

M

COMPANIES FORM No. 395

395

Particulars of a mortgage or charge

Please do not
write in
this margin

Pursuant to section 395 of the Companies Act 1985

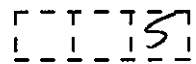
Please complete
legibly, preferably
in black type, or
bold block lettering

* insert full name
of company

To the Registrar of Companies
(Address overleaf)



For official use



Company number

2236984

Name of company

* MPC 92 Limited ("MPC 92")

Date of creation of the charge

27 March 1995

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

See Continuation Sheet No. 1

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owned jointly or severally or in any other capacity whatsoever) of the Partners of any one or more of them to any Beneficiary under each of the Finance Documents to which the Partners or any of them is a party.

In this Form 395:

All clause and schedule references (unless otherwise stated) refer to the Intercreditor Agreement.

"Acknowledgement" means the acknowledgement to be given by each Shareholder and Parent from time to time to the Security Trustee pursuant to clause 2.7(b) (Notices of Assignment and Acknowledgement) of the New Partnership Debenture.

See Continuation Sheet No. 2.

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

Samuel Montagu & Co., Limited

10 Lower Thames Street

London

Postcode

EC3R 6AE

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

Freshfields
65 Fleet Street
London EC4Y 1HS

Ref: TJ2.WFF

For official Use

Mortgage Section

REGISTERED

- 4 APR 1995

Post room



KLO *KFLFRA99* 797
COMPANIES HOUSE 04/04/95

Time critical reference

Short particulars of all the property mortgaged or charged

Please do not
write in
this margin

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

1.1 By way of first legal mortgage:

- (i) all the property specified in Schedule 1 (as set out in Continuation Sheet No. 3); 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.

2.1 By way of first fixed charge:

- (i) (to the extent that they are not the subject of a mortgage under paragraph 1.1 above) all present and future estates or interests in any freehold or leasehold property belonging to it;

See Continuation Sheet No. 4.

Particulars as to commission allowance or discount

--

Signed

Freshfields

Date

27 March 1995

On behalf of ~~company~~ ~~chargee~~*

*
delete as
appropriate

The address of the Registrar of Companies is: -

Companies House, Crown Way, Cardiff CF4 3UZ

M395 Continuation Sheet No. 1

Name of Company: MPC 92 Limited ("MPC 92")

Company Number: 2236984

Partnership Debenture dated 13 April 1994 (the "Debenture") between Mercury Personal Communications Limited ("MPCL"), MPC 92, USW PCN Inc. ("USW PCN") carrying on business in partnership under the name of Mercury Personal Communications ("the Partnership") (1), MPCL (2), MPC 92 (3), USW PCN (4) and S.G. Warburg & Co. Ltd. (5) as amended by the Supplemental Security Agreement dated 27 March 1995 between the Partnership (1), MPCL (2), MPC 92 (3), USW PCN (4) and Samuel Montagu & Co. Limited (the "Security Trustee") (5).

M395 Continuation Sheet No. 2

Name of Company: MPC 92 Limited ("MPC 92")

Company Number: 2236984

"Affiliated Beneficiary" means in relation to another Beneficiary which is a Subsidiary of the other or the Holding Company of the other Beneficiary, or which is a Subsidiary of the same Holding Company as the other Beneficiary.

"Applicable Percentage" means, in respect of each context in which the expression "Majority Beneficiaries" is used in the Intercreditor Agreement:

- (a) in the case of Clauses 2.1 (Majority Beneficiaries) and 3.1 (Enforcement of Security), 75 per cent;
- (b) in the case of Clause 3.5, 50 per cent;
- (c) in the case of Clause 3.6, 80 per cent; and
- (d) in all other cases, 66 2/3 per cent.

"Beneficiaries" means:

- (a) each Qualifying Creditor which accedes to the Intercreditor Agreement by execution of a Beneficiary Deed of Accession;
- (b) each Representative which accedes to the Intercreditor Agreement by execution of a Beneficiary Deed of Accession; and
- (c) the Security Trustee.

"Beneficiary Deed of Accession" means a deed delivered or to be delivered in accordance with Clause 6 (Designation of Beneficiaries) or clause 8.3 (Transfers). Of and substantially in the form of Schedule 1 to the Intercreditor Agreement.

"Borrower" means the Partnership.

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

"Capital Confirmation" means the confirmations in writing of even date with the New Partnership Debenture by each Partner to the Security Trustee relating to the Partner's contribution of capital to the Partnership substantially in the form of the confirmation in Schedule 7 to the Intercreditor Agreement.

"Counter Indemnity" means the counter indemnity dated 22nd December 1994 granted by the Borrower in favour of Midland Bank Plc, which Counter Indemnity is a Designated Finance Document for the purposes of the Intercreditor Agreement.

"Creditor" means a bank, financial institution or other person who is, or is proposing to be, a creditor (or contingent creditor) of the Borrower or which extends or proposes to extend financial accommodation to it (including, without limitation, entering into an Interest Rate Swap Agreement).

"Designated Debt" means the maximum principal amount specified in the relevant Beneficiary Deed of Accession, as the maximum principal amount payable or owing by the Borrower to a Beneficiary under or in connection with a loan agreement or other agreement, deed or instrument specified as a Designated Finance Document in the Beneficiary Deed of Accession or as the case may be pursuant to Clause 2.2 (Amendments - Finance Documents).

"Designated Finance Document" means, in relation to any Beneficiary, the loan agreement or other agreement, deed or instrument constituting the Designated Debt including (without limitation) an Interest Rate Swap Agreement provided or to be provided by such Beneficiary and specified as such in the Beneficiary Deed of Accession relating thereto.

"Equivalent" means the amount in sterling equivalent to an amount in another currency determined by calculating the amount of sterling which could be purchased with the other currency at the Security Trustee's spot rate of exchange for the purchase of sterling in the London Foreign Exchange Market with the relevant currency at 11.00 am (London time) on the date the calculation is made.

"Existing Security Agreement" means the Security Agreement dated 12 November 1992 entered into by the Borrower, MPCL, MPC92, USW PCN and S.G. Warburg & Co. Ltd as Security Trustee as amended by the Supplemental Security Agreement.

"Export Credit Guarantee" means a guarantee, indemnity or similar security granted in favour of a Beneficiary in respect of Outstandings under a Designated Finance Document by a state or government owned, sponsored or financed export guarantee institution provided to the extent that such export credit guarantee institution shall be entitled to have any ultimate recourse (other than by way of subrogation or similar right under any applicable law or by becoming a party to the relevant Designated Finance Document by purchase of a part of the Beneficiaries entitlement in the amount paid under it) to the Borrower, any of the Partners, any of the Parents or any Subsidiary or Holding Company of any of them, then the guarantee, indemnity or similar security concerned shall not be treated as an Export Credit Guarantee.

"Finance Documents" means:

- (a) each Security Document;
- (b) the Intercreditor agreement;
- (c) each Partner Deed of Accession;

- (d) each Beneficiary Deed of Accession;
- (e) each Designated Finance Document; and
- (f) each other document designated as such by the Security Trustee (acting on the instructions of the Majority Beneficiaries) with the prior written consent of the Borrower.

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

"Intercreditor Agreement" means an agreement between Mercury Personal Communications and MPCL, MPC 92, USW PCN and Samuel Montagu & Co Limited dated 22 December 1994

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

"Majority Beneficiaries" means, at any time, Beneficiaries being (unless there is only one Beneficiary on the date the determination is made) no fewer than two in number counting for such purpose Affiliated Beneficiaries as one Beneficiary, who together hold more than the Applicable Percentage of the Total Outstandings at that time. For this purpose:

- (a) the amount of any Outstandings in currencies other than sterling shall be the relevant Equivalent;
- (b) a Representative shall be deemed to hold the aggregate Outstandings of all the Creditors at that time under the Designated Finance Document pursuant to which it is acting and shall have sole voting rights in relation thereto; and
- (c) (without prejudice to the definition of "Outstandings") Outstandings of a Beneficiary holding Non-Shared Security of the nature described in paragraph (c) of the definition of Non-Shared Security shall be determined after deducting an amount equal to the cash cover held by or on its behalf.

"Network" means the mobile radio voice telecommunications system generally known as a personal communications network owned by the Partnership and operated by MPCL in the United Kingdom pursuant to the telecommunications licence issued to it on 9 July 1991 by the Secretary of State for Trade and Industry under Section 7 of the Telecommunications Act 1984 in its capacity as a Partner together with all assets contained therein or associated therein including (without limitation) infrastructure equipment comprising the Network.

"Network Equipment" means all and any equipment, materials, plant, spares, containers, hardware, software and parts thereof used or to be used in the Network or for its operation.

"Network Services" means all and any supply, installation, integration, maintenance and other services supplied in relation to Network Equipment.

"New Partnership Debenture" means the Partnership Debenture dated 27 March 1995 between the Partnership, MPCL, MPC 92, USW PCN and Samuel Montagu & Co. Limited as trustee.

"Non-Shared Security" means:

- (a) an Export Credit Guarantee;
- (b) a guarantee, indemnity, cash cover or similar security granted in favour of a Beneficiary in respect of Outstandings under a Designated Finance Document, by an insurance company or other financial institution on arms length terms;
- (c) cash cover provided by the Borrower (or a Partner on its behalf) in relation to a letter of credit, guarantee, indemnity or similar instrument issued by a Beneficiary in favour of a person other than a Beneficiary, pursuant to the original terms of a Designated Finance Document or the terms thereof as amended with the prior consent of the Majority Beneficiaries which cash cover is provided on the same or similar terms to repayment instalments of principal under an agreement for loan made on market terms.

Provided to the extent that the person providing any such guarantee, indemnity, cash cover or similar security as is referred to in paragraph (b) above or any cash cover as is referred to in (c) above shall be entitled to have any ultimate recourse (other than by way of subrogation or similar right under any applicable law) to the Borrower, any of the Partners, any of the Parents or any Subsidiary or Holding Company of any of them, then the instrument or cash concerned shall not be treated as Non-Shared Security.

"Outstandings" means, at any time, in relation to any Beneficiary:

- (a) in relation to loan facilities, overdrafts and credit lines made available by that Beneficiary to the Borrower under the Finance Documents to which that Beneficiary is a party, the aggregate amount (whether actual or contingent) payable thereunder;
- (b) in relation to overdrafts made available by that Beneficiary to the Borrower under the Finance Documents to which that Beneficiary is a party, the net overdraft amount (whether actual or contingent) payable thereunder having regard to cleared credit balances as at the close of business on the previous Business Day and taking into account debits processed or expected to be processed at that time;
- (c) in relation to guarantees, letters of credit and similar financial accommodation issued by that Beneficiary for the account of the Borrower under the Finance Documents to which that Beneficiary is a party, the maximum aggregate contingent liability of that Beneficiary thereunder at that time;
- (d) in relation to interest rate swaps and other hedging arrangements made available by that Beneficiary to the Borrower under the Finance Documents to which that Beneficiary is a party, the maximum aggregate net exposure of the

Borrower to the Beneficiary at that time determined in accordance with the terms of the agreement governing the arrangement in question (including any applicable Interest Rate Swap Agreement) and in the absence of such agreement, in accordance with usual market practice;

- (e) in relation to the Counter Indemnity, the maximum liability of the Borrower to Concord Leasing (UK) Limited ("Concord") from time to time which Midland Bank plc may reimburse Concord and which is the subject of the Counter Indemnity; and
- (f) in relation to any other financial accommodation made available to the Borrower by that Beneficiary under the Finance Documents to which that Beneficiary is a party, the maximum aggregate net exposure or Outstandings of the Beneficiary at that time determined in accordance with usual market practice.

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

"Parent Company Undertaking" means each letter of undertaking addressed to the Security Trustee by each Parent of even date, in each case substantially in the form of Schedule 4.

"Partner" means at any relevant time, each of MPCL, MPC 92 and USW PCN and any other person who is at that time a partner for the purposes of the Partnership Agreement which at the date of the Debenture is MPCL, MPC 92 and USW PCN. References in this Form 395 to "Partners" or "the Partners" shall refer to the Partners acting in their capacity as members of the Partnership but shall not be restricted to references to such persons in their capacity as members of the Partnership but refer and are intended to refer to them and each of them in all respects and without limitation and in whatsoever capacity each of them may from time to time be acting or may be the owner of any sort of asset or may be subject to any sort of liability or obligation.

"Partner Deed of Accession" means each deed delivered or to be delivered pursuant to the terms of Clause 12.1(c) (Changes of Partners) substantially in the form of Schedule 2.

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

"Permitted Purpose" means:

- (a) the purchase of Network Equipment;
- (b) the payment for Network Services;

- (c) the reimbursement or refinance of expenditure or financial accommodation utilised in the purchase of Network Equipment or the payment for Network Services;
- (d) hedging by the Partnership of Outstandings incurred in relation to any of the purposes referred to in (a) to (c) inclusive above;
- (e) the provision of working capital for the Borrower by term and/or overdraft facilities;
- (f) the provision of the Counter Indemnity in support of facilities made available for another Permitted Purpose.

"Qualifying Creditor" means any Representative or individual Creditor provided the financial accommodation made available or which it is committed to make available in the case of an individual Creditor at the time of its accession to the Intercreditor Agreement is to be used for a Permitted Purpose, and (for such purpose including commitments to advance or make available the same or to create a contingent liability for the same or agreements to make an overdraft facility available on normal overdraft terms or the entering into of the Counter Indemnity) is of an aggregate principal amount (including the principal amount to which any Interest Rate Swap Agreement relates) of, £10,000,000 (or its equivalent) or more.

"Representative" means an agent, trustee or other representative of Creditors acting pursuant to a Designated Finance Document provided that the financial accommodation made available or committed by the Creditors or Representative under the Designated Finance Document pursuant to which the Representative is acting at the time of its accession to the Intercreditor Agreement is to be used for a Permitted Purpose and (for such purpose including commitments to advance or make available the same or to create a contingent liability for the same), is of an aggregate principal amount (including the principal amount to which any Interest Rate Swap Agreement relates) of, £10,000,000 (or its equivalent) or more.

"Security Documents" means:

- (a) the Intercreditor Agreement;
- (b) the Debenture;
- (c) the Existing Security Agreement;
- (d) the Supplemental Security Agreement;
- (e) the Capital Confirmations;
- (f) the Acknowledgements; and
- (g) the Parent Company Undertakings.

"Secured Liabilities" means 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 Partners or any one or more of them to any Beneficiary under each of the Finance Documents to which the Partners or any of them is a party.

"Security Trustee" means the trustee for the time being under the Security Documents being Samuel Montagu & Co. Limited at the date hereof.

"Shareholder" means Cable and Wireless plc, US West UK Limited, US West International Holdings Inc. 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) all of the Assigned Supply Contracts including, without limitation, all moneys which at any time may be or become payable to the Partners or any of them pursuant thereto and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Partners or any of them pursuant thereto

in the case of the Borrower, means an entity from to time of which the Borrower, the Partners or any Partner (i) has control or (ii) owns directly or indirectly more than 50 per cent of the share capital or similar right of ownership and in determining whether any entity is or is not a subsidiary of the Borrower, each such determination shall be made as if the Borrower is (or is deemed to be) a separate legal person.

"Supplemental Security Agreement" means the supplemental agreement dated 27 March 1995 between the Partnership, MPCL, MPC 92, USW PCN and Samuel Montagu & Co. Limited amending the Debenture and the Existing Security Agreement.

"Total Outstandings" means the aggregate amount of the Outstandings of all the Beneficiaries under the Finance Documents.

Name of Company: MPC 92 Limited ("MPC 92")

Company Number: 2236984

SCHEDULE 1

Real Property

Freehold Sites

	Address	Title No
1.	Land at Tooting & Mitchum Football Club, Sandy Lane, Mitchum	TGL 80928
2.	Land at Eppingdene Livery Stables, Ivy Chimneys Road, Epping, Essex CM16 1XX	EX 457121
3.	Land at Brooklands Industrial Estate, Avro Way, Weybridge, Surrey KT13 OYF	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 Nursey	25	05 Mar 92	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 Cent	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

Name of Company: MPC 92 Limited ("MPC 92")

Company Number: 2236984

- (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) all monies from time to time standing to the credit of each of its 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 2.1(vii) or paragraph 2.2 below) 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 paragraph 2.3(b), 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 paragraph 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.

2.2 Subject to paragraph 2.3(a), 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.

- 2.3(a) Nothing in paragraphs 1.1, 1.2 or 2.2 shall create any Security Interest over the Excluded Assets.
- (b) In the case of any Licence or other licence subject to paragraph 2.1(x) (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 paragraph 2.1(x) and the assignment by way of security contained in paragraph 2.2 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 paragraph 2.3(b) shall not be a breach of this Debenture or any other Finance Document.
- (c) A reference in this 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 (set out in Continuation Sheet No. 3) does not affect the validity or enforceability of any security created by this Debenture.
- 3.1 By way of first floating charge all its undertaking and assets whatsoever and wheresoever both present and future other than the Excluded Assets.

In this Form 395:

All clause and schedule references (unless otherwise stated) refer to the Intercreditor Agreement.

"Acknowledgement" means the acknowledgement to be given by each Shareholder and Parent from time to time to the Security Trustee pursuant to Clause 2.7(b) (Notices of Assignment and Acknowledgement) of the New Partnership Debenture.

"Affiliated Beneficiary" means in relation to another Beneficiary which is a Subsidiary of the other or the Holding Company of the other Beneficiary, or which is a Subsidiary of the same Holding Company as the other Beneficiary.

"Applicable Percentage" means, in respect of each context in which the expression "Majority Beneficiaries" is used in the Intercreditor Agreement:

- (a) in the case of Clauses 2.1 (Majority Beneficiaries) and 3.1 (Enforcement of Security), 75 per cent;
- (b) in the case of Clause 3.5, 50 per cent;
- (c) in the case of Clause 3.6, 80 per cent; and
- (d) in all other cases, 66 2/3 per cent.

"Beneficiaries" means:

- (a) each Qualifying Creditor which accedes to the Intercreditor Agreement by execution of a Beneficiary Deed of Accession;
- (b) each Representative which accedes to the Intercreditor Agreement by execution of a Beneficiary Deed of Accession; and
- (c) the Security Trustee.

"Beneficiary Deed of Accession" means a deed delivered or to be delivered in accordance with Clause 6 (Designation of Beneficiaries) or clause 8.3 (Transfers). Of and substantially in the form of Schedule 1 to the Intercreditor Agreement.

"Borrower" means the Partnership.

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

"Capital Confirmation" means the confirmations in writing of even date with the New Partnership Debenture by each Partner to the Security Trustee relating to the Partner's contribution of capital to the Partnership substantially in the form of the confirmation in Schedule 7 to the Intercreditor Agreement.

"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.

"Counter Indemnity" means the counter indemnity dated 22nd December 1994 granted by the Borrower in favour of Midland Bank Plc, which Counter Indemnity is a Designated Finance Document for the purposes of the Intercreditor Agreement.

"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 as amended and restated by a £105,000,000 amended and restated credit facility dated 22 December 1994 between the Chargor, each Partner, the Original Lenders, AB LM Ericsson Finans and the Agent.

"Creditor" means a bank, financial institution or other person who is, or is proposing to be, a creditor (or contingent creditor) of the Borrower or which extends or proposes to extend financial accommodation to it (including, without limitation, entering into an Interest Rate Swap Agreement).

"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 Debt" means the maximum principal amount specified in the relevant Beneficiary Deed of Accession, as the maximum principal amount payable or owing by the Borrower to a Beneficiary under or in connection with a loan agreement or other agreement, deed or instrument specified as a Designated Finance Document in the Beneficiary Deed of Accession or as the case may be pursuant to Clause 2.2 (Amendments - Finance Documents).

"Designated Finance Document" means, in relation to any Beneficiary, the loan agreement or other agreement, deed or instrument constituting the Designated Debt including (without limitation) an Interest Rate Swap Agreement provided or to be provided by such Beneficiary and specified as such in the Beneficiary Deed of Accession relating thereto.

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

"Ericsson Supply Agreement" means the Network Infrastructure Supply Agreement dated 13 May 1992 (issued on 17 June 1992) made between the Partnership and Ericsson Limited, as amended by agreement of the parties thereto.

"Equivalent" means the amount in sterling equivalent to an amount in another currency determined by calculating the amount of sterling which could be purchased with the other currency at the Security Trustee's spot rate of exchange for the purchase of sterling in the London Foreign Exchange Market

with the relevant currency at 11.00 am (London time) on the date the calculation is made.

"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 Supplemental Security Agreement;
- (c) any asset of the Chargor subject to any Security Interest the creation of which is not in contravention of Clause 16.8 (Negative pledge) of the Credit Agreement;
- (d) 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;
- (e) any assets of the Borrower which are not Phase I Assets;
- (f) the Licences;
- (g) the name of any of the Parents, Shareholders or Partners or any name similar thereto;
- (h) the Trade Marks; and
- (i) any other assets of the Chargor designated by the Chargor and the Security Trustee from time to time.

"Existing Security Agreement" means the Security Agreement dated 12 November 1992 entered into by the Borrower, MPCL, MPC92, USW PCN and S.G. Warburg & Co. Ltd as Security Trustee as amended by the Supplemental Security Agreement.

"Export Credit Guarantee" means a guarantee, indemnity or similar security granted in favour of a Beneficiary in respect of Outstandings under a Designated Finance Document by a state or government owned, sponsored or financed export guarantee institution provided to the extent that such export credit guarantee institution shall be entitled to have any ultimate recourse (other than by way of subrogation or similar right under any applicable law or by becoming a party to the relevant Designated Finance Document by purchase of a part of the Beneficiaries entitlement in the amount paid under it) to the Borrower, any of the Partners, any of the Parents or any Subsidiary or Holding Company of any of them, then the guarantee, indemnity or similar security concerned shall not be treated as an Export Credit Guarantee.

"Finance Documents" means:

- (a) each Security Document;
- (b) the Intercreditor agreement;
- (c) each Partner Deed of Accession;
- (d) each Beneficiary Deed of Accession;
- (e) each Designated Finance Document; and
- (f) each other document designated as such by the Security Trustee (acting on the instructions of the Majority Beneficiaries) with the prior written consent of the Borrower.

"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.

"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.

"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.

"Intercreditor Agreement" means an agreement between Mercury Personal Communications and MPCL, MPC 92, USW PCN and Samuel Montagu & Co Limited dated 22 December 1994

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

"Licence" means:

- (a) the Operator's Licence; or

- (b) the Wireless Telegraphy Licence.

"Majority Beneficiaries" means, at any time, Beneficiaries being (unless there is only one Beneficiary on the date the determination is made) no fewer than two in number counting for such purpose Affiliated Beneficiaries as one Beneficiary, who together hold more than the Applicable Percentage of the Total Outstandings at that time. For this purpose:

- (a) the amount of any Outstandings in currencies other than sterling shall be the relevant Equivalent;
- (b) a Representative shall be deemed to hold the aggregate Outstandings of all the Creditors at that time under the Designated Finance Document pursuant to which it is acting and shall have sole voting rights in relation thereto; and
- (c) (without prejudice to the definition of "Outstandings") Outstandings of a Beneficiary holding Non-Shared Security of the nature described in paragraph (c) of the definition of Non-Shared Security shall be determined after deducting an amount equal to the cash cover held by or on its behalf.

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

"Network" means the mobile radio voice telecommunications system generally known as a personal communications network owned by the Partnership and operated by MPCL in the United Kingdom pursuant to the telecommunications licence issued to it on 9 July 1991 by the Secretary of State for Trade and Industry under Section 7 of the Telecommunications Act 1984 in its capacity as a Partner together with all assets contained therein or associated therein including (without limitation) infrastructure equipment comprising the Network.

"Network Equipment" means all and any equipment, materials, plant, spares, containers, hardware, software and parts thereof used or to be used in the Network or for its operation.

"Network Services" means all and any supply, installation, integration, maintenance and other services supplied in relation to Network Equipment.

"New Partnership Debenture" means the Partnership Debenture dated 27 March 1995 between the Partnership, MPCL, MPC 92, USW PCN and Samuel Montagu & Co. Limited as trustee.

"Non-Shared Security" means:

- (a) an Export Credit Guarantee;
- (b) a guarantee, indemnity, cash cover or similar security granted in favour of a Beneficiary in respect of Outstandings under a Designated Finance

Document, by an insurance company or other financial institution on arms length terms;

- (c) cash cover provided by the Borrower (or a Partner on its behalf) in relation to a letter of credit, guarantee, indemnity or similar instrument issued by a Beneficiary in favour of a person other than a Beneficiary, pursuant to the original terms of a Designated Finance Document or the terms thereof as amended with the prior consent of the Majority Beneficiaries which cash cover is provided on the same or similar terms to repayment instalments of principal under an agreement for loan made on market terms.

Provided to the extent that the person providing any such guarantee, indemnity, cash cover or similar security as is referred to in paragraph (b) above or any cash cover as is referred to in (c) above shall be entitled to have any ultimate recourse (other than by way of subrogation or similar right under any applicable law) to the Borrower, any of the Partners, any of the Parents or any Subsidiary or Holding Company of any of them, then the instrument or cash concerned shall not be treated as Non-Shared Security.

"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.

"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.

"Outstandings" means, at any time, in relation to any Beneficiary:

- (a) in relation to loan facilities, overdrafts and credit lines made available by that Beneficiary to the Borrower under the Finance Documents to which that Beneficiary is a party, the aggregate amount (whether actual or contingent) payable thereunder;
- (b) in relation to overdrafts made available by that Beneficiary to the Borrower under the Finance Documents to which that Beneficiary is a party, the net overdraft amount (whether actual or contingent) payable thereunder having regard to cleared credit balances as at the close of business on the previous Business Day and taking into account debits processed or expected to be processed at that time;
- (c) in relation to guarantees, letters of credit and similar financial accommodation issued by that Beneficiary for the account of the Borrower under the Finance Documents to which that Beneficiary is a party, the maximum aggregate contingent liability of that Beneficiary thereunder at that time;

- (d) in relation to interest rate swaps and other hedging arrangements made available by that Beneficiary to the Borrower under the Finance Documents to which that Beneficiary is a party, the maximum aggregate net exposure of the Borrower to the Beneficiary at that time determined in accordance with the terms of the agreement governing the arrangement in question (including any applicable Interest Rate Swap Agreement) and in the absence of such agreement, in accordance with usual market practice;
- (e) in relation to the Counter Indemnity, the maximum liability of the Borrower to Concord Leasing (UK) Limited ("Concord") from time to time which Midland Bank plc may reimburse Concord and which is the subject of the Counter Indemnity; and
- (f) in relation to any other financial accommodation made available to the Borrower by that Beneficiary under the Finance Documents to which that Beneficiary is a party, the maximum aggregate net exposure or Outstandings of the Beneficiary at that time determined in accordance with usual market practice.

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

"Parent Company Undertaking" means each letter of undertaking addressed to the Security Trustee by each Parent of even date, in each case substantially in the form of Schedule 4.

"Partner" means at any relevant time, each of MPCL, MPC 92 and USW PCN and any other person who is at that time a partner for the purposes of the Partnership Agreement which at the date of the Debenture is MPCL, MPC 92 and USW PCN. References in this Form 395 to "Partners" or "the Partners" shall refer to the Partners acting in their capacity as members of the Partnership but shall not be restricted to references to such persons in their capacity as members of the Partnership but refer and are intended to refer to them and each of them in all respects and without limitation and in whatsoever capacity each of them may from time to time be acting or may be the owner of any sort of asset or may be subject to any sort of liability or obligation.

"Partner Deed of Accession" means each deed delivered or to be delivered pursuant to the terms of Clause 12.1(c) (Changes of Partners) substantially in the form of Schedule 2 .

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

"Permitted Purpose" means:

- (a) the purchase of Network Equipment;

- (b) the payment for Network Services;
- (c) the reimbursement or refinance of expenditure or financial accommodation utilised in the purchase of Network Equipment or the payment for Network Services;
- (d) hedging by the Partnership of Outstandings incurred in relation to any of the purposes referred to in (a) to (c) inclusive above;
- (e) the provision of working capital for the Borrower by term and/or overdraft facilities;
- (f) the provision of the Counter Indemnity in support of facilities made available for another Permitted Purpose.

"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 Continuation Sheet No.5 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 1 Area or otherwise.

"Qualifying Creditor" means any Representative or individual Creditor provided the financial accommodation made available or which it is committed to make available in the case of an individual Creditor at the time of its accession to the Intercreditor Agreement is to be used for a Permitted Purpose, and (for such purpose including commitments to advance or make available the same or to create a contingent liability for the same or agreements to make an overdraft facility available on normal overdraft terms or the entering into of the Counter Indemnity) is of an aggregate principal amount (including the principal amount to which any Interest Rate Swap Agreement relates) of, £10,000,000 (or its equivalent) or more.

"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.

"Representative" means an agent, trustee, or other representative of Creditors acting pursuant to a Designated Finance Document provided that the financial accommodation made available or committed by the Creditors or Representative under the Designated Finance Document pursuant to which the Representative is acting at the time of its accession to the Intercreditor Agreement is to be used for a Permitted Purpose and (for such purpose including commitments to advance or make available the same or to create a contingent liability for the same), is of an aggregate principal amount (including the principal amount to which any Interest Rate Swap Agreement relates) of, £10,000,000 (or its equivalent) or more.

"Security Documents" means:

- (a) the Intercreditor Agreement;
- (b) the Debenture;
- (c) the Existing Security Agreement;
- (d) the Supplemental Security Agreement;
- (e) the Capital Confirmations;
- (f) the Acknowledgements; and
- (g) the Parent Company Undertakings.

"Secured Liabilities" means 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 Partners or any one or more of them to any Beneficiary under each of the Finance Documents to which the Partners or any of them is a party.

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

"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 the trustee for the time being under the Security Documents being Samuel Montagu & Co. Limited at the date hereof.

"Shareholder" means Cable and Wireless plc, US West UK Limited, US West International Holdings Inc. 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

in the case of the Borrower, means an entity from to time of which the Borrower, the Partners or any Partner (i) has control or (ii) owns directly or indirectly more than 50 per cent of the share capital or similar right of ownership and in determining whether any entity is or is not a subsidiary of the Borrower, each such determination shall be made as if the Borrower is (or is deemed to be) a separate legal person.

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

"Supplemental Security Agreement" means the supplemental agreement dated 27 March 1995 between the Partnership, MPCL, MPC 92, USW PCN and Samuel Montagu & Co. Limited amending the Debenture and the Existing Security Agreement.

"Total Outstandings" means the aggregate amount of the Outstandings of all the Beneficiaries under the Finance Documents.

"Trade Marks" means the trade marks short particulars of which are contained in Schedule 2 (as set out in Continuation Sheet No.6) such expression to apply equally to the trade marks as to the service marks also set out in Schedule 2.

"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.

"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 2

Continuation Sheet No. 6

PART A

GOODS

Registered Trade Marks

<u>Mark</u>	<u>Number</u>	<u>Class</u>	<u>Goods or Services of Permitted Use</u>
Mercury	1215086	9	Electrical and electronic apparatus, computers; all for processing, storing and transmitting communications; visual display units, all for use with computers or telecommunications apparatus; telephones; optical transducers, optical switches and optical fibres, all for use with the aforesaid electrical or electronic apparatus or computers; sheaths, conduits, junction boxes, connectors, plugs, terminals and sockets, all for use with the aforesaid optical fibres; parts and fittings for all the aforesaid goods; all included in Class 9; but not including any of the aforesaid electrical or electronic apparatus or computers, all employing or being adapted for use with apparatus employing radio-waves.
Mercury	1215087	16	Paper included in class 16 and stationery; all for business use all for use with telecommunications apparatus or instruments; instructional and teaching materials (other than apparatus) and printed publications, all for use with or relating to telecommunications apparatus or instruments; typewriters; directories of subscribers to telecommunications networks.
Mercury	1273760	9	Computers; electronic instruments for processing data; parts and fittings included in Class 9 for all the aforesaid goods; computer programmes; but not including computer programmes relating to metals or planets.

PART B

SERVICES

Registered Trade Marks

<u>Mark</u>	<u>Number</u>	<u>Class</u>	<u>Goods or Services of Permitted Use</u>
Mercury	1283923	38	Telecommunications services included in Class 38.
"M" Logo	1283925	38	Telecommunications Services

Pending Trade Mark Applications

Nil

Proposed Trade Mark Applications

Nil

"M" Logo 1215088 9

Electrical, telegraphic, telecommunication, sensing and detecting apparatus and instruments; testing apparatus and instruments (not for in vivo use); computers; electrical apparatus for the processing, storing and transmission of data; visual display units; electrical apparatus for converting data, energy or light signals into visual information; insulated wires; electric cables; optical fibres being light conducting filaments; junction boxes, connections, plugs and sockets, all being electrical or optical apparatus; sheaths and conduits, all included in Class 9 for electrical or optical wires or cables; parts and fittings included in Class 9 for all the aforesaid goods.

Device Mark 1215089 16

Paper and cardboard, all included in class 16; printed matter, photographs, stationery, typewriters, instructional and teaching materials (other than apparatus), printed publications, directories.

Pending Trade Mark Applications

Nil

Proposed Trade Mark Applications

Nil

FILE COPY



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 PARTNERSHIP DEBENTURE DATED THE 27th MARCH 1995 AND CREATED BY MPC 92 LIMITED FOR SECURING FOR VARYING THE TERMS OF THE "DEBENTURES" (AS DEFINED IN THE SUPPLEMENTAL AGREEMENT) WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 4th APRIL 1995.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 7th APRIL 1995.

A handwritten signature in cursive script, reading "P. Davies".

PHIL DAVIES

for the Registrar of Companies



COMPANIES HOUSE

HC026B