

Declaration in relation to assistance for the acquisition of shares.

155(6)a

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

For official use

Company number

2778084

Note
Please read the notes
on page 3 before
completing this form

Name of company

* XPEDITE SYSTEMS LIMITED

*Insert full name
of company

1/10/68 ROBERT VATERS OF 56 GREAT OAK DRIVE, SHORT HILLS, NJ 07078, U.S.A.

Insert name(s) and address(es) of all the directors

§Delete as appropriate

(the sole director) [all the directors] of the above company do solemnly and sincerely declare that:

The business of the company is:

†Delete whichever
is inappropriate

(b) that of a person authorised under section 8 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom;

(c) something other than the above:

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] ~~[company's holding company]~~.

b6
b7C
b7D

The assistance is for the purpose of [that acquisition] [reducing or discharging a liability incurred for the purpose of that acquisition].§

The number and class of the shares acquired or to be acquired is: 83,333 Ordinary Shares,
250,000 "A" Ordinary Shares, 2,375,000 Preference Shares all of £1 each.

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

Paul, Hastings, Janofsky
& Walker LLP
International Financial
Centre, Old Broad Street
London EC2N 2DL

For official use
General Section

Post rooms



A26 *APPOH2JE* 369
COMPANIES HOUSE 03/01/98

The assistance is to be given to: (note 2) XPEDITE SYSTEMS HOLDINGS (UK) LTD.
of 19th Floor, International Financial Centre, Old Broad Street, London EC2N 1HQ
and XPEDITE SYSTEMS, INC. of 1 Industrial Way West, Eaton Town, NJ 07724, U.S.A.

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

The assistance will take the form of:

Refer to Schedule A

The person who ~~has acquired~~ (will acquire)* the shares is:

*Delete as
appropriate

XPEDITE SYSTEMS HOLDINGS (UK) LIMITED

The principal terms on which assistance will be given are:

Refer to Schedule B

The amount of cash to be transferred to the person assisted is £ NIL

The value of any asset to be transferred to the person assisted is £ NIL

The date on which the assistance is to be given is DECEMBER 19 97

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legibly, preferably
in black type, or
bold block lettering

Delete either (a) or
(b) as appropriate

~~I/we~~ have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

- (a) ~~I/we~~ have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date (note 3)
- (b) ~~I/we intended to commence the winding up of the company within 12 months of that date, and I/we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding up.~~ (note 3)

And I/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at NEW YORK

the 17th day of DECEMBER
One thousand nine hundred and NINETY-SEVEN

before me OLIVER SMITH

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

Declarants to sign below

Robert V. Vats

Oliver Smith

NOTES

- 1 For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
- 2 Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
- 3 Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
- 4 The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.

SCHEDULE A

The execution and delivery of, and the performance by the Company of its obligations under:

- (i) a guarantee of the Guaranteed Obligations (as defined therein) contained in a credit agreement (the "**Credit Agreement**") dated on or about the date hereof and made between Xpedite Systems, Inc, Xpedite Systems Holdings (UK) Limited as borrowers, the Company and other guarantors (the "**Guarantors**") the Banks (as defined in the Credit Agreement), BNY Capital Markets, Inc. and Nationsbank Montgomery Securities, Inc. as arrangers (the "**Arrangers**"), Nationsbank, N.A. as documentation agent (the "**Documentation Agent**") and The Bank of New York as administrative agent (the "**Administrative Agent**"); and
- (ii) a fixed and floating charge (the "**Charge**") dated on or about the date hereof and made by the Company in favour of The Bank of New York as security agent (the "**Security Agent**").

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SCHEDULE B

A. By executing the Credit Agreement, the Company:

- (i) guarantees to the Guaranteed Parties (as defined in the Credit Agreement) the due and punctual performance of all of the Guaranteed Obligations in accordance with their respective terms and where and as due, whether at maturity, by reason of acceleration or otherwise, but giving effect to any applicable grace period set forth in Section 6.01(a) therein, or deemed to be due pursuant to Section 8.02 therein, and (b) agrees so to pay the same when so due, or deemed to be due, upon demand. (The Company's obligations under the Loan Documents (as defined in the Credit Agreement) are (a) absolute and conditional, (b) constitute a guarantee of payment and not a guarantee of collection, (c) are as primary obligor and not as surety only, (d) shall be a continuing guarantee of all present and future Guaranteed Obligations and all promissory notes and other documentation given in extension or renewal or substitution for any of the Guaranteed Obligations and (e) shall be irrevocable. No payment or other settlement will discharge any of the Company's obligations until the Guaranteed Obligations have been discharged in full.)

B. By executing the Charge, the Company:

- (i) covenants to pay, in respect of the Liabilities (as defined in the Charge), interest under the Charge due to the Security Agent on a daily basis from day to day from first demand of the Company until actual payment (as well after as before any further demand or judgment or the liquidation of the Company):
 - (a) at the rate of interest payable or deemed to be payable by the Company in respect of the Liabilities as calculated and compounded in accordance with any agreement between the Security Agent and the Company with respect to the Liabilities; or
 - (b) failing such agreement, at the rate per annum which is two per cent. above the interest cost to the Security Agent (as conclusively determined by the Security Agent) of funding the Liabilities, such interest being compounded with monthly rests.

Provided that the Company shall not be obliged to pay interest under any amount under Clause 2.2 if it has paid interest on such amount in accordance with the provisions of the Credit Agreement;

- (ii) with full title guarantee and to the intent that the security created shall rank as continuing security for the discharge of the Liabilities, hereby:
 - (a) charges to the Security Agent by way of legal mortgage all the Mortgaged Property (as defined in the Credit Agreement);
 - (b) assigns absolutely and agrees to assign absolutely to the Security Agent (subject to re-assignment on discharge of the Liabilities):

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- (i) all rights and claims to which the Company is now or may hereafter become entitled in relation to the Mortgaged Property;
- (ii) the benefit of all the Company's interest in any policies of insurance relating to the Mortgaged Property whether relating to buildings thereon or loss of rent or otherwise;
- (c) charges to the Security Agent by way of specific equitable charge all estates or interests in any freehold or leasehold property (except the Mortgaged Property) now or at any time during the subsistence of this security belonging to or charged to the Company (the "Charged Property");
- (d) charges specifically to the Security Agent by way of first fixed charge all stocks, shares and other securities now or at any time during the subsistence of this Charge belonging to or beneficially owned by the Company, including those issued by any company which is for the time being the Company's subsidiary (as defined in section 736 of the Companies Act 1985);
- (e) charges specifically to the Security Agent by way of first fixed charge the Scheduled Property (as defined in the Charge);
- (f) charges specifically to the Security Agent by way of first fixed charge all book debts and other debts now and from time to time due or owing to the Company (other than any debt comprised in the Scheduled Property) including, for the avoidance of doubt, (and with the intent that the same shall be the subject of specific fixed charges) all and any proceeds of sale of items comprised within the Mortgaged Property, the Charged Property and/or the Scheduled Property and all balances at the Banks (or any of them) whether held in a current or other account;
- (g) charges to the Security Agent by way of fixed charge its goodwill (present and future); and
- (h) charges to the Security Agent by way of first floating charge its Undertaking (as defined in the Charge).

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Price Waterhouse



**AUDITORS' REPORT TO THE DIRECTORS OF
XPEDITE SYSTEMS LIMITED PURSUANT TO SECTION 156(4) OF THE
COMPANIES ACT 1985**

We have examined the attached statutory declaration of the directors of Xpedite Systems Limited dated 17 December 1997 in connection with the proposal that the company should give financial assistance for the acquisition of shares in the company.

Basis of opinion

We have enquired into the state of the company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in Section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Price Waterhouse

PRICE WATERHOUSE

Chartered Accountants and
Registered Auditors

17 December 1997