to be opened under Clause 8.2 of the Credit Agreement (Cash Collateral Account) with the Security Trustee.

"Cell Site" means each location in the Phase I Area at which a transceiver(s) or base station or switching equipment is installed for the purposes of the Network.

"Cell Site Licence" means a lease, licence or other right under which the Chargor or any Partner is entitled, whether exclusively or otherwise, to occupy a Cell Site.

"Chargor" means the Borrower.

"Collections Account" has the meaning set out in Clause 6 of the Debenture (Collections Account).

"Commitment" means in relation to each Lender the amount in Sterling set opposite the name of a Lender in Schedule 1 of the Credit Agreement or, as the case may be, as specified in the Novation Certificate relating to that Lender to the extent not cancelled or reduced by substitution or transfer or otherwise under this agreement.

"Commitment Period" means the period from the date of the Credit Agreement to the Term Date (both dates inclusive).

"Counter Indemnity" means the Counter Indemnity in the form or substantially in the form contained in Schedule 11 of the Credit Agreement to be entered into by the Borrower and the Guarantor if the Guarantor enters into the Guarantee.

"Credit Agreement" means the £85,000,000 credit agreement dated 12th November, 1992 between the Chargor, each Partner, the Original Lender, Ericsson, the Security Trustee and the Agent.

"Customer Agreement" means an agreement made between the Borrower (or a Partner on its behalf) and a person under which the Borrower (or that Partner) agrees to provide or procure the provision of communication services to that person by operation of the Network and/or under which that person subscribes to such services and which agreement is, at the relevant time, not terminated or otherwise determined in accordance with its terms.

"Designated Finance Document" has the meaning ascribed to that expression in the Intercreditor Agreement.

"Ericsson" means Ericsson Limited.

"Ericsson Equipment" means all and any equipment and parts thereof together with all other materials, plant, hardware and spares supplied by Ericsson to the Borrower under the Supply Agreement.

"Essential Assets" means any item of equipment, plant, containers, hardware, software or material (other than Ericsson Equipment) essential for the operation of the Network in the Phase I Area to the standard and with the capacity expected of the Network in the Phase I Area as envisaged in the Business Plan at the time at which the relevant item is acquired.

"Excluded Assets" means:

- (a) all unpaid or uncalled capital or capital contributions at any time including without limitation all Unpaid Contributions (including the Relevant Unpaid Contributions) and the proceeds thereof;
- (b) all the assets of the Borrower and each Partner the subject of any Security Interest created by the Security Agreement;
- (c) the balance standing from time to time to the credit of the Cash Collateral Account and the debts represented thereby;

- (d) any asset of the Chargor subject to any Security Interest the creation of which is not in contravention of Clause 18.8(b)(ix) (Negative pledge) of the Credit Agreement in favour, or for the benefit, of a person who is not a Permitted Beneficiary;
- (e) all Other Network Receivables and all present and future accounts of the Borrower (and the debts represented by them designated by the Borrower as "ONR" accounts into which the proceeds of Other Network Receivables may be paid;
- (f) any assets of the Borrower which are not Phase I Assets;
- (g) the Licences;
- (h) the name of any of the Parents, Shareholders or Partners or any name similar thereto;
- (i) the Trade Marks (as defined in the Trade Mark Licence Agreement); and
- (j) any other assets of the Chargor designated by the Chargor and the Security Trustee from time to time.

"Excluded Phase I Receivables" means, at any time, Phase I Receivables up to an aggregate amount of:

- (a) the amount which represents the average amount of one month's Phase I Receivables calculated over the six month period prior to the date on which the calculation is made multiplied by 0.666; and
- (b) the amount which represents the average amount of one month's forecast Phase I Receivables (such forecast to be made by the Borrower and based upon the rate of increase (if any) of the amount of Phase I Receivables received on a month by month basis during the period of 12 months prior to the date on which the calculation is made after making appropriate adjustments to account for seasonal and similar variable traffic factors which have, since the time of commencement of operation of Phase I, proved relevant in determining the levels of Phase I Receivables at a particular time) calculated over the three month period following the date on which the calculation is made multiplied by 0.333.

"Facility" means either:

- (a) a committed sterling term loan facility under which the Lenders shall, when requested by the Borrower, participate in making Loans in respect of Tranche A Utilisations and Tranche B Utilisations to the Borrower during the Commitment Period subject to the terms of the Credit Agreement; or
- (b) a committed sterling guarantee facility under which the Issuing Parties shall, during the Commitment Period and when requested by the Borrower, issue Third Party Guarantee subject to the terms of this Agreement.

"Finance Documents" means:

- (a) the Credit Agreement;

- (b) each Third Party Guarantee;
- (c) each Security Document;
- (d) the Intercreditor Agreement;
- (e) each Interest Rate Swap Agreement;
- (f) each Novation Certificate;
- (g) each Partner Deed of Accession;
- (h) each Beneficiary Deed of Accession;
- (i) each Designated Finance Document; and
- (j) each other document designated as such by the Agent with the prior written consent of the Borrower.

"Finance Party" means a Lender, Ericsson, the Security Trustee or the Agent.

"Financial Indebtedness" means any indebtedness in respect of:

- (a) moneys borrowed and debit balances at banks;
- (b) any debenture, bond, note, loan stock or other debt security;
- (c) any acceptance credit;
- (d) receivables sold, assigned or discounted (other than to the extent there is no recourse to the relevant party);
- (e) the acquisition cost of any asset to the extent payable before or after the time of acquisition or possession by the party liable where the advance or deferred payment is arranged primarily as a method of raising finance or financing the acquisition of that asset;
- (f) any obligation under any lease which is required to be capitalised under accounting principles and practices generally accepted in the United Kingdom;
- (g) the net exposure (meaning the amount payable by the party liable thereunder on termination or closing out of such arrangements determined on a market to market basis; of currency swap or interest swap, cap or collar arrangements; and
- (h) any guarantee, indemnity or similar assurance against the indebtedness (of any nature specified in paragraph (a) to (g) (inclusive) above) of any person,

but shall exclude:

- (i) indebtedness of the Borrower owed to suppliers or other trade creditors and incurred in the ordinary course of trade; and

- (ii) indebtedness of the Borrower which is fully subordinated to the Financial Indebtedness of the Borrower under the Finance Documents unless the Majority Lenders otherwise agree provided that the person to whom that indebtedness will be owed enters into an intercreditor agreement in form and substance reasonably satisfactory to the Majority Lenders prior to the Borrower incurring that indebtedness, under which that person agrees that he shall have no right to payment of principal or interest in respect of that indebtedness for so long as any Financial Indebtedness of the Borrower remains outstanding under the Finance Documents;

and so that no amount shall be taken in account more than once in the same calculation.

"Fixtures" means all landlords' fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time on the Mortgaged Property.

"Guarantee" means the guarantee which may be given by the Guarantor in the event of syndication as contemplated in Clause 28.6 of the Credit Agreement (Syndication) substantially in the form contained in Schedule 10 of the Credit Agreement or such other form as may be reasonably satisfactory to the Guarantor, the Borrower and the Security Trustee.

"Guarantee Facility" means the facility referred to in Clause 2.1(b) of the Credit Agreement (Facilities).

"Guarantor" means Telefonaktiebolaget LM Ericsson.

"Holding Company" means a holding company within the meaning of Section 736 of the Companies Act 1985.

"Insurances" means all contracts and policies of insurance in respect of the Security Assets of whatever nature which are from time to time taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest.

"Intercreditor Agreement" means the Intercreditor Agreement entered or to be entered into by the Borrower, the Original Lender, the Guarantor and S. G. Warburg & Co. Ltd as agent and trustee in the form, or substantially in the form of Schedule 12 of the Credit Agreement.

"Interest Rate Swap Agreement" means an interest swap or similar agreement entered into by the Borrower and a Quote Provider.

"Intellectual Property Rights" means all know-how, patents, trade marks, service marks, designs, business names, topographical or similar rights, copyrights and other intellectual property monopoly rights and any interests (including by way of licence) in any of the foregoing (in each case whether registered or not and including all applications for the same).

"Interconnect Agreement" means an agreement made between the Chargor (or a Partner acting on its behalf) with an operator designated a public telecommunications operator in accordance with the Telecommunications Act 1984, pursuant to which the Chargor is entitled to access the telecommunications network operated by such operator for the purpose of conveyance of messages from and to the Network.

"Issuing Party" means all of the Lenders other than the Original Lender and Ericsson.

"Lenders" means, subject to Clause 28.2 of the Credit Agreement (Transfers by Lenders):

- (a) the Original Lender;
- (b) Ericsson if and only to the extent that (i) at such time it is performing any of the Original Lenders obligations under the Finance Documents in accordance with Clause 2.5(c) of the Credit Agreement (Nature of a finance parties rights and obligations) or (ii) the Borrower is under any obligation or liability to Ericsson under any Finance Document; and
- (c) each bank or financial institution which becomes a Lender under Clause 28.2 of the Credit Agreement (Transfers by Lenders).

"Licence" means:

- (a) the Operator's Licence; or
- (b) the Wireless Telegraphy Licence.

"Loan" means, subject to Clause 10 of the Credit Agreement (Interest Periods), the principal amount of each borrowing by the Borrower under the Credit Agreement or the principal amount outstanding of that borrowing.

"Loan Facility" means the Facility (and each part of it) referred to in Clause 2.1(a) of the Credit Agreement (Facilities).

"Major Default" has the meaning ascribed to that expression in the Intercreditor Agreement.

"Majority Beneficiaries" has the meaning ascribed to that expression in the Intercreditor Agreement.

"Majority Lenders" means:

- (a) prior to any bank or other financial institution becoming a lender pursuant to Clause 28.2 of the Credit Agreement (Transfers by Lenders), the Original Lender; and
- (b) at any other time, Lenders:
 - (i) whose participations in outstanding Utilisations aggregate more than the Applicable Percentage of all Utilisations then outstanding; or
 - (ii) if there are no Utilisations then outstanding, whose Commitments then aggregate more than the Applicable Percentage of the Total Commitments; or
 - (iii) if the Total Commitments have been reduced to nil, whose Commitments aggregated more than the Applicable Percentage of the Total Commitments immediately before the reduction.

"Mortgaged Property" means the freehold or leasehold property the subject of the security created by the Debenture.

"MPCL" means Mercury Personal Communications Limited.

"MPC 92" means MPC 92 Limited.

"Network" has the meaning ascribed to the expression "PCN Network" in the Partnership Agreement.

"Novation Certificate" has the meaning given to it in Clause 28.3 of the Credit Agreement (Procedure for Novations).

"Operator's Licence" means the telecommunications licence issued to MPCL (formerly Unitel Limited) on 9th July, 1991 by the Secretary of State for Trade and Industry under Section 7 of the Telecommunications Act, 1984.

"Option" means each option to acquire an Essential Asset granted to the Security Trustee pursuant to Clause 19.4 of the Credit Agreement (Essential Assets).

"Original Lender" means Ericsson Treasury Ireland Limited (a company incorporated under the laws of Ireland of Beech Hill Road, Clonskeagh, Dublin 4, Ireland).

"Other Network Receivables" means all amounts payable by subscribers located in any area outside the Phase I Area (by reference to the postcode of the billing address of that subscriber or the principal place of business from which that subscriber operates or the address of the principal residence of that subscriber) to the Borrower or any Partner pursuant to Customer Agreements.

"Parent" in the case of MPC 92, means Cable and Wireless plc, in the case of USW PCN, means US West, Inc and, in the case of any other Partner means the company which is the ultimate Holding Company of the group of companies of which that Partner is a member.

"Partner" means Mercury Personal Communications Limited, MPC 92 or USW PCN or any other person who is or becomes a partner for the purposes of the Partnership Agreement.

"Parent Company Undertaking" means a letter of undertaking to be addressed to the Security Trustee by each Parent in the form of Schedule 9 of the Credit Agreement.

"Partnership Agreement" means the partnership agreement between the Partners dated 5th May, 1992.

"Partner Deed of Accession" means a deed delivered or to be delivered in accordance with Clause 17.7 of the Debenture (No release of partners by operation of law) substantially in the form of Part 2 of Schedule 5 of the Credit Agreement.

"Permitted Beneficiary" means:

- (a) any person providing any of the finance referred to in Clause 18.11(b)(iii) (Other Indebtedness) of the Credit Agreement; and
- (b) any person providing any of the finance referred to in Clause 18.11(b)(iv) and (vi) (Other Indebtedness) of the Credit Agreement provided that:
 - (i) the assets to be acquired by the Chargor utilising that finance are to be installed in or permanently located within the Phase I Area, such assets will be subject to a Security Interest created by the Debenture and will not be subject to any other Security Interest;

- (ii) the amount secured by the Debenture which is owed to that person from time to time shall not exceed the lower of the acquisition cost and market value of those assets together with interest thereon and any fees and other expenses related thereto payable by the Chargor;
- (iii) the Chargor demonstrates to the reasonable satisfaction of the Agent.
 - (A) that the business of the Chargor in relation to the operation of the Network in the Phase I Area is exceeding the expectations contemplated by the Business Plan; and
 - (B) additionally, in respect of Clause 18.11(b)(vi) (Other Indebtedness) of the Credit Agreement, the business of the Chargor in relation to the operation of the Network in the Phase I Area justifies additional investment in the Phase I Area by reference to the First Business Plan; and
- (iv) the Chargor delivers to the Agent a revised Annual Budget approved by the Board of the Chargor.

"Phase I" means a radio telecommunications system generally known as a personal communications network to be owned by the Borrower and operated by MPCL in its capacity as a Partner within the Phase I Area pursuant to the Operator's Licence.

"Phase I Area" means the area delineated in black on the map set out in Schedule 2 together with any additional area covered by, or containing, Ericsson Equipment the purchase of which is financed or refinanced or the purchase price of which is reimbursed utilising the Facilities.

"Phase I Assets" means;

- (a) all assets installed or permanently situated, or which are to be installed or permanently situated, in the Phase I Area;
- (b) all assets which arise in connection with, or as a result of, the operation of Phase I; and
- (c) all assets which are required for the continuing operation of Phase I whether installed or permanently situated in the Phase I Area or otherwise.

"Phase I Receivables" means all amounts payable by subscribers located within the Phase I Area (by reference to the postcode of the billing address of that subscriber or the principal place of business from which that subscriber operates or the address of the principal residence of that subscriber) to the Borrower or any Partner pursuant to Customer Agreements.

"Quote Providers" means the Agent, the Original Lender, each other Lender and any other bank or financial institution nominated by the Borrower and approved by the Agent (such approval not to be unreasonably withheld).

"Related Rights" means, in relation to the Shares, all dividends and interest paid or payable in relation thereto and all shares, securities, rights, monies or property accruing or offered or properly accruing or offered at any time in relation thereto by way of redemption, substitution, exchange, bonus or preference pursuant to option rights or otherwise.

"Relevant Contract" means each Cell Site Licence, each Customer Agreement and each Interconnect Agreement.

"Relevant Unpaid Contributions" means the sum of £85 million (or such less a sum as reduced in accordance with Clause 18.18 of the Credit Agreement (Minimum Unpaid Contributions)) being the last part of the aggregate amount of the capital which each Shareholder and each Partner has agreed or has committed to contribute to the Borrower prior to the date hereof and which has not been paid to the Borrower or to its order at the date hereof.

"Security Agreement" means the security agreement to be entered into by the Borrower and each Partner in the form of Schedule 6 of the Debenture.

"Security Assets" means all assets of the Chargors the subject of any Security Interest created by the Debenture.

"Security Beneficiaries" means:

- (a) the Finance Parties;
- (b) the Guarantor (if applicable);
- (c) each Quote Provider which has entered into an Interest Rate Swap Agreement with the Borrower and acceded to the Intercreditor Agreement; and
- (d) any other party which accedes to the Intercreditor Agreement in accordance with its terms.

"Security Documents" means the Security Agreement, the Partnership Debenture, the Guarantee (if applicable), the Counter Indemnity (if applicable), each Parent Company Undertaking, each Acknowledgement, each Option and all documents executed or to be executed creating, evidencing or granting security in favour of the Security Trustee for the obligations of the Borrower under the Finance Documents and any other document designated in writing as such by the Borrower and the Security Trustee.

"Security Interest" means any mortgage, pledge, lien, charge, security assignment, hypothecation or security interest or any other agreement or arrangement having the effect of conferring security.

"Shares" means any stocks, shares, debentures, bonds or other securities and investments beneficially owned by the Chargor.

"Shareholder" means Cable and Wireless plc, US West UK, USWIH or any other person which is the beneficial owner of shares issued by a Partner.

"Subsidiary" in the case of any body corporate, means:

- (a) a subsidiary within the meaning of Section 736 of the Companies Act 1985; or
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of Section 21 of the Companies Act 1989; and

- (c) in the case of the Borrower, means an entity from time to time of which the Borrower (i) has control or (ii) owns directly or indirectly more than 50 per cent of the share capital or similar right or ownership.

"Supply Agreement" means the Network Infrastructure Supply Agreement dated 13th May, 1992 (issued on 17th June, 1992) made between the Partnership and Ericsson.

"Term Date" means 1st December, 1994 or, in the event of the Borrower electing to extend the Commitment Period pursuant to Clause 9.4(b) of the Credit Agreement (Cancellation/Extension of Commitments), the last day of any such extended period.

"Third Party Guarantee" means a guarantee or standby or direct payment letter of credit issued, or to be issued pursuant to the Guarantee Facility in favour of a Beneficiary and in formal substance satisfactory to the Beneficiary and the Issuing Party.

"Total Commitments" means the aggregate for the time being of the Commitment, being £85 million at the date of the Credit Agreement.

"Trade Mark Licence Agreement" means the Trade Mark Licence Agreement dated 5th May, 1992 made between Mercury Communications Limited and the Partnership.

"Tranche A Utilisation" means a Utilisation applied or to be applied in or towards financing, refinancing or reimbursing itself in respect of the amount (excluding VAT) of any invoice issued under the Supply Agreement in connection with any supply or service made in accordance with the Supply Agreement or pursuant thereto.

"Tranche B Utilisation" means a utilisation applied or to be applied in or towards:

- (a) paying interest (other than default interest) which accrues on the Loan during the period from the date hereof up to and including 1st December, 1994; or
- (b) paying or reimbursing itself in respect of, the costs, fees and expenses payable by the Borrower under Clause 22.1 (Front End Fee), Clause 22.2 (Commitment Fee), Clause 22.3 (Agents Fee), Clause 23.1 (Initial and Special Costs) of the Credit Agreement and any other out or pocket costs incurred by the Borrower in connection with the negotiation, preparation and execution of the Credit Agreement and, in each case, which are invoiced at any time up to and including 1st December, 1994.

"Unpaid Contributions" means at any time, without double counting, the aggregate amount of the capital which each Shareholder and each Partner has agreed or has committed to contribute to the Borrower at that time for Phase I (whether directly or indirectly through any other body corporate) and which has not been paid to the Borrower or to its order at that time.

"US West UK" means US West UK Limited.

"USWIH" means US West International Holdings Inc.

"USW PCN" means USW PCN, Inc.

"Utilisation" means a borrowing by the Borrower under the Loan Facility or the issuing of a Third Party Guarantee by the Issuing Parties under the Guarantee Facility.

"Wireless Telegraphy Licence" means the licence for a radio spectrum to be issued to MPCL by the Secretary of State for Trade and Industry under Section 1 of the Wireless Telegraphy Act 1949.

SCHEDULE 1
REAL PROPERTY

Freehold Sites

	Address	Title No.
1.	Land at Tooting & Mitcham Football Club Sandy Lane Mitcham	TGL 80928
2.	Land at Eppingdene Livery Stables Ivy Chimneys Road Epping Essex CM16 1XX	EX 4457121
3.	Land at Brooklands Industrial Estate Avro Way Weybridge Surrey KT13 0YF	SY 629978
4.	Land at Ullswater Crescent Trading Estate Coulsdon Croydon Surrey CR5 1XX	SGL 311916
5.	Land at Old's Approach Wm. Old Civil Engineering Ltd Tolpits Lane Watford WD1 8QR	HD 161256

TENANCY AGREEMENTS

	NAME	TERM (YEARS)	COMMENCEMENT	EXPIRY DATE
1.	Burlington Danes School	24	30 Nov 93	29 Nov 16
2.	Clouds Hill Farm	25	25 June 91	24 Jun 16
3.	Merchant House	25	24 Aug 91	25 Aug 16
4.	Elstead House	25	02 Sep 92	01 Sep 17
5.	Crown Hill Nursery	25	05 Mar 93	04 Mar 17
6.	Chorleywood House Es	25	24 Feb 93	23 Feb 18
7.	Watling Street	25	25 Mar 91	24 Mar 16
8.	Acorn Trading Centre	25	01 Jul 92	30 Jun 17
9.	Blacklake Christmas Tree Farm	25	08 Jul 92	07 Jul 17
10.	Sepum Farm	25	01 Jul 92	30 Jun 12
11.	Stone Hall Farm	25	02 Aug 91	01 Aug 16
12.	Stone Hall Farm	25	02 Aug 91	01 Aug 16
13.	Wealdhall Coppice	25	22 Jul 92	21 Jul 17
14.	Mays Wood	25	05 Oct 92	04 Oct 17
15.	Shere Road	25	30 Sep 91	29 Sep 16
16.	Lakeside Shopping Centre	25	22 Oct 93	23 Apr 18
17.	Kwick Cars Plc	25	28 Feb 91	27 Feb 16
18.	Mizens Farm	25	26 Dec 90	24 Dec 15
19.	Salesian College	25	18 Mar 93	17 Mar 18
20.	Guildford Cathedral	25	24 May 93	23 May 18
21.	Deep Ford (Ford Lane)	25	19 Oct 92	18 Oct 17
22.	Whitsundoles Farm	25	16 Oct 92	15 Oct 17
23.	Hall Farm	25	07 Jan 94	06 Jan 19

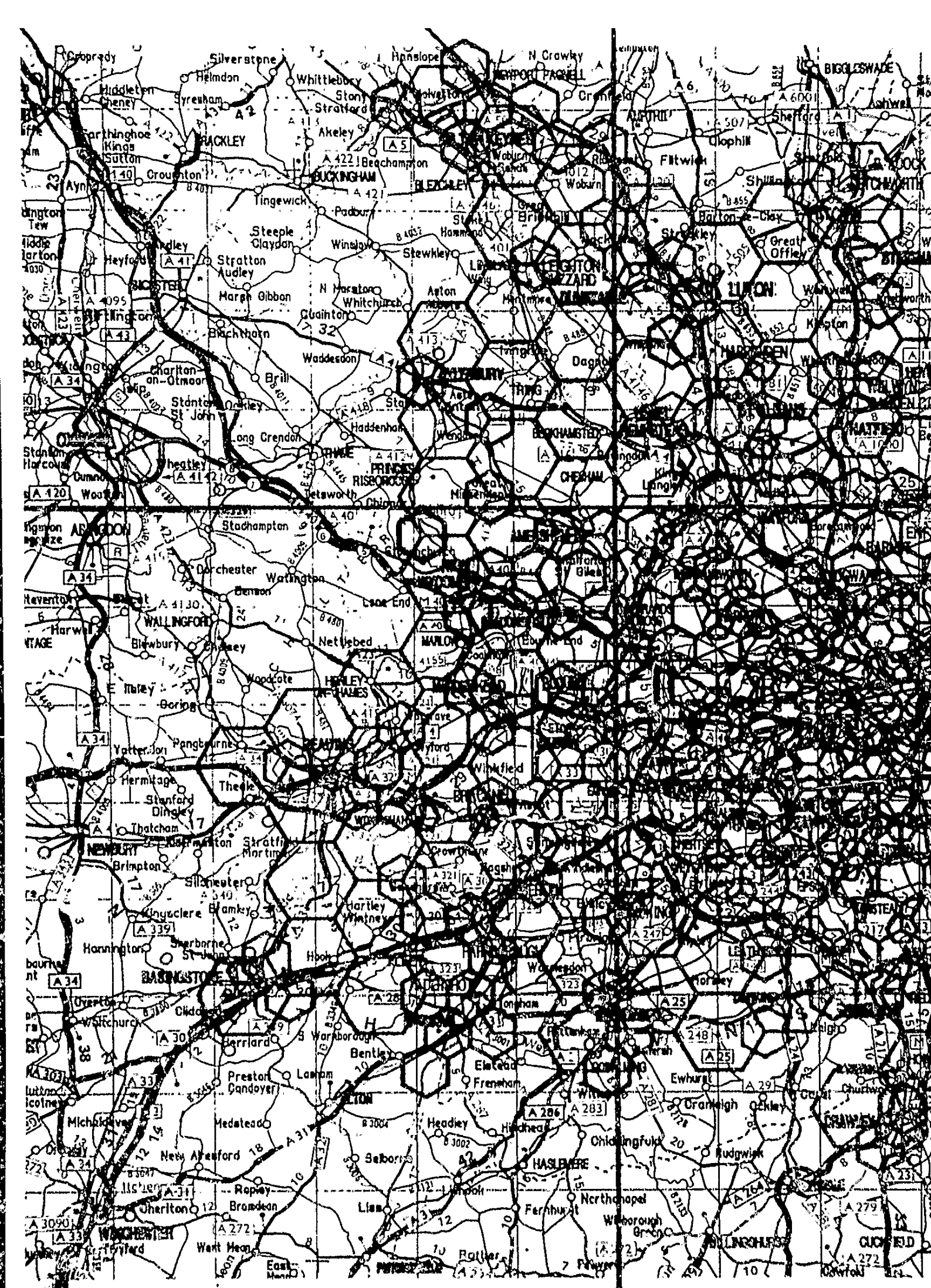
SCHEDULE 2

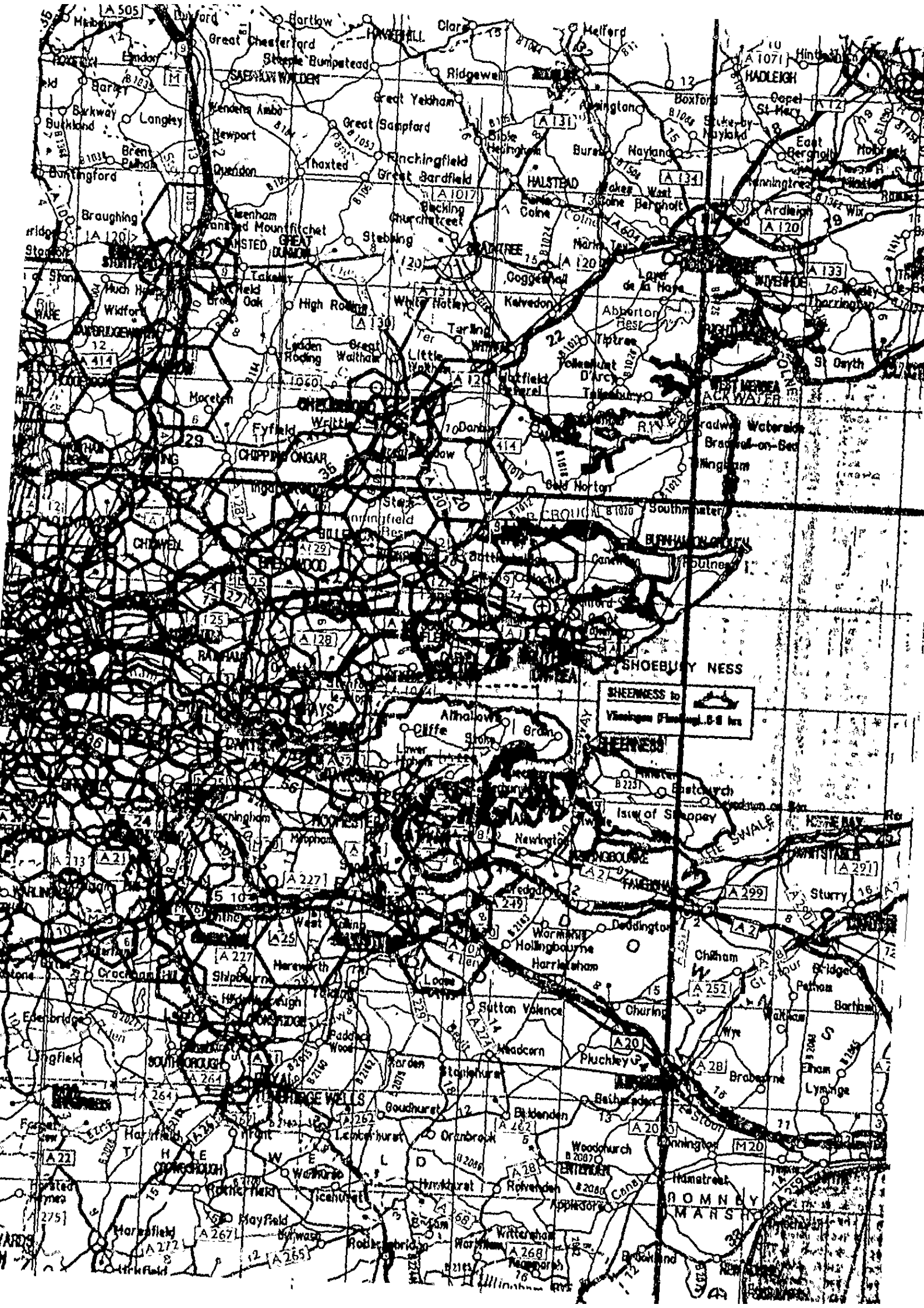
Phase I Area

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2025-2026







CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02236984

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 13th APRIL 1994 AND CREATED BY MPC 92 LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO S.G. WARBURG & CO. LTD (THE "SECURITY TRUSTEE") UNDER THE TERMS OF THE FINANCE DOCUMENTS (AS DEFINED) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 22nd APRIL 1994.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 26th APRIL 1994.

M. J. H. Jones
M. J. H. JONES

for the Registrar of Companies



C O M P A N I E S H O U S E

HC026B