

limitation, disclosures regarding the DiGiPH Transaction) or unless DT shall otherwise agree in writing in advance of the specific action taken, carry on its business in the ordinary course. Without limiting the generality of the foregoing, and except as otherwise contemplated by this Agreement or the Alternative Merger Agreement or as disclosed in the disclosure schedules to this Agreement, during such period, Powertel shall not, and shall not permit any of the Powertel Subsidiaries to, without the prior written consent of DT:

(a) except for regularly scheduled dividends payable on the Series E Preferred Shares and Series F Preferred Shares in Powertel Common Stock, (i) declare, set aside or pay any dividends on, or make any other distributions in respect of, or redeem or repurchase, any of its capital stock or other equity interest, except for dividends by a Powertel Subsidiary to its parent, and except that Powertel shall be permitted to acquire shares of Powertel Common Stock, from time to time, to the extent required by (A) Section 5.4 of the Restated Certificate of Incorporation of Powertel and (B) any Powertel Stock Option Plan in connection with the exercise of options and other rights granted thereunder; or (ii) split, combine or reclassify any of its capital stock or other equity interest or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;

(b) issue, deliver, sell, pledge or otherwise encumber any shares of its capital stock or other equity interest, any other voting securities or any securities convertible into, or any rights, warrants or options to acquire, any such shares, voting securities or convertible securities, except for issuances of Powertel Common Stock or Powertel Common Stock Equivalents as set forth in Schedule 4.01(b) or deliveries of shares of its capital stock pursuant to contractual obligations existing prior to the execution of this Agreement and which are otherwise disclosed in this Agreement or the disclosure schedules hereto;

(c) amend the Restated Certificate of Incorporation of Powertel or Restated By-laws of Powertel or other similar organizational documents;

(d) adopt, amend or propose to amend any stockholder rights plan or related rights plan;

(e) acquire, or agree to acquire, in a single transaction or in a series of related transactions, any business, corporation or partnership, or substantially all of the assets of any of the foregoing, other than (i) transactions which involve individually or in the aggregate a purchase price not in excess of \$500,000, (ii) capital expenditures described in Section 4.01(f) below and (iii) transactions in connection with the DiGiPH Transaction;

(f) make or agree to make any new capital expenditure other than capital expenditures (i) in fiscal year 2000 that are contemplated by Powertel's capital budget for fiscal year 2000, provided the aggregate amount of such capital expenditures is less than \$177 million, or (ii) in fiscal year 2001 that are contemplated by Powertel's business plan for fiscal year 2001, as approved by the Board of Directors of Powertel, provided the aggregate amount of such capital expenditures is less than \$181.5 million;

(g) sell, lease, license, encumber or otherwise dispose of, or agree to sell, lease, license, encumber or otherwise dispose of, any of its assets, other than as set forth on Schedule 4.01(g) or in connection with transactions that are in the ordinary course of business and which

involve assets having a current value not in excess of \$500,000 individually or in the aggregate (for avoidance of doubt, the sale, lease, license, encumbrance or other disposition of Powertel FCC Licenses or other material assets shall not be in the ordinary course of business);

(h) increase the salary, wages, stipends, bonuses or reimbursable allowances payable or to become payable to its directors or officers, except for increases for officers in the ordinary course of business consistent with past practices; or enter into any employment or severance agreement with, or establish, adopt, enter into or amend, or make any grants or awards under, any new Powertel Benefit Plan for the benefit of, any director, officer or employee, except, in each case in the ordinary course of business consistent with past practices or adopt or amend any Powertel Benefit Plan except those specifically set forth in Annex 5.18 or take any action inconsistent with the provisions set forth in Annex 5.18, *provided*, that the aggregate increase in such compensation shall not exceed 5% of the previous year's amount (including those with respect to the timing and amount of, and persons entitled to, grants and awards), as may be required by the terms of any such Powertel Benefit Plan, or to comply with applicable law or as permitted by Section 4.01(b), *provided, further*, that nothing in this Section 4.01(h) shall restrict the ability of Powertel's Board of Directors to take the action contemplated by and to comply with the terms of the severance, retention and other arrangements as set forth in Annex 5.18 and to adopt appropriate resolutions with respect to persons who are officers or directors (including persons who are directors by deputization) of Powertel to cause the transactions relating to the Merger that may be considered dispositions under Section 16 of the Exchange Act for such persons to be exempt from such Section;

(i) except as may be required as a result of a change in law or in GAAP, make any change in its method of accounting or its fiscal year;

(j) except in connection with the transactions contemplated hereby or in the ordinary course of business, enter into, modify in any material respect, amend in any material respect or terminate any material contract or agreement to which Powertel or any of the Powertel Subsidiaries is a party, or waive, release or assign any material rights or claims, except to the extent that such contract, agreement, modification or amendment would not reasonably be expected to have a Material Adverse Effect on Powertel;

(k) amend any term of any of its outstanding securities in any material respect;

(l) adopt a plan or agreement of complete or partial liquidation, dissolution, merger, consolidation, restructuring, recapitalization or other material reorganization;

(m) incur, assume or guarantee any material Indebtedness, including any refinancing of existing Indebtedness, for borrowed money unless such Indebtedness is prepayable at the election of Powertel on or after the Closing Date and the aggregate prepayment penalty and all other fees associated with such Indebtedness do not exceed \$1,000,000;

(n) create, incur, assume or suffer to exist any material Lien upon any of its property or assets, whether now owned or hereafter acquired, other than Liens incurred in the ordinary course of business or to secure Indebtedness, Liens arising by operation of law and not yet due and payable or other obligations permitted by this Agreement (including refinancing of existing Indebtedness);

(o) create, incur, assume or suffer to exist any obligation whereby Powertel or Powertel Subsidiaries guarantee any Indebtedness, leases, dividends or other obligations of any third party;

(p) make any loan or capital contributions to or investment in any Person, other than in the ordinary course of business or as set forth in Schedule 4.01(p), as required in connection with the DiGiPH Transaction, and loans or capital contributions to or investments in wholly owned Powertel Subsidiaries;

(q) enter into any agreement or arrangement that materially limits or otherwise materially restricts Powertel or any of the Powertel Subsidiaries or any successor thereto or that could, after the Effective Time, reasonably be expected to materially limit or restrict DT, any of the DT Subsidiaries or the Surviving Corporation from engaging in the business of providing wireless communications services or developing wireless communications technology anywhere in the world or otherwise from engaging in any other business;

(r) settle, or propose to settle, any material litigation, investigation, arbitration, proceeding or other claim;

(s) make any material tax election or enter into any settlement or compromise of any material tax liability;

(t) take any action, other than as expressly permitted by this Agreement, that could reasonably be expected to make any representation or warranty of Powertel hereunder inaccurate and have a Material Adverse Effect on Powertel at the Effective Time;

(u) adopt, amend or propose to amend any Powertel Benefit Plan or make any discretionary contributions to any ERISA Benefit Plan other than as may be required by law or as may be required to maintain compliance with provisions of the Code; *provided, however*, that Powertel (1) may make an annual 3% of compensation profit sharing contribution and (2) may make matching contributions of 50% of the first 2% of compensation contributed by participants, to Powertel's profit sharing Code § 401(k) plan (similar to past practices);

(v) enter into (i) leveraged derivative contracts (defined as contracts that use a factor to multiply the underlying index exposure) or (ii) other derivative contracts except for the purpose of hedging known interest rate and foreign exchange exposures or otherwise reducing Powertel's cost of financing; *provided, however*, that employee stock ownership plans and other pension and deferred compensation plans of Powertel may enter into derivative contracts as part of their ordinary course investment strategy;

(w) file any amended Tax Returns if the result of such amendment would result in a material increase of Powertel tax liability;

(x) take any action which could reasonably be expected to materially adversely affect or materially delay the ability of any of the Parties to obtain any Required Regulatory Approval or consummate the transactions contemplated hereby;

(y) take any action that would be reasonably likely to (i) prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code or (ii) cause the stockholders of Powertel to recognize gain pursuant to Section 367(a) of the Code;

(z) other than pursuant to this Agreement, take any action to cause the Powertel Common Stock to cease to be quoted on Nasdaq;

(aa) Notwithstanding anything in this Agreement to the contrary, during the period of time beginning on the fifth Business Day prior to the Effective Time and extending until and including the Effective Time, Powertel shall not take or omit to take any action that could increase the number of shares of Powertel Stock outstanding on a fully diluted basis; or

(bb) enter into any contract, agreement, commitment or arrangement to do any of the foregoing.

**SECTION 4.02. *Conduct of Business by DT.*** Except as set forth on Schedule 4.02 hereto or as otherwise expressly contemplated by this Agreement, DT agrees on behalf of itself and its Subsidiaries that they will not, between the date hereof and the Effective Time, directly or indirectly, do any of the following without the prior written consent of Powertel:

(a) except as may be necessary or required for the purpose of using or increasing any or all of DT's authorized capital (GENEHMIGTES KAPITAL) or necessary for the conduct of its business, amend or propose to amend the Memorandum and Articles of Association (SATZUNG) or Management Board (VORSTAND) Rules of Procedure (GESCHAFTSORDNUNG) (or other comparable organizational document) of DT in any manner that would be adverse to Powertel or its stockholders;

(b) take any action that would reasonably be likely to (i) prevent or impede the Merger from qualifying as a reorganization within the meaning of Section 368(a) of the Code or (ii) cause the stockholders of Powertel to recognize gain pursuant to Section 367(a) of the Code; or

(c) take any action that would reasonably be likely to (i) materially adversely affect the ability of the Parties to obtain any Required Regulatory Approval or to consummate the transactions contemplated hereby or (ii) materially delay the ability of any of the Parties to obtain any Required Regulatory Approval or to consummate the transactions contemplated hereby; *provided, however*, that this Section 4.02(c) shall not preclude any acquisitions by DT or any of its Subsidiaries so long as such acquisitions, individually or in the aggregate, are not reasonably likely to prevent the consummation of the Merger.

**SECTION 4.03. *No Solicitation.*** (a) From and after the date hereof until the earlier of the Effective Time or the termination of this Agreement, Powertel shall not, nor shall it permit any of the Powertel Subsidiaries to, nor shall they authorize or instruct any of their respective officers, directors or employees to, and shall use their reasonable efforts to cause any investment banker, financial advisor, attorney, accountants or other representatives retained by them or any of their respective Subsidiaries not to, directly or indirectly through another person, (i) solicit, initiate or knowingly encourage (including by way of furnishing information), or knowingly take any other action designed to facilitate, any Alternative Transaction (as defined

below), or (ii) continue or participate in any discussions or negotiations regarding any Alternative Transaction; *provided, however*, that if, at any time prior to the time that the Powertel Stockholders' Approval is obtained, the Board of Directors of Powertel receives an unsolicited *bona fide* proposal and determines in good faith and after the receipt of advice from outside counsel that providing information to the Third Party (as defined below), making such proposal or participating in negotiations or discussions with the Third Party is reasonably expected to result in a Powertel Superior Proposal (as defined below) and if Powertel has fully and completely complied with its obligations under this Section 4.03, Powertel may, subject to giving DT three Business Days' advance written notice of its intention to do so and obtaining a confidentiality agreement from the Third Party substantially similar to the Confidentiality Agreement between Powertel and DT dated as of August 16, 2000 (the "**Confidentiality Agreement**"), (x) furnish information to such Third Party with respect to Powertel and the Powertel Subsidiaries and (y) engage in discussions and negotiations regarding such proposal.

(b) Powertel will notify DT promptly (but in no event later than 24 hours) after receipt by Powertel (or any of its advisors) of any Alternative Transaction, or of any request (other than in the ordinary course of business and not related to an Alternative Transaction) for non-public information relating to Powertel or any of the Powertel Subsidiaries or for access to the properties, books or records of Powertel or any of the Powertel Subsidiaries by any Person who is known to be considering making, or has made, an Alternative Transaction. Powertel shall provide such notice orally and in writing and shall identify the Person making, and the terms and conditions of, any such Alternative Transaction or request. Powertel shall keep DT fully informed, on a prompt basis (but in any event no later than 24 hours), of the status and details of any such Alternative Transaction or request. Powertel shall, and shall cause the Powertel Subsidiaries and the directors, employees and other agents of Powertel and the Powertel Subsidiaries to cease immediately and cause to be terminated all activities, discussions or negotiations, if any, with any Persons conducted prior to the date hereof with respect to any Alternative Transaction.

(c) Powertel (i) agrees not to release any Third Party from, or waive any provision of, or fail to enforce, any standstill agreement or similar agreement to which it is a party related to, or which could affect, an Alternative Transaction and agrees that DT shall be entitled to enforce Powertel's rights and remedies under and in connection with such agreements, and (ii) acknowledges that the provisions of clause (i) are an important and integral part of this Agreement. Nothing contained in this Section 4.03 or in Section 5.02 shall prohibit Powertel (x) from complying with Rule 14d-9 or Rule 14e-2(a) promulgated under the Exchange Act, or (y) from making any disclosure to its stockholders if, in the good faith judgment of the Board of Directors of Powertel, after receipt of advice from outside counsel, failure to disclose would result in a reasonable likelihood that the Board of Directors of Powertel would breach its duties to Powertel's stockholders under Delaware Law.

For purposes of this Agreement, "**Alternative Transaction**" means a proposal or intended proposal, regarding any of (i) a transaction or series of transactions pursuant to which any Person (or "group" of Persons) other than a Party and its Subsidiaries (a "**Third Party**") acquires or would acquire, directly or indirectly, "beneficial ownership" (as such terms are defined in or interpreted for purposes of Rule 13d-3 under the Exchange Act) of more than twenty percent (20%) of the voting power of the outstanding capital stock of Powertel or

pursuant to a tender offer or exchange offer or otherwise, (ii) any acquisition or proposed acquisition of, or business combination with Powertel or any of the Powertel Subsidiaries, as applicable, by a merger or other business combination (including any so-called "merger-of-equals" and whether or not Powertel or any of the Powertel Subsidiaries, as the case may be, is the entity surviving any such merger or business combination) or (iii) any other transaction pursuant to which any Third Party acquires or would acquire, directly or indirectly, control of assets (including for this purpose the outstanding equity securities of the Powertel Subsidiaries and any entity surviving the merger or business combination including any of them) of Powertel or any of the Powertel Subsidiaries, as the case may be, for consideration equal to twenty percent (20%) or more of the fair market value of all of the outstanding shares of Powertel capital stock on the date of this Agreement; provided, that for purposes of this Agreement the term "Alternative Transaction" does not include the proposed acquisition of Powertel by VoiceStream as contemplated by the Alternative Merger Agreement.

SECTION 4.04. *Subsequent Financial Statements.* Powertel, prior to the Effective Time, will timely file with the SEC each Annual Report on Form 10-K, Quarterly Report on Form 10-Q and Current Report on Form 8-K required to be filed by it under the Exchange Act and the rules and regulations promulgated thereunder and will promptly deliver to DT copies of each such report filed with the SEC. DT will timely file with the SEC each Annual Report on Form 20-F and Report on Form 6-K required to be filed by it under the Exchange Act and the rules and regulations promulgated thereunder and will promptly deliver to Powertel copies of each such report filed with the SEC. As of their respective dates, none of such reports shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The respective audited financial statements and unaudited interim financial statements of each of Powertel and DT, as the case may be, included in such reports will fairly present the financial position of such Party and its Subsidiaries as at the dates thereof and the results of their operations and cash flows for the periods then ended in accordance with GAAP (with a reconciliation to GAAP in accordance with SEC rules in the case of Powertel) or generally accepted accounting principles in Germany (in the case of DT) applied on a consistent basis and, subject, in the case of unaudited interim financial statements, to normal year-end adjustments and any other adjustments described therein.

SECTION 4.05. *Control of Operations.* Nothing contained in this Agreement shall be deemed to give DT, directly or indirectly, the right to "control" or "direct", as such terms are construed under applicable rules or regulations of the FCC, Powertel's operations prior to the Effective Time. Prior to the Effective Time, Powertel shall exercise, consistent with the terms and conditions of this Agreement, "control" over its respective operations.

SECTION 4.06. *Alternative Merger Agreement.* Powertel will not modify, amend or waive in any material respect the provisions of the Alternative Merger Agreement without DT's prior written consent.

## ARTICLE 5

### ADDITIONAL AGREEMENTS

SECTION 5.01. *Powertel Proxy Statement; the DT Registration Statement and the German Listing Prospectus.* (a) Each of DT and Powertel shall cooperate and promptly prepare and DT shall file with the SEC as soon as practicable the DT Registration Statement on Form F-4 (or any successor form) (the "Form F-4") under the Securities Act with respect to the DT Ordinary Shares and the DT Depositary Shares issuable and deliverable pursuant to this Agreement. A portion of the Form F-4 shall serve as a prospectus with respect to the DT Ordinary Shares and the DT Depositary Shares issuable and deliverable pursuant to the terms of this Agreement and as Powertel's proxy statement with respect to Powertel Stockholders' Meeting (the "Powertel Proxy Statement"). DT will cause the Form F-4 to comply as to form in all material respects with the applicable provisions of the Securities Act and the rules and regulations thereunder, and Powertel will cause the Powertel Proxy Statement to comply as to form in all material respects with the applicable provisions of the Exchange Act and the rules and regulations thereunder. Powertel and DT shall use their reasonable best efforts to have the Powertel Proxy Statement and the DT Registration Statement declared effective by the SEC under the Securities Act, and promptly thereafter shall mail to the holders of record of Powertel Common Shares the Powertel Proxy Statement; *provided, however*, that Powertel shall not mail or otherwise furnish the Powertel Proxy Statement to its stockholders unless and until:

- (i) it has received oral notice from the SEC that the DT Registration Statement is effective under the Securities Act;
- (ii) Powertel shall have received a letter of its independent accountants, dated a date within two (2) business days prior to the date of the first mailing of the Powertel Proxy Statement, and addressed to Powertel, in form reasonably satisfactory to Powertel and customary in scope for similar "cold comfort" letters delivered by independent public accountants in connection with registration statements on Form F-4 with respect to the financial statements of DT included in the Powertel Proxy Statement and the DT Registration Statement;
- (iii) DT shall have received a letter of its independent accountants, dated a date within two (2) business days prior to the date of the first mailing of the Powertel Proxy Statement, and addressed to DT, in form reasonably satisfactory to DT and customary in scope for similar "cold comfort" letters delivered by independent public accountants in connection with registration statements on Form F-4 with respect to the financial statements of Powertel included in the Powertel Proxy Statement and the DT Registration Statement.

DT shall take any reasonable action (other than qualifying to do business in any jurisdiction in which it is now not so qualified) to obtain prior to the effective date of the Form F-4 all necessary state securities law or "Blue Sky" permits and approvals or similar foreign approvals required to effect the transactions contemplated by this Agreement, including the distribution of DT Depositary Shares and DT Ordinary Shares issued in accordance with the provisions of this Agreement, and Powertel will provide any reasonably requested cooperation in connection therewith. DT will advise Powertel of the time when the Form F-4 has become

effective or any supplement or amendment has been filed, the issuance of any stop order or the suspension of the qualification of the DT Depository Shares or DT Ordinary Shares issuable and deliverable in connection with the Merger for offering or sale in any jurisdiction.

(b) DT and Powertel will cooperate in (i) the preparation of the Powertel Proxy Statement and the DT Registration Statement or any amendments and supplements thereto and in having the DT Registration Statement declared effective as soon as practicable and (ii) the preparation and filing of the German Listing Prospectus with the FSE and the auditor's report with the Commercial Register.

*SECTION 5.02. Powertel Stockholders' Meeting and Consummation of the Merger.*

(a) As promptly as practicable after the DT Registration Statement is declared effective under the Securities Act, Powertel shall duly give notice of, convene and hold a meeting of its stockholders (the "**Powertel Stockholders' Meeting**") in accordance with Delaware Law for the purposes of obtaining the Powertel Stockholder Approval and shall, subject to the provisions of Section 5.02(b) hereof, through its Board of Directors, recommend to its stockholders the approval and adoption of this Agreement and use its reasonable best efforts to obtain the Powertel Stockholder Approval.

(b) Neither the Board of Directors of Powertel nor any committee thereof shall (i) except as expressly permitted by this Section 5.02(b), withdraw, qualify or modify, or propose publicly to withdraw, qualify or modify, in a manner adverse to DT, the approval or recommendation of such Board of Directors or such committee of this Agreement, the Merger and the other transactions contemplated hereby, (ii) approve or recommend, or propose publicly to approve or recommend, any Alternative Transaction, or (iii) cause Powertel to enter into any letter of intent, agreement in principle, acquisition agreement or other similar agreement related to any Alternative Transaction (each, a "**Powertel Acquisition Agreement**"). Notwithstanding the foregoing, in the event that prior to the time the Powertel Stockholder Approval is obtained, Powertel receives a Superior Proposal (as defined below), the Board of Directors of Powertel may (subject to this and the following sentences) inform Powertel stockholders that it no longer recommends Powertel Stockholder Approval (a "**Subsequent Determination**"), but only at a time that is after the fifth Business Day following DT's receipt of written notice advising DT that the Board of Directors of Powertel has received a Superior Proposal specifying the material terms and conditions of such Superior Proposal (and including a copy or draft copy thereof with all accompanying documentation or draft documentation, if in writing), identifying the Person making such Superior Proposal and stating that it intends to make a Subsequent Determination. After providing such notice, Powertel shall provide a reasonable opportunity to DT to make such adjustments in the terms and conditions of this Agreement as would enable Powertel to proceed with its recommendation to its stockholders without a Subsequent Determination; *provided, however*, that any such adjustment shall be at the discretion of Powertel and DT at the time. For purposes of this Agreement, a "**Superior Proposal**" means any proposal (on its most recently amended or modified terms, if amended or modified) made by a Third Party to enter into an Alternative Transaction which the Board of Directors of Powertel determines in its good faith judgment (based on, among other things, the advice of a financial advisor of nationally recognized reputation) to be more favorable to Powertel's stockholders than the transactions contemplated by this Agreement taking into account all relevant factors (including whether, in

the good faith judgment of the Board of Directors of Powertel, after obtaining the advice of a financial advisor of nationally recognized reputation, the Third Party is reasonably able to finance the transaction, and any changes to this Agreement that may be proposed by DT in response to such Alternative Transaction). Powertel shall submit this Agreement to its stockholders at the Powertel Stockholders' Meeting even if the Board of Directors of Powertel shall have made a Subsequent Determination.

Powertel shall use its reasonable best efforts to schedule the Powertel Stockholders' Meeting at the same time as the Powertel Stockholders' Meeting (as defined in the Alternative Merger Agreement).

SECTION 5.03. *Notification of Certain Matters.* (a) Each of Powertel and DT shall give prompt notice to each other of the following:

(i) the occurrence or nonoccurrence of any event whose occurrence or nonoccurrence would be likely to cause either (i) any representation or warranty contained in this Agreement of such Party to be untrue, inaccurate or incomplete in any material respect at any time from the date hereof to the Effective Time if such failure to be true, accurate or complete would cause the condition set forth in Section 6.02(a) or 6.03(a) not to be satisfied, in which case the Party required to give prompt notice thereof shall promptly update and deliver to the other Party any Schedules hereto which require an update to remain true, accurate and correct or (ii) directly or indirectly, any Material Adverse Effect on such Party;

(ii) any material failure of such Party, or any officer, director, employee or agent of any thereof, to comply with or satisfy any covenant or agreement to be complied with or satisfied by it hereunder (if such failure would cause the condition set forth in Section 6.02(b) or 6.03(b) not to be satisfied); and

(iii) any facts relating to such Party which would make it necessary or advisable to amend the Powertel Proxy Statement or the DT Registration Statement in order to make the statements therein not misleading or to comply with applicable law; *provided, however*, that the delivery of any notice pursuant to this Section 5.03 shall not limit or otherwise affect the remedies available hereunder to the Parties receiving such notice.

(iv) Promptly upon receipt by Powertel from any Powertel stockholder who is a party to the Powertel Stockholder Agreements of a proxy card sent to the Powertel stockholders with the Powertel Proxy Statement and in accordance with Section 5 of the Stockholders Agreement, but in no event later than the second Business Day following such receipt or, if such receipt is on or after the fifth Business Day prior to the Closing, then on the date of such receipt, Powertel shall notify DT orally of its receipt and provide DT with copy of such proxy card.

(b) DT shall promptly provide to Powertel a copy of any written notice given by DT to VoiceStream or received by DT from VoiceStream of the termination of the VoiceStream Merger Agreement.

SECTION 5.04. *Access to Information.* Upon reasonable notice and subject to restrictions contained in the Confidentiality Agreement and other confidentiality agreements to which Powertel is subject, (a) Powertel shall, and shall cause each Powertel Subsidiary to, afford to DT and to the officers, employees, accountants, counsel and other representatives of DT all reasonable access, during normal business hours during the period prior to the Effective Time, to all their respective lenders, agents and other representatives, properties, assets, books, contracts, commitments and records and, during such period, Powertel shall (and shall cause each Powertel Subsidiary to) furnish promptly to DT all information concerning its business, properties and personnel as DT may reasonably request, including a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of the federal or state securities laws or the federal Tax laws and (b) DT shall, and shall cause each DT Subsidiary to, afford to Powertel and to the officers, employees, accountants, counsel and other representatives of Powertel all reasonable access, during normal business hours during the period prior to the Effective Time, to all their respective properties, assets, books, contracts, commitments and records and, during such period, DT shall (and shall cause each DT Subsidiary to) furnish promptly to Powertel all information concerning its business, properties and personnel as Powertel may reasonably request, including a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of the federal or state securities laws.

SECTION 5.05. *Public Announcements.* DT and Powertel will consult with each other before issuing any press release with respect to the transactions contemplated by this Agreement and shall not issue any such press release prior to such consultation, except as may be required by applicable law, fiduciary duties or by obligations pursuant to any listing agreement with any national securities exchange. The parties will cooperate in preparing a joint press release announcing the execution of this Agreement.

SECTION 5.06. *Cooperation.* (a) Upon the terms and subject to the conditions hereof, each of Powertel and DT agrees, and agrees to cooperate with each other, (i) to use reasonable best efforts to consummate and make effective, in the most expeditious manner practicable, the Merger and the transactions contemplated by this Agreement, (ii) to obtain in a timely manner all necessary Permits or waivers from, approvals or consents of, or declarations, registrations or filings with, and all expirations of waiting periods imposed by, any Governmental or Regulatory Authority which are necessary for the consummation of the transactions contemplated hereby, (iii) to promptly (A) prepare and file a Premerger Notification in accordance with the HSR Act, comply with any requests for additional information, and obtain termination of the waiting period thereunder as promptly as practicable, (B) prepare and file all required notifications, if any, under Council Regulation (EEC) No. 4064/89, and obtain the approval of the Council of the European Union to the transactions contemplated by this Agreement, if required, and (C) file a notice pursuant to Section 721 of Exon-Florio, and (iv) to take all actions within its control necessary to obtain any Required Regulatory Approvals necessary to consummate the transactions contemplated hereby; *provided, however*, that neither DT nor any of its Subsidiaries shall be required, nor, without the consent of DT, shall Powertel or its Subsidiaries be permitted, to divest or hold separate or otherwise take or commit to take any action that limits its freedom of action with respect to Powertel, DT, VoiceStream or any of their Subsidiaries or any material portion of the assets of Powertel, DT, VoiceStream or any of

their Subsidiaries or any of the business, product lines, or assets of Powertel, DT, VoiceStream or any of their Subsidiaries.

(b) Each of Powertel and DT agrees to cooperate with each other (i) to respond to inquiries from, and to make presentations to, Governmental or Regulatory Authorities and (ii) to promptly inform the others of any material oral or written communication received by such Party from, or given by such Party to, any Governmental or Regulatory Authority, and of any material communication received or given in connection with any proceeding by a private Party, in each case regarding the transactions between DT and Powertel contemplated by this Agreement. Powertel and DT agree to consult with each other in advance of any meeting or conference with, or of making any filing or other written submission to, any such Governmental or Regulatory Authority, and to the extent permitted by the applicable Governmental or Regulatory Authority, give the others the opportunity to attend and participate in such meetings and conferences, or to review and approve any such filing or other written submission, in each case regarding the transactions between DT and Powertel contemplated by this Agreement. Powertel shall promptly provide to DT, upon request, and DT shall promptly provide to Powertel, upon request, copies of all written communications referenced in Section 5.06(b)(i) above and all filings made by DT or Powertel, as the case may be, with any Governmental or Regulatory Authority in connection with this Agreement and the transactions contemplated hereby and written correspondence from any Governmental or Regulatory Authority that relates to the transactions contemplated hereby (excluding any exhibits, schedules and any confidential information contained therein).

(c) Each of Powertel and DT shall cooperate with each other to eliminate or reduce to the extent possible any illegality, forfeiture or loss on the part of DT, Powertel or their respective Subsidiaries that may result from the consummation of the transactions contemplated hereby.

(d) Each of Powertel and DT hereby agrees to cooperate with the other party, and to cause its officers, directors and independent accountants to cooperate with the other party, to do or cause to be done all things reasonably requested by the other party (including, without limitation, providing such information as may reasonably be requested to permit pro forma financial statements after giving effect to the Merger to be produced) in order to facilitate any financing, acquisition or capital markets transaction or registration to be entered into or made by either Party after the date hereof.

(e) Powertel hereby agrees to use reasonable best efforts, in consultation with DT, to obtain all waivers and consents that may be required from any parties to any Powertel Contract, including, without limitation, from lenders and other financing sources of Powertel and its Subsidiaries, in connection with this Agreement, the Powertel Stockholder Agreements and the transactions contemplated hereby and thereby.

(f) Powertel hereby agrees, from the date hereof until the Closing, to take any and all actions that are required to be taken prior to the Effective Time pursuant to any Powertel Contract or other agreement, including, without limitation, any debt instruments, including credit agreements and indentures, to which Powertel or any of its Significant Subsidiaries is a party and to make any offer to purchase any securities required to be made, as a result of the execution and delivery of this Agreement and the Powertel Stockholder Agreements.

(g) DT shall cause Merger Sub to approve, and shall vote all securities and give all approvals necessary for Merger Sub to approve, the Merger.

(h) Notwithstanding anything to the contrary contained in this Agreement, in connection with any filing or submission required or action to be taken by DT, Powertel or any of its respective Subsidiaries to consummate the Merger or the other transactions contemplated in this Agreement, Powertel shall not, without DT's prior written consent, commit to any divestiture of assets of businesses of Powertel and its Subsidiaries if such divested assets and/or businesses are material to the assets or profitability of Powertel and its Subsidiaries taken as a whole.

SECTION 5.07. *Indemnification, Directors' and Officers' Insurance.* (a) DT shall, or shall cause the Surviving Corporation to, continue to provide, fulfill and honor all rights to indemnification or exculpation existing in favor of a director, officer, employee or agent (an "**Indemnified Person**") of Powertel or any of the Powertel Subsidiaries (including rights relating to advancement of expenses and indemnification rights to which such persons are entitled because they are serving as a director, officer, agent or employee of another entity at the request of Powertel or any of the Powertel Subsidiaries), as provided in the Restated Certificate of Incorporation of Powertel, the Restated By-laws of Powertel or any indemnification agreement, in each case, as in effect on the date of this Agreement, and relating to actions or events through the Effective Time, and such rights to indemnification shall survive the Merger and shall continue in full force and effect, without any amendment thereto; *provided, however*, that neither DT nor the Surviving Corporation shall be required to indemnify any Indemnified Person in connection with any proceeding (or portion thereof) to the extent involving any claim initiated by such Indemnified Person unless the initiation of such proceeding (or portion thereof) was authorized by the Board of Directors of Powertel or unless such proceeding is brought by an Indemnified Person to enforce rights under this Section 5.07; *provided further* that any determination required to be made with respect to whether an Indemnified Person's conduct complies with the standards set forth under the Delaware Law, the Restated Certificate of Incorporation of Powertel, the Restated By-laws of Powertel or any such agreement, as the case may be, shall be made by independent legal counsel selected by DT and reasonably acceptable to such Indemnified Person; *provided further* that DT and the Surviving Corporation will cooperate and use all reasonable efforts to assist in the vigorous defense of any such matter; and *provided further* that that nothing in this Section 5.07 shall impair any rights of any Indemnified Person. Without limiting the generality of the preceding sentence, in the event that any Indemnified Person becomes involved in any actual or threatened action, suit, claim, proceeding or investigation after the Effective Time relating to actions prior to the Effective Time, DT shall, or shall cause the Surviving Corporation to, promptly advance to such Indemnified Person his or her legal and other expenses (including the cost of any investigation and preparation incurred in connection therewith), subject to the providing by such Indemnified Person, to the extent required by law, of an undertaking to reimburse all amounts so advanced in the event of a non-appealable determination of a court of competent jurisdiction that such Indemnified Person is not entitled thereto.

(b) Subject to the prior written approval by DT, which shall not be unreasonably withheld, prior to the Effective Time, Powertel shall have the right to obtain and pay for in full a "tail" coverage directors' and officers' liability insurance policy ("**D&O Insurance**") covering a

period of six years after the Effective Time and providing coverage in amounts and on terms consistent with Powertel's existing D&O Insurance. In the event the Surviving Corporation does not obtain such insurance, DT shall cause the Surviving Corporation to continue to provide D&O Insurance relating to actions or events through the Effective Time, for a period of six years after the Effective Time; *provided*, that the Surviving Corporation may substitute therefor policies of substantially similar coverage and amounts containing terms no less advantageous to such former directors or officers; *provided further* that if the existing D&O Insurance expires or is cancelled during such period, DT or the Surviving Corporation shall make reasonable commercial efforts to obtain substantially similar D&O Insurance; and *provided further* that the Surviving Corporation shall not be required to expend, in order to maintain or procure an annual D&O Insurance policy, an amount in excess of 250% of the last annual premium paid prior to the date hereof, but in such case shall purchase as much coverage as possible for such amount.

(c) In the event DT or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any person in a single transaction or a series of related transactions, then, and in each such case, DT will make or cause to be made proper provision so that the successors and assigns of DT or the Surviving Corporation, as the case may be, assume the indemnification obligations described herein for the benefit of the Indemnified Parties.

(d) The provisions of this Section 5.07 are intended to be for the benefit of, and shall be enforceable by, each Indemnified Person, his or her heirs and his or her personal representatives and shall survive the Merger and be binding upon the successors and assigns of DT, Powertel and the Surviving Corporation.

**SECTION 5.08. *Stock Exchange Listings/Establishment of DT Depositary Shares.*** DT will take all steps necessary for the listing and authorization for listing on the FSE and the NYSE (subject to official notice of issuance) of the DT Ordinary Shares and the DT Depositary Shares, respectively, to be issued pursuant to the Merger.

**SECTION 5.09. *No Shelf Registration.*** DT shall not be required to amend or maintain the effectiveness of the Registration Statement for the purpose of permitting resale of the shares of DT received pursuant hereto by the Persons who may be deemed to be "affiliates" of Powertel within the meaning of Rule 145 promulgated under the Securities Act. The DT Ordinary Shares issuable upon exercise of options pursuant to Section 1.05 hereof shall be registered under the Securities Act and such registration shall be effective at the time of issuance.

**SECTION 5.10. *Affiliates.*** Powertel (i) shall deliver to DT not later than the 30th day after the date of this Agreement a list of all persons who are, as of the date hereof, its Affiliates for purposes of Rule 145 under the Securities Act and (ii) shall use its reasonable best efforts to cause each person who is identified as its "affiliate" on Schedule 5.10 to deliver to DT as promptly as practicable but in no event later than the Closing Date, a signed agreement substantially in the form of Exhibit A. Powertel shall notify DT from time to time of any other persons who then are such an "affiliate" of Powertel and use its reasonable best efforts to cause each additional person who is identified as such an "affiliate" to execute a signed agreement as set forth in this Section 5.10.

SECTION 5.11. *Tax-Free Merger.* Each of the Parties will use its reasonable best efforts, and each agrees to cooperate with the other Parties and provide one another with such documentation, information and materials as may be reasonably necessary, proper or advisable to (i) cause the Merger to qualify as a reorganization within the meaning of Section 368(a) of the Code and (ii) avoid gain recognition to the stockholders of Powertel pursuant to Section 367(a) of the Code.

SECTION 5.12. *Reasonable Best Efforts.* Each of Powertel and DT shall use its reasonable best efforts to obtain the opinions referred to in Section 6.02(d), Section 6.02(e), 6.03(d) and 6.03(e) and the delivery of the Representation Letters in the forms set forth in Exhibits B and C.

SECTION 5.13. *Takeover Laws.* Subject to Section 5.02, no Party shall take any action that would cause the transactions contemplated by this Agreement or the Stockholders Agreement to be subject to requirements imposed by any Takeover Laws (including any such laws or regulations applicable to DT under German Legal Requirements or the Legal Requirements of the FSE) and each of them shall take all necessary steps within its control to exempt (or ensure the continued exemption of), or minimize the effect on, the transactions contemplated by this Agreement and the Stockholders Agreement from, or if necessary challenge the validity or applicability of, any applicable Takeover Law, as now or hereafter in effect, including, without limitation, Section 203 of the Delaware Law or any other Takeover Laws that purport to apply to this Agreement or the Stockholders Agreement or the transactions contemplated hereby or thereby.

SECTION 5.14. *Certain Litigation.* Powertel agrees that it shall not settle any litigation commenced after the date hereof against Powertel or any of its directors by any stockholder of Powertel relating to the Merger, this Agreement, the Alternative Merger Agreement or the Stockholders Agreement without the prior written consent of DT, which consent shall not be unreasonably withheld or delayed.

SECTION 5.15. *Senior Discount Notes and Senior Notes.* Within 30 days following the Effective Time, DT shall cause the Surviving Corporation to commence an offer to purchase all of the Senior Discount Notes and Senior Notes (collectively, the "Notes") pursuant to the terms of the February 1996 Indenture, April 1996 Indenture and June 1997 Indenture, as applicable (collectively, the "Powertel Indentures"). Any investment banking firm engaged in connection with such acquisition shall be selected by DT. DT shall bear the fees, costs and expenses of acquiring the Notes.

SECTION 5.16. *Employee Benefits.* (a) As of the Effective Time, Powertel will have terminated all Powertel Benefit Plans except for those Powertel Benefit Plans that DT requests not be terminated and those Powertel Benefit Plans described in Annex 5.18. DT shall take all necessary action so that, after the Effective Time, any current or former employee of Powertel who is eligible to participate in a Powertel Benefit Plan as of the Effective Time shall either be eligible to continue his or her participation in such Powertel Benefit Plan or participate in a corresponding employee benefit plan maintained by DT or any of its Subsidiaries, subject to the terms of such corresponding plan. DT shall have the sole discretion to determine which current or former employees of Powertel will continue participation in a Powertel Benefit Plan after the Effective Time and which will commence participation in a corresponding employee

benefit plan maintained by DT or any of its Subsidiaries after the Effective Time and, with respect to current or former employees who transfer participation to such a corresponding plan, when such transfer will occur. DT need not treat all current and former employees of Powertel (including those who are similarly situated) in the same manner with respect to which plans they participate in and when, if at all, they transfer participation from a Powertel Benefit Plan to a corresponding employee benefit plan maintained by DT or any of its Subsidiaries. For example, DT may decide to have a current or former employee of Powertel continue participation after the Effective Time in certain Powertel Benefit Plans that have not been terminated, and with respect to other benefits transition his or her participation on or shortly after the Effective Time to a corresponding employee benefit plan maintained by DT or one of its Subsidiaries. DT may take such actions (or cause its Subsidiaries or the Surviving Corporation to take such actions) as are necessary or advisable to accomplish the foregoing, including, without limitation, amending the eligibility provisions of plans of DT, any of its Subsidiaries or the Surviving Corporation (including, without limitation, Powertel Benefit Plans that are not terminated on or before the Effective Time). Within 5 days of the date hereof, Powertel shall deliver a true and complete list of each director, officer and employee of Powertel and its Subsidiaries holding options under any Powertel Benefit Plan as of August 18, 2000, and the dollar or share amounts thereof.

(b) Except as otherwise provided in this Section, nothing in this Agreement shall be interpreted as limiting the power of the Surviving Corporation to amend or terminate any particular Powertel Benefit Plan or any other particular employee benefit plan, program, agreement or policy or as requiring the Surviving Corporation or DT to offer to continue (other than as required by its terms) any written employment contract or to continue the employment of any specific person; *provided, however*, (1) that no such termination or amendment may take away benefits or any other payments already accrued as of the time of such termination or amendment without the consent of such person, except as allowed by law, and (2) that nothing in this Section 5.01 shall be interpreted as limiting or modifying any requirement in Section 5.18 or the provisions of Annex 5.18.

(c) DT shall, or shall cause the Surviving Corporation to, (i) waive all limitations, to the extent allowable under applicable law, as to pre-existing conditions, exclusions and waiting periods with respect to participation and coverage requirements applicable to the current and former employees of Powertel and its Subsidiaries under any welfare or fringe benefit plan in which such employees and former employees may be eligible to participate after the Effective Time (other than a Powertel Benefit Plan that is not terminated on or before the Effective Time), other than limitations or waiting periods that are in effect with respect to such employees and that have not been satisfied under the corresponding welfare or fringe benefit plan maintained by Powertel for such current and former employees prior to the Effective Time, (ii) provide each current and former employee with credit under any welfare plans in which such employee or former employee becomes eligible to participate after the Effective Time for any co-payments and deductibles paid by such current or former employee for the then current plan year under the corresponding welfare plans maintained by Powertel prior to the Effective Time, and (iii) provide (to the extent allowed by law and Treasury regulations applicable to tax-qualified plans) each current and former employee with full credit for purposes of eligibility, vesting, and determination of the level of benefits under any employee benefit plans, policies, practices or arrangements maintained by DT or any Subsidiary of DT for such current or former employee's

service with Powertel or any Powertel Subsidiary to the same extent recognized by Powertel immediately prior to the Effective Time.

(d) Neither Powertel nor any Affiliate thereof shall, from the date hereof until the Effective Time, without the prior express written consent of DT, make any contribution, sale or other transfer of Powertel Stock or any other "employer security" (as such term is defined in Section 407 of ERISA), whether to satisfy a required obligation, to reimburse for expenses incurred, or otherwise, to any Powertel Benefit Plan or to the Powertel stock fund (or any other fund) under the Powertel 401(k) Profit Sharing Plan. Moreover, Powertel shall, promptly after the date hereof, amend the Powertel 401(k) Profit Sharing Plan (as amended and restated effective as of January 1, 1998, and further amended August 23, 1999), (a) to require that all contributions, from whatever source, be made in the form of cash and (b) to preclude the use of any present or future Powertel 401(k) Profit Sharing Plan assets to purchase from Powertel, or any Affiliate thereof, shares of Powertel Stock or other "employer securities" (as such term is defined in Section 407 of ERISA); it being understood, however, that such amendment need not preclude the Powertel 401(k) Profit Sharing Plan from purchasing Powertel Stock on the open market from any person or entity, other than Powertel or an Affiliate thereof, nor require that shares of Powertel Stock and units in the Powertel stock fund presently under the Powertel 401(k) Profit Sharing Plan be sold or otherwise liquidated.

SECTION 5.17. *Termination of Agreements with Stockholders.* Powertel agrees to the termination of the agreements referred to in Section 7 of the Powertel Stockholder Agreements.

SECTION 5.18. *Plans and Programs to be Implemented.* After the execution of this Agreement, Powertel and/or its subsidiaries shall adopt and implement the plans and arrangements described in Annex 5.18 with each such plan or arrangement being approved by VoiceStream and DT prior to such adoption or implementation. Each such plan or arrangement shall be designed to become effective as of the Effective Time (contingent upon the occurrence of the transactions contemplated by this Agreement) and remain effective without modification of the terms and provisions of such plan or arrangement until the termination date noted for each respective plan or arrangement in Annex 5.18. After the execution of this Agreement, Powertel and/or its subsidiaries shall take such actions as are required, necessary or appropriate to implement the provisions of Annex 5.18 and this Section 5.18, notwithstanding any provisions of this Agreement to the contrary, and no such actions shall be deemed to be a breach of any other provision of this Agreement.

SECTION 5.19. *Voting Agreement and Transfer Restrictions.* (a) If and when DT becomes a record or beneficial owner of any Shares, DT agrees:

(i) that, from the date hereof until the later of January 1, 2001 and the date of the VoiceStream Stockholders' Meeting, without Powertel's prior written consent, it will not Transfer or agree to Transfer any Shares, Additional Shares, Rights or Additional Rights that it owns of record or beneficially, except (A) pursuant to the VoiceStream Merger Agreement, (B) Transfers to any Affiliate of DT who agrees in writing to be bound by the terms of this Section 5.19 or (C) Transfers which occur by operation of law if the transferee remains or agrees in writing to remain bound by the terms of this Section

5.19; *provided, however*, that this Section 5.19(a)(i) shall cease to be of any force or effect immediately upon termination of the Alternative Merger Agreement; and

(ii) irrevocably and unconditionally to vote or cause to be voted or provide consent with respect to, all Shares and Additional Shares, if any, that it owns of record or beneficially as of the record date for the VoiceStream Stockholders' Meeting at the VoiceStream Stockholders' Meeting and at any other annual or special meeting of stockholders of VoiceStream or action by written consent where such matters arise in favor of the "Merger" contemplated by the Alternative Merger Agreement and, if required, the other transactions referenced in the Alternative Merger Agreement.

(iii) (a) to complete and send the proxy card received by it with the Joint Proxy Statement, so that such proxy card is received by VoiceStream, as prescribed by the Joint Proxy Statement, not later than the fifth Business Day preceding the day of the VoiceStream Stockholders' Meeting, (b) to vote, by completing such proxy card but not otherwise, all the Shares it owns of record or beneficially as of the record date for the VoiceStream Stockholders' Meeting in favor of the "Merger" contemplated in the Alternative Merger Agreement and, if required, the other transactions referenced in the Alternative Merger Agreement and (c) not to revoke any such proxy.

(b) The provisions of Section 5.19(a)(i) shall terminate at the earlier of the date indicated therein and the date of termination of the Alternative Merger Agreement. Sections 5.19(a)(ii) and 5.19(a)(iii) shall terminate on the earlier of the termination of the Alternative Merger Agreement and the VoiceStream Stockholders' Meeting.

(c) From and after the date that this Agreement terminates in accordance with Article 7 hereof, DT agrees to abide by the provisions of the second, third and fourth sentences of Section 6 of the VoiceStream Stockholders' Agreements as if DT were a "Stockholder" named therein, *provided* that the First Amended and Restated Voting Agreement dated July 23, 2000 takes effect as to DT in accordance with its terms, and, *provided, further*, that, notwithstanding anything to the contrary contained herein, nothing contained in this Section 5.19(c) shall require DT to take any action that adversely affects its rights under the "DT Financing Agreements" (as defined in the VoiceStream Merger Agreement) or that might result in DT's designees on the VoiceStream Board of Directors in accordance with the DT Financing Agreements to represent less than 10% of the total number of members of the VoiceStream Board of Directors.

(d) For purposes of Section 5.19 only, the words "beneficially owns" or similar expressions of ownership and capitalized terms used but not otherwise defined in this Agreement shall have the meanings set forth in, or determined in accordance with, the VoiceStream Stockholder Agreements as if DT were a "Stockholder" thereunder.

SECTION 5.20. *Powertel Warrants.* After consultation with each other, DT and Powertel shall use reasonable efforts to take such actions as they may deem to be appropriate to attempt to cause the outstanding Powertel Warrants to be exercised in full prior to the Effective Time, including by reducing the exercise price of the Powertel Warrants to the extent agreed to by DT and Powertel and in accordance with the provisions of the Powertel Warrant Agreement.

## ARTICLE 6

### CLOSING CONDITIONS

**SECTION 6.01. *Conditions to Each Party's Obligation to Effect the Merger.*** The respective obligations of Powertel and DT to consummate the Merger shall be subject to the fulfillment or (to the extent permitted by applicable law) written waiver prior to the Effective Time of the following conditions:

(a) *Stockholder Approval.* The Powertel Stockholder Approval shall have been obtained.

(b) *Legality.* No federal, state or foreign statute, rule, regulation, executive order, decree, temporary restraining order or injunction shall have been enacted, entered, promulgated or enforced by any Governmental or Regulatory Authority which is in effect and has the effect of making the Merger illegal or otherwise prohibiting the consummation of the Merger or which could reasonably be expected to have a Material Adverse Effect on Powertel.

(c) *Competition Law Approvals.* Any waiting period applicable to the consummation of the Merger under the HSR Act shall have expired or been terminated; to the extent required, the Commission of the European Union shall have approved the Merger under Regulation (EEC) No. 4064/89 of the Council of the European Union, or such approval shall have been deemed to have been granted; the review and investigation under Exon-Florio shall have been terminated and the President shall have taken no action authorized thereunder.

(d) *Registration Statement Effective.* The DT Registration Statement shall have become effective prior to the mailing by Powertel of the Powertel Proxy Statement to its stockholders, no stop order suspending the effectiveness of the DT Registration Statement or the Powertel Proxy Statement shall then be in effect, and no proceedings for that purpose shall then be threatened by the SEC or shall have been initiated by the SEC and not concluded or withdrawn.

(e) *Stock Exchange Listings.* All steps necessary for the listing of the DT Ordinary Shares to be issued pursuant to the Merger on the FSE shall have been taken and the DT Depositary Shares to be issued pursuant to the Merger shall have been authorized for listing on the NYSE, subject to official notice of issuance.

(f) *The VoiceStream Merger.* The VoiceStream Merger shall have been consummated.

**SECTION 6.02. *Conditions to the Obligations of Powertel.*** The obligations of Powertel to consummate the Merger are also subject to the fulfillment, or written waiver by Powertel, prior to the Effective Time, of each of the following conditions:

(a) *Representations and Warranties.* The representation and warranty of DT set forth in Section 3.07(a) of this Agreement shall have been true and correct on the date hereof and on and as of the Closing Date as though made on the Closing Date; and the other representations and warranties of DT set forth in this Agreement shall have been true and correct on the date

hereof and on and as of the Closing Date as though made on the Closing Date (except to the extent that any representation or warranty expressly speaks as of an earlier date, in which case it shall be true and correct as of such date) except (i) for changes permitted under Section 4.02 or otherwise contemplated by this Agreement and (ii) for such failures to be true and correct which in the aggregate would not reasonably be expected to result in a Material Adverse Effect on DT.

(b) *Agreements and Covenants.* DT shall have performed or complied with all agreements and covenants required by this Agreement to be performed or complied with by it on or before the Effective Time; *provided, however*, that for purposes of this Section 6.02(b) only, such agreements and covenants shall be deemed to have been complied with unless the failure or failures of such agreements and covenants to have been complied with, individually or in the aggregate, results or would reasonably be expected to result in a Material Adverse Effect on DT.

(c) *Certificates.* Powertel shall have received a certificate of an executive officer of DT to the effect set forth in subparagraphs (a) and (b) above.

(d) *Tax Opinion.* Powertel shall have received an opinion of Morris, Manning & Martin, LLP in a form and substance reasonably satisfactory to Powertel, dated as of the Closing Date, substantially to the effect that, on the basis of the facts, representations and assumptions set forth or referred to in such opinion, for U.S. federal income tax purposes, the Merger (i) will qualify as a reorganization within the meaning of Section 368(a) of the Code and (ii) each transfer of property to DT by a stockholder of Powertel pursuant to the Merger will not be subject to Section 367(a)(1) of the Code. In rendering such opinion, Morris, Manning & Martin, LLP may require and shall be entitled to rely upon customary representations of Powertel and DT, including representations substantially in the form of Exhibits B and C, respectively and, if reasonably requested, customary tax certificates of Powertel Principal Shareholders. The opinion set forth in clause (ii) may assume that any stockholder who is a "five-percent transferee shareholder" with respect to DT within the meaning of U.S. Treasury Regulations Section 1.367(a)-3(c)(5)(ii) will file the agreement described in U.S. Treasury Regulations Section 1.367(a)-3(c)(1)(iii)(B).

(e) *FCC Opinion.* Powertel shall have received an opinion of FCC counsel of DT and/or VoiceStream, dated the Effective Time, substantially in the form attached hereto as Exhibit D.

(f) *Governmental Approvals.* All necessary consents or authorizations from any Governmental or Regulatory Authority which may be required in connection with the transactions contemplated hereby, shall have been received, unless the failure to receive any such consent or authorization would not have a Material Adverse Effect on DT or the transactions contemplated by this Agreement, and such consents or authorizations shall not contain any conditions which would reasonably be expected to have a Material Adverse Effect on DT or the transactions contemplated by this Agreement. With respect to any FCC consents or authorizations, effectiveness of necessary FCC approvals shall be sufficient to satisfy this condition, and Powertel's obligation to effect the Merger shall not be subject to the condition that any FCC consents or authorizations have become Final Orders.

Notwithstanding anything contained to the contrary in Section 6.02(a) or anywhere else in this Agreement, DT may enter into any Subsequent Transaction, and no

changes of any representation or warranty of DT contained in this Agreement as a result of any Subsequent Transaction shall result in a failure of the conditions set forth in Section 6.02(a).

**SECTION 6.03. *Conditions to the Obligations of DT.*** The obligations of DT to consummate the Merger are also subject to the fulfillment or written waiver by DT, prior to the Effective Time, of each of the following conditions:

(a) *Representations and Warranties.* The representation and warranty of Powertel set forth in Section 2.07(i) of this Agreement shall have been true and correct on the date hereof and on and as of the Closing Date as though made on the Closing Date; and the other representations and warranties of Powertel set forth in this Agreement shall have been true and correct on the date hereof and on and as of the Closing Date as though made on the Closing Date (except to the extent that any representation or warranty expressly speaks as of an earlier date, in which case it shall be true and correct as of such date) except (i) for changes permitted under Section 4.01 hereof or otherwise contemplated by this Agreement and (ii) for such failures to be true and correct which in the aggregate would not reasonably be expected to result in a Material Adverse Effect on Powertel or DT or the transactions contemplated by this Agreement.

(b) *Agreements and Covenants.* Powertel shall have performed or complied with all agreements and covenants required by this Agreement to be performed or complied with by it on or before the Effective Time; *provided, however*, that for purposes of this Section 6.03(b) only, such agreements and covenants shall be deemed to have been complied with unless the failure or failures of such agreements and covenants to have been complied with individually or in the aggregate, results or would reasonably be expected to result in a Material Adverse Effect on Powertel or DT or the transactions contemplated by this Agreement.

(c) *Certificates.* DT shall have received a certificate of an executive officer of Powertel to the effect set forth in subparagraphs (a) and (b) above.

(d) *Tax Opinion.* DT shall have received an opinion of Cleary, Gottlieb, Steen & Hamilton, in form and substance reasonably satisfactory to DT, dated as of the Closing Date, substantially to the effect that, on the basis of facts, representations and assumptions set forth or referred to in such opinion, for U.S. federal income tax purposes, the Merger will (i) qualify as a reorganization within the meaning of Section 368(a) of the Code and (ii) each transfer of property to DT by a stockholder of Powertel pursuant to the Merger will not be subject to Section 367(a)(1) of the Code. In rendering such opinion, Cleary, Gottlieb, Steen & Hamilton may require and shall be entitled to rely upon customary representations of Powertel and DT including representations substantially in the form of Exhibits B and C, respectively. The opinion set forth in clause (ii) may assume that any stockholder who is a "five-percent transferee shareholder" with respect to DT within the meaning of U.S. Treasury Regulations 1.367(a)-3(c)(5)(ii) will file the agreement described in U.S. Treasury Regulations Section 1.367(a)-3(c)(1)(iii)(B).

(e) *FCC Opinion.* DT shall have received an opinion of FCC counsel of Powertel, dated the Effective Time, substantially in the form attached hereto as Exhibit D.

(f) *Consents Under Agreements.* Powertel shall have obtained the consent or approval of each person whose consent or approval shall be required in connection with the

transactions contemplated hereby under any indenture, mortgage, evidence of indebtedness, lease or other agreement or instrument to which Powertel or any of the Powertel Subsidiaries is a party, except where the failure to obtain the same would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect on Powertel or DT or upon the transactions contemplated by this Agreement.

(g) *Governmental Approvals.* All necessary consents or authorizations from any Governmental or Regulatory Authority which may be required in connection with the transactions contemplated hereby, including the FCC and state public utility or service commissions or similar agencies, shall have been received and, in the case of the FCC, shall have become Final Orders (unless this requirement of finality is waived by DT in its sole discretion), unless the failure to receive any such consent or authorization would not have a Material Adverse Effect on Powertel or DT or the transactions contemplated by this Agreement, and such consents or authorizations shall not contain any conditions which would reasonably be expected to have a Material Adverse Effect on Powertel or DT or the transactions contemplated by this Agreement.

## ARTICLE 7

### TERMINATION, AMENDMENT AND WAIVER

**SECTION 7.01. Termination.** This Agreement may be terminated at any time before the Effective Time, in each case as authorized by the Board of Directors of Powertel or the Management Board (VORSTAND) of DT:

(a) By mutual written consent of each of Powertel and DT;

(b) By Powertel or DT, if the Merger shall not have been consummated on or before the close of business on December 31, 2001 (the "**Termination Date**"); *provided, however,* that the right to terminate this Agreement under this Section 7.01(b) shall not be available to any Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur on or before the Termination Date;

(c) By either Powertel or DT, if any Governmental or Regulatory Authority shall have issued an order, decree or ruling or taken any other action (which order, decree or ruling Powertel and DT shall use its reasonable best efforts to lift), in each case permanently restraining, enjoining or otherwise prohibiting the Merger;

(d) By Powertel, (i) if DT shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) is incapable of being cured by DT prior to the Termination Date, or, if capable of being cured, is not cured by DT within 30 days after written notice thereof shall have been received by DT from Powertel and (B) renders any condition under Section 6.01 or 6.02 incapable of being satisfied prior to the Termination Date or (ii) if a condition under Section 6.01 or 6.02 to Powertel's obligations hereunder is or becomes incapable of being satisfied prior to the Termination Date;

(e) By DT, (i) if Powertel shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) is incapable of being cured by Powertel prior to the Termination Date, or, if capable of being cured, is not cured by Powertel within 30 days after written notice thereof shall have been received by Powertel from DT and (B) renders any condition under Section 6.01 or 6.03 incapable of being satisfied prior to the Termination Date or (ii) if a condition under Section 6.01 or 6.03 to DT's obligations hereunder is or becomes incapable of being satisfied prior to the Termination Date, (iii) in connection with the grant of any Required Regulatory Approval relating to the Merger, Powertel, DT, VoiceStream or any of their Subsidiaries is required to divest or hold separate or otherwise take or commit to take any action that limits its freedom of action with respect to Powertel, DT, VoiceStream or any of their Subsidiaries or any material portion of the assets of Powertel, DT, VoiceStream or any of their Subsidiaries or any of the business, product lines or assets of Powertel, DT, VoiceStream or any of their Subsidiaries, and such order, decree, ruling, or other action shall have become final and nonappealable or (iv) if the Alternative Merger Agreement has been terminated at any time prior to the termination or consummation of the VoiceStream Merger Agreement;

(f) By Powertel or DT, respectively, at any time that is not less than 15 days after any federal, state or foreign statute, rule, regulation, executive order, decree or injunction shall have been enacted, entered, promulgated or enforced by any Governmental or Regulatory Authority (other than, for purposes of this paragraph only, any court of law or equity) and that has the effect of making the conditions set forth in Section 6.01(b), Section 6.01(c), Section 6.02(f) or Section 6.03(g) incapable of being satisfied by the Parties prior to the Termination Date; or

(g) By either Powertel or DT, if the Powertel Stockholder Approval shall fail to have been obtained at a duly held stockholders meeting of Powertel, including any adjournments thereof.

SECTION 7.02. *Automatic Termination.* This Agreement shall terminate automatically upon the termination of the VoiceStream Merger Agreement without any action required by the parties.

SECTION 7.03. *Effect of Termination.* (a) In the event of termination of this Agreement as provided in Section 7.01 hereof, this Agreement shall forthwith become void and there shall be no liability on the part of Powertel or DT, except (i) as set forth in this Section 7.03 and in Sections 2.18, 3.12, 9.03, 9.09 and 9.10 hereof and (ii) nothing herein shall be interpreted to relieve any party of liability for any willful breach of this Agreement.

(b) If this Agreement is terminated by Powertel or DT pursuant to Section 7.01(g) because of the failure to obtain the Powertel Stockholder Approval and (i) at any time after the date of this Agreement and prior to the Powertel Stockholders' Meeting an offer or proposal for a transaction that would constitute an Alternative Transaction (as defined in Section 4.03(c) hereof) (except that, for the purposes of this Section 7.03(b), the applicable percentage in clauses (i) and (iii) of such definition shall be fifty percent (50%) and only for any transaction referred to in clause (ii) of such definition to be treated as an Alternative Transaction for purposes of this Section 7.03(b), stockholders of Powertel would own less than 65% of the outstanding stock of the entity surviving or resulting from such transaction) shall have been

announced or otherwise publicly disclosed, and not withdrawn, and (ii) within six months after the termination of this Agreement, Powertel enters into a definitive agreement with any Third Party with respect to an Alternative Transaction (provided that for any transaction referred to in clause (ii) of such definition to be treated as an Alternative Transaction for purposes of this Section 7.03(b), stockholders of Powertel would own less than 65% of the outstanding stock of the entity surviving or resulting from such transaction), Powertel shall pay to DT a termination fee of \$150,000,000 (the "Termination Fee") plus expenses not to exceed \$10,000,000; *provided that*, in the event a termination fee is also payable by Powertel in connection with the termination of the Alternative Merger Agreement pursuant to Section 5.10(b) of the Alternative Merger Agreement, Powertel shall instead pay each of DT and VoiceStream \$75,000,000 plus expenses not to exceed \$10,000,000. Except as otherwise provided in this paragraph, no Termination Fee shall be or become payable upon termination of this Agreement.

(c) The Termination Fee payable under Section 7.03(b) above shall be payable in cash no later than one business day following the day Powertel enters into the definitive agreement providing for the Alternative Transaction giving rise to the payment of such fee.

(d) Powertel and DT agree that the agreements contained in Section 7.03(b) above are an integral part of the transactions contemplated by this Agreement and are an inducement to DT to enter into this Agreement and, to the extent payable in connection with a breach of this Agreement, constitute liquidated damages and not a penalty. If Powertel fails to promptly pay to DT any fee due under such Section 7.03(b), then Powertel shall pay the costs and expenses (including legal fees and expenses) in connection with any action, including the filing of any lawsuit or other legal action, taken to collect payment, together with interest on the amount of any unpaid fee at the publicly announced prime rate of Citibank, N.A., from the date such fee was required to be paid.

**SECTION 7.04. *Amendment.*** This Agreement may be amended by Powertel and DT pursuant to a writing adopted by action taken by each of them at any time before the Effective Time; *provided, however*, that, after approval of this Agreement by the stockholders of Powertel no amendment may be made which under applicable law would require approval of such Party's stockholders without such approval.

**SECTION 7.05. *Waiver.*** At any time before the Effective Time Powertel and DT may (i) extend the time for the performance of any of the obligations or other acts of the others, (ii) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a Party to any such extension or waiver shall be valid only as against such Party and only if set forth in an instrument in writing signed by such Party.

## ARTICLE 8

### DEFINITIONS

SECTION 8.01. *Certain Definitions.* For purposes of this Agreement, the following terms shall have the following meanings:

“**Action**” shall mean any action, suit, arbitration, inquiry, proceeding or investigation by or before any court, any governmental or other regulatory or administrative agency or commission or any arbitration tribunal.

“**Affiliate**” of a Person means a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, the first mentioned Person; *provided, however*, that such term shall not be deemed to include the Federal Republic of Germany and Kreditanstalt für Wiederaufbau (“KfW”) in their capacities as shareholders of DT.

“**Agreement**” means this Agreement and Plan of Merger as amended or modified from time to time, together with all of its schedules, annexes and exhibits.

“**April 1996 Indenture**” shall mean the Indenture dated as of April 19, 1996, between Powertel and Bankers Trust Company relating to the 12% Senior Discount Notes due May 2006.

“**Business Day**” means a day other than Saturday, Sunday, federal, State of New York holiday or other day on which commercial banks in New York City are authorized or required by law to close.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Communications Act**” shall mean the Communications Act of 1934, as amended, and the Telecommunications Act of 1996, as amended, together with the rules, regulations and published decisions of the FCC promulgated thereunder.

“**Control**” (including the terms “**controlled by**” and “**under common control with**”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of stock, as trustee or executor, by contract or otherwise.

“**Delaware Law**” means the Delaware General Corporation Law, as amended.

“**DiGiPH Transaction**” means the transactions and agreements relating to the acquisition of substantially all of the assets of DiGiPH PCS, Inc., DigiPH Communication, Inc. and DigiPH Holding Company, Inc. by Eliska, as described in Powertel’s Form 8-K as filed on June 16, 2000, including (i) all agreements and commitments that have been entered into in connection therewith as listed in the Powertel disclosure schedules attached hereto; (ii) all agreements that are proposed to be entered into prior to closing, forms of which or term sheets for which or summaries of which have been made available to DT and are listed on the Powertel

disclosure schedules; and (iii) any other agreements that are to be entered into prior to the closing of such transactions, that are reasonably necessary to consummate such transactions (and any amendments or modifications thereof) and with respect to clauses (ii) and (iii) that do not (A) materially alter the scope of such transactions, (B) materially increase Powertel's obligations in connection therewith or (C) interfere with the transactions contemplated by this Agreement or the DT Merger Agreement.

**"DT Registration Statement"** means one or more registration statements to be filed with the SEC by DT in connection with the issuance of DT Depositary Shares and DT Ordinary Shares in the Merger.

**"Eliska Joint Venture"** means Eliska Wireless Ventures I, Inc.

**"Eliska Partners"** means Eliska Wireless Investors I, L.P. and Sonera Holding BV.

**"Environmental Laws"** shall mean any applicable statute, law, ordinance, regulation, rule, judgment, decree or order of any Governmental or Regulatory Authority relating to or regulating or imposing liability or standards of conduct with respect to pollution, protection of the environment or environmental regulation or control or regarding Hazardous Substances or occupational health or safety.

**"ERISA"** shall mean the Employee Retirement Income Security Act of 1974, as amended, together with the rules and regulations promulgated thereunder.

**"ERISA Affiliate"** shall mean (i) any corporation which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as Powertel; (ii) any partnership, trade or business (whether or not incorporated) which on the day before the Closing Date was under common control (within the meaning of Section 414(c) of the Code) with Powertel and (iii) any entity which is a member of the same affiliated service group (within the meaning of Section 414(m) of the Code) as either Powertel, any corporation described in clause (i) or any partnership, trade or business described in clause (ii).

**"ERISA Benefit Plan"** shall mean a Powertel Benefit Plan maintained as of the date of this Agreement which is also an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) or which is also an "employee welfare benefit plan" (as defined in Section 3(1) of ERISA).

**"Exchange Act"** means the Securities Exchange Act of 1934, as the same may be amended from time to time.

**"Exon-Florio"** means the Defense Production Act of 1956, as amended, or any successor thereto.

**"FAA"** shall mean the Federal Aviation Administration and any successor agency or body.

“FCC” shall mean the Federal Communications Commission and any successor agency or body.

“February 1996 Indenture” means the Indenture dated as of February 7, 1996, between Powertel and Bankers Trust Company relating to the 12% Senior Discount Notes due February 2006.

“Final Order” means action by the applicable regulatory authority which is in full force and effect, with respect to which no petition or other request for such authority or court stay, reconsideration or review of any kind is pending, and as to which all time periods have expired within which such authority or a court may be asked to stay, reconsider or review the action or may stay, reconsider or review the action *sua sponte*.

“GAAP” means United States generally accepted accounting principles.

“German Listing Prospectus” means the prospectus (BÖRSENGESAMSTELLUNGSPROSPEKT) required for the listing of the DT Ordinary Shares to be issued pursuant to the Merger on the FSE.

“Governmental or Regulatory Authority” shall mean any domestic or foreign, national, federal, state, county, city, local or other administrative, legislative, regulatory or other governmental authority, commission, agency, court of competent jurisdiction or other judicial entity, tribunal, arbitrator, office, principality, registry (including, but not limited to, with respect to patents, trademarks, designs, or copyrights), legislative or regulatory body, instrumentality, or quasi-governmental agency, commission or authority or any arbitral tribunal exercising any regulatory or taxing authority (including, without limitation, any stock exchange or other self-regulatory body); *provided* that such term shall not be deemed to include the Federal Republic of Germany and KfW, in their capacities as shareholders of DT.

“Hazardous Substances” shall mean any material defined as toxic or hazardous, including any petroleum and petroleum products, under any applicable Environmental Law.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as the same may be amended from time to time.

“Indebtedness” of any Person at any date shall mean (a) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services (other than current trade liabilities incurred in the ordinary course of business and payable in accordance with customary practices), (b) any other indebtedness of such Person which is evidenced by a note, bond, debenture or similar instrument, (c) all obligations of such Person under financing leases, (d) all obligations of such Person in respect of acceptances issued or created for the account of such Person and with respect to unpaid reimbursement obligations related to letters of credit issued for the account of such Person and (e) all liabilities secured by any Lien on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof.

“Intellectual Property Rights” shall mean any right to use, all patents, patent rights, trademarks, trade names, trade dress, logos, service marks, copyrights, know how and

other proprietary intellectual property rights and computer programs held or used by Powertel or any of its Subsidiaries that are individually or in the aggregate material to the conduct of the business of Powertel and the Powertel Subsidiaries, taken as a whole.

**“Investment Entity”** means an entity in which Powertel or any Powertel Subsidiaries has an Investment Interest.

**“Investment Interest”** means a direct or indirect ownership of capital stock, partnership, membership interests or other ownership interests or similar securities of any Person.

**“June 1997 Indenture”** means the Indenture dated as of June 10, 1997, between Powertel and Bankers Trust Company relating to the Senior Notes.

**“Knowledge”** of any Party means the actual knowledge of the executive officers of such Party.

**“Liabilities”** shall mean any and all debts, liabilities and obligations, absolute or contingent, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, whenever arising (unless otherwise specified in this Agreement), including all costs and expenses relating thereto, and including those debts, liabilities and obligations arising under any law, rule, regulation, Action, threatened Action, order or consent decree of any Governmental or Regulatory Authority or any award of any arbitrator of any kind, and those arising under any contract, commitment or undertaking.

**“Liens”** shall mean any pledges, claims, liens, charges, encumbrances and security interests of any kind or nature whatsoever.

**“Material Adverse Effect”** means, with respect to Powertel and its Subsidiaries, taken as a whole, or DT and its Subsidiaries, taken as a whole, any change in or effect on the business of Powertel and its Subsidiaries taken as a whole or DT and its Subsidiaries taken as a whole, as the case may be, that is or is reasonably likely to be materially adverse to the business, operations or financial condition of Powertel and its Subsidiaries taken as a whole or DT and its Subsidiaries taken as a whole, respectively, but shall not include the effects of changes or developments (i) in (A) the telecommunications industry, including regulatory and political conditions, and not uniquely relating to DT or Powertel, (B) the United States or European economy or (C) the United States or European securities markets or (ii) resulting from the announcement or the existence of this Agreement and the transactions contemplated hereby.

**“Person”** means an individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization, entity or group (as defined in the Exchange Act) or a Governmental or Regulatory Authority.

**“Powertel Benefit Plans”** shall mean any bonus, pension, profit sharing, deferred compensation, incentive compensation, stock ownership, stock purchase, stock option, phantom stock, retirement, vacation, severance, disability, death benefit, hospitalization, medical, life, insurance, supplemental unemployment benefits, employee stock purchase, stock appreciation, restricted stock or other employee benefit plan, policy, arrangement or agreement providing

benefits to any current or former employee, officer or director of Powertel or any of its Subsidiaries or with respect to which Powertel or any of its Subsidiaries (or, in the case of an ERISA Benefit Plan, any of Powertel's ERISA Affiliates) may have any liability.

**"Powertel Employee"** shall mean any employee of Powertel or any of the Powertel Subsidiaries.

**"Powertel Principal Stockholders"** shall mean ITC Holding Company, Inc., ITC Service Company, Inc., ITC Wireless Inc., SCANA Communications Holdings, Inc., Sonera Corporation, Sonera Holding B.V., Donald W. Burton, The Burton Partnership, L.P., The Burton Partnership (QP), L.P., South Atlantic Venture Fund II, L.P., South Atlantic Venture Fund III, L.P., South Atlantic Private Equity Fund IV, L.P., South Atlantic Private Equity Fund IV (QP) L.P. and American Water Works Company.

**"Powertel Restricted Stock Award"** shall mean restricted stock awards granted under the Restricted Stock Plan and the 2000 Plan.

**"Restated By-laws of Powertel"** shall mean the Second Restated By-laws of Powertel as in effect on the date hereof.

**"Restated Certificate of Incorporation of Powertel"** shall mean the Third Restated Certificate of Incorporation, as amended and as in effect on the date hereof.

**"Securities Act"** means the Securities Act of 1933, as the same may be amended from time to time.

**"Senior Discount Notes"** means the Powertel 12% Senior Discount Notes due February 2006 and the 12% Senior Discount Notes due May 2006.

**"Senior Notes"** means shall mean the 11<sup>1</sup>/<sub>8</sub>% Senior Notes due 2007 of Powertel.

**"Significant Employee"** shall mean any Employee of Powertel or any of its Subsidiaries who (i) is an officer of Powertel or any of its Subsidiaries, (ii) has a written employment contract with Powertel or any of its Subsidiaries which calls for annual compensation in excess of \$90,000, or (iii) is compensated by Powertel and/or its Subsidiaries at an annual rate greater than \$90,000.

**"Significant Subsidiary"** means any Subsidiary which on the date of determination is a "significant subsidiary" within the meaning of Rule 1-02(w) of Regulation S-X promulgated under the Exchange Act.

**"Subsequent Transaction"** means any transaction entered into after the date hereof whereby any of DT or its Subsidiaries would (i) acquire (by merger, consolidation, business combination, acquisition of stock or assets or otherwise) any corporation, limited liability company, partnership, other business organization or assets or division thereof, which is engaged in any line of business that is similar to or compatible with any of the lines of business in which DT is engaged on the date of this Agreement; (ii) acquire an Investment Interest in any of the foregoing; (iii) issue any equity interest or incur any indebtedness whether in connection

with any item described in (i) or (ii) or otherwise; (iv) enter into or engage in a strategic alliance or other commercial relationship or (v) act in the ordinary course of business; *provided, however*, in connection with a Subsequent Transaction described in items (i), (ii), (iii) or (iv) of this definition for a consideration paid by DT or any of its Subsidiaries in an amount greater than \$50 billion, DT must receive an opinion from a nationally recognized investment bank, acting as a financial advisor to DT, to the effect that, from a financial point of view, such Subsequent Transaction is fair to the holders of DT Ordinary Shares or, if applicable, DT.

“**Subsidiary**”, “**Powertel Subsidiary**” or “**DT Subsidiary**” means any Person on the date of determination of which Powertel or DT, as the case may be (either alone or through or together with any other Subsidiary or Subsidiaries) owns, directly or indirectly, more than fifty percent (50%) of the stock or other equity interests the holders of which are generally entitled to vote for the election of the Board of Directors or other governing body of such Person.

“**Tax**” or “**Taxes**” means any U.S. federal, state or local or foreign taxes of any kind, including, without limitation, those on or measured by or referred to as income, gross receipts, capital, sales, use, ad valorem, franchise, profits, license, withholding, payroll, employment, excise, severance, stamp, occupation, premium, value added, property or windfall profits taxes, customs, duties, or similar fees, assessments, or charges of any kind whatsoever, imposed by any taxing authority, together with any interest and any penalties, additions to tax, or additional amounts thereon.

“**Tax Returns**” means any U.S. federal, state or local or foreign return, report, or statement required to be filed with any Governmental or Regulatory Authority with respect to Taxes.

“**VoiceStream Stockholder Agreements**” means the Stockholder Agreements dated as of the date hereof among certain stockholders of VoiceStream, VoiceStream and Powertel entered into in connection with the Alternative Merger Agreement.

## ARTICLE 9

### GENERAL PROVISIONS

#### SECTION 9.01. *Non-Survival of Representations, Warranties and Agreements.*

The representations, warranties and agreements in this Agreement shall terminate at the Effective Time or upon the termination of this Agreement pursuant to Section 7.01 hereof, as the case may be, except that (i) the agreements set forth in Article 1, Sections 5.07, 5.09, 5.11, 5.18 and 5.19 hereof shall survive the Effective Time indefinitely, (ii) the agreements set forth in Sections 5.04 (with regard to confidentiality), 7.02, 9.03 and 9.10 hereof shall survive termination indefinitely, (iii) the agreements set forth in Section 5.19 shall survive termination in accordance with provisions specified in Section 5.19, and (iv) any covenant or agreement of Powertel and DT which by its terms contemplates performance after the Effective Time shall survive the Effective Time in accordance with its terms.

SECTION 9.02. *Notices.* (a) All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date of receipt and shall be delivered personally or mailed by registered or certified mail

(postage prepaid, return receipt requested), sent by overnight courier or sent by telecopy, to the Parties at the following addresses or telecopy numbers (or at such other address or telecopy number for a Party as shall be specified by like notice):

if to Powertel:

Powertel, Inc.  
1239 O.G. Skinner Drive  
West Point, Georgia 31833  
Attn: Allen E. Smith  
Jill F. Dorsey  
Telecopy No.: 706-645-9532

with a copy to:

Morris, Manning & Martin, LLP.  
1600 Atlantic Financial Center  
3343 Peachtree Road, N.E.  
Atlanta, Georgia 30326  
Attn: James Walker IV, Esq.  
Telecopy No.: 404-365-9532

if to DT:

Deutsche Telekom AG  
140 Friedrich-Ebert-Alle  
53113 Bonn  
Germany  
Attention: Kevin Copp  
Facsimile: 49-228-181-44177

with a copy to:

Cleary, Gottlieb, Steen & Hamilton  
One Liberty Plaza  
New York, New York 10006

Attention: Robert P. Davis  
Facsimile: 212- 225-3999

and a copy to

Hengeler Mueller Weitzel Wirtz  
Trinkausstrasse 7  
D-40213 Düsseldorf  
Germany

Attention: Rainer Krause  
Facsimile: +49-211-83-04-170

(b) Notices given hereunder shall be also given by the party delivering such notice to VoiceStream at the address below:

VoiceStream

VoiceStream Wireless Corporation  
3650 131<sup>st</sup> Avenue S.E.  
Bellevue, Washington 98006  
Attention: Alan R. Bender  
Facsimile: 425-586-8080

with a copy to:

Preston Gates & Ellis LLP  
701 Fifth Avenue, Suite 5000  
Seattle, WA 98104  
Attn: Richard B. Dodd, Esq.  
Telecopy No.: 206-623-7022

SECTION 9.03. *Expenses.* Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses, except that (i) those expenses incurred in connection with the printing of the Powertel Proxy Statement and the DT Registration Statement shall be borne one-third by VoiceStream, one-third by DT and one-third by Powertel and (ii) the filing fees related to the Powertel Proxy Statement and the DT Registration Statement with respect to the DT Ordinary Shares and the DT Depositary Shares to be offered to stockholders of Powertel shall be borne one-half by DT and one-half by Powertel.

SECTION 9.04. *Headings.* The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

SECTION 9.05. *Severability.* If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, then all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the maximum extent possible.

SECTION 9.06. *Entire Agreement; No Third-Party Beneficiaries.* This Agreement, the Powertel Stockholder Agreements and the Confidentiality Agreement constitute the entire agreement and, except as expressly set forth herein, supersedes any and all other prior

agreements and undertakings, both written and oral, between the Parties, or any of them, with respect to the subject matter hereof and, except for Section 5.07, 5.19 or 9.02(c), is not intended to confer upon any person other than Powertel, DT and, after the Effective Time their respective stockholders, as stockholders, any rights or remedies hereunder.

SECTION 9.07. *Assignment.* Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto, in whole or in part (whether by operation of law or otherwise), without the prior written consent of the other party; *provided, however,* that this Agreement may be assigned by DT to an entity treated as a corporation for U.S. federal income tax purposes which owns more than 80% of the DT Ordinary Shares and which succeeds to all of the rights and obligations of DT under the Escrow Agency Agreement. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

SECTION 9.08. *Governing Law.* THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE APPLICABLE TO CONTRACTS EXECUTED IN AND TO BE PERFORMED ENTIRELY WITHIN THAT STATE, WITHOUT REGARD TO THE CONFLICTS OF LAWS PROVISIONS THEREOF.

SECTION 9.09. *Enforcement; Submission to Jurisdiction; Waivers.* The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached in any material respect. It is accordingly agreed that the Parties shall be, to the extent permitted by law, entitled to an injunction or injunctions to prevent breaches of this Agreement or any related agreement and to enforce specifically the terms and provisions of this Agreement or any related agreement, this being in addition to any other remedy to which they are entitled at law or in equity. Each of the parties hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by the other party hereto or its successors or assigns shall be brought and determined only in the United States District Court for the District of Delaware, or in the event (but only in the event) that such court does not have subject matter jurisdiction over such action or proceeding, in the courts of the State of Delaware. Each of the parties hereto hereby irrevocably submits with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts. Each of the parties hereto hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (a) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve in accordance with this Section 9.09, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), and (c) to the fullest extent permitted by the applicable law, that (i) the suit, action or proceeding in such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper and (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

SECTION 9.10. *Waiver of Immunity.* DT agrees that, to the extent that it or any of its Subsidiaries or any of its property or the property of its Subsidiaries is or becomes entitled

to any immunity on the grounds of sovereignty or otherwise based upon its status as an agency or instrumentality of the government from any legal action, suit or proceeding or from set-off or counterclaim relating to this Agreement from the jurisdiction of any competent court, from service of process, from attachment prior to judgment, from attachment in aid of execution, from execution pursuant to a judgment or an arbitral award or from any other legal process in any jurisdiction, it, for itself and its property, and for each of its Subsidiaries and its property, expressly, irrevocably and unconditionally waives, and agrees not to plead or claim, any such immunity with respect to matters arising with respect to this Agreement or the subject matter hereof (including any obligation for the payment of money). DT agrees that the foregoing waiver is irrevocable and is not subject to withdrawal in any jurisdiction or under any statute, including the Foreign Sovereign Immunities Act, 28 U.S.C. § 1602 et seq. The foregoing waiver shall constitute a present waiver of immunity at any time any action is initiated against DT or any of its Subsidiaries with respect to this Agreement or the subject matter hereof (including any obligation for the payment of money).

SECTION 9.11. *Counterparts*. This Agreement may be executed in one or more counterparts, and by the different Parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which shall constitute one and the same agreement.

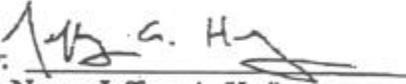
SECTION 9.12. *Reliance on Representations*. Notwithstanding any investigation, knowledge or review made at any time by or on behalf of any party hereto, the parties acknowledge and agree that all representations and warranties contained in this Agreement, the Annexes, the Schedules annexed hereto or in any of the documents, certifications or agreements delivered in connection therewith, are being relied upon as a material inducement to enter into this Agreement and the transactions contemplated hereby.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

POWERTEL, INC.

By: \_\_\_\_\_  
Name:  
Title:

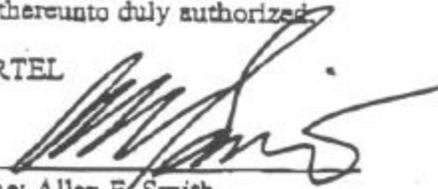
DEUTSCHE TELEKOM AG

By:  \_\_\_\_\_  
Name: Jeffrey A. Hedberg  
Title: Member of the Board of  
Management, International

By:  \_\_\_\_\_  
Name: Dr. Karl-Gerhard Eick  
Title: Member of the Board of  
Management, Finance

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

POWERTEL

By: 

Name: Allen E. Smith  
Title: President/CEO

DT

By: \_\_\_\_\_

Name: Jeffrey A. Hedberg  
Title: Member of the Board of  
Management, International

By: \_\_\_\_\_

Name: Dr. Karl-Gerhard Eick  
Title: Member of the Board of  
Management, Finance

Annex 1.05(h)

On the Closing Date, as soon as possible after the Effective Time, DT shall deliver to the Escrow Agent for the account of the Warrants Trust, the trustee of which shall be a United States bank or trust company or other independent financial institution in the United States (other than the Escrow Agent) reasonably satisfactory to DT and Powertel (the "Warrants Trustee") that number of DT Ordinary Shares which the Warrantholders are entitled to receive by exercising the Warrants (the "Warrants Trust Amount") in consideration for the share for share Powertel exchange, and the Warrants Trustee shall assume the obligations to issue shares of DT Common Stock on conversion of the Warrants. The DT Ordinary Shares shall be held in the name of the Warrants Trustee for the sole purpose of satisfying the obligations relating to the exercise of the Warrants. In connection therewith, the Warrants Trustee, DT and the Escrow Agent shall enter into an agreement establishing such Warrants Trust for the sole purpose of satisfying the exercise obligations under the terms of the [Warrant Certificate] (the "Warrants Trust Agreement"). Powertel shall have no right, title, interest or claim on any of the assets held in the Warrants Trust.

Upon exercise of any Warrants by any holder thereof, the Warrants Trustee shall deliver to such holder that number of DT Ordinary Shares into which such Warrants were converted. Fractional Interests shall be settled in accordance with Section 1.09 of this Agreement. At such times as any right to exercise Warrants expires, the DT Ordinary Shares in the Warrants Trust that pertain to such Warrants shall be returned to DT or, at the option of DT, shall be sold and the proceeds thereof delivered to DT. At such time as all the Warrants have been exercised or the right to exercise such Warrants has otherwise expired, any DT Ordinary Shares or any cash in the Warrants Trust shall be returned to DT or, at the option of DT, any such DT Ordinary Shares shall be sold and the proceeds thereof delivered to DT, and the Warrants Trust shall be

terminated. Except as provided above, the Warrants Trustee shall hold the DT Ordinary Shares and shall not otherwise transfer them. Upon a bankruptcy, insolvency or any other event under German law that is substantially similar to a bankruptcy or insolvency of DT (including without limitation Insolvenzverfahren), any DT Ordinary Shares in the Warrants Trust at such time shall, to the extent legally permissible, be immediately returned to DT and the holders shall exercise all rights relating to the Warrants against DT for delivery of the DT Ordinary Shares returned to DT pursuant to the exercise of the Warrants subject to the rights of creditors of DT in general and other restrictions of applicable insolvency laws.

The Warrants Trust Agreement shall provide that the Warrants Trustee shall irrevocably waive any dividend, voting and subscription rights pertaining to the DT Ordinary Shares while such Shares are held in the Warrants Trust.

DT shall take, or shall cause to be taken, all actions as are necessary or advisable for the conversion of the Warrants in accordance with this Annex 1.05(h) of this Agreement, including (i) the issuance and listing of DT Ordinary Shares as is necessary to effect the transactions contemplated by this Annex 1.05(h) of this Agreement, (ii) entering into such agreements as are necessary or advisable to establish the Warrants Trust and (iii) the filing of a registration statement with the SEC on any applicable form to register the delivery by the Trustee of the DT Ordinary Shares held in the Warrants Trust.

PowerTel shall take, or shall cause to be taken, all actions as are necessary or advisable to effect the transactions contemplated by this Annex 1.05(h) of this Agreement.

Annex 1.05(i)

On the Closing Date, as soon as possible after the Effective Time, DT shall deliver to the Escrow Agent for the account of the Eliska Partners Shares Trust, the trustee of which shall be a United States bank or trust company or other independent financial institution in the United States (other than the Escrow Agent) reasonably satisfactory to DT and Powertel (the "**Eliska Partners Shares Trustee**"), that number of DT Ordinary Shares which the Eliska Partners are entitled to receive in respect of their Eliska Put Rights (the "**Eliska Partners Shares Trust Amount**") in consideration for the share for share Powertel exchange, and the Eliska Partners Shares Trustee shall assume the obligations to issue shares of DT Ordinary Shares upon the exercise of the Eliska Partners' rights to exchange their respective interests in the Eliska Joint Venture, for DT Ordinary Shares subject to the terms and conditions of the Eliska Put Rights. The DT Ordinary Shares shall be held in the name of the Eliska Partners Shares Trustee for the sole purpose of effecting the Eliska Put Rights in respect of the Eliska Partners Shares. In connection therewith, the Eliska Partners Shares Trustee, DT and the Escrow Agent shall enter into an agreement establishing such Eliska Partners Shares Trust for the sole purpose of satisfying the exchange obligations of DT under the terms of the Eliska Put Rights (the "**Eliska Partners Trust Agreement**"). Powertel shall have no right, title, interest or claim on any of the assets held in the Eliska Partners Shares Trust. Any right of a Eliska Partner to receive cash in respect of its put rights shall be exercisable against DT and not the Eliska Partners Shares Trustee.

Upon the exercise of any Eliska Put Rights by any of the Eliska Partners, the Eliska Partners Shares Trustee shall deliver to such Eliska Partner that number of DT Ordinary Shares for which such Eliska Partner's Eliska Put Rights were exchangeable subject to the terms and

conditions of the applicable Eliska Put Right. Fractional Interests shall be settled in accordance with Section 1.09 of this Agreement. At such times as any Eliska Partners' Eliska Put Right expires or is waived (including by the exercise by such Eliska Partner of its cash election in respect of its put right), the DT Ordinary Shares in the Eliska Partners Shares Trust that pertain to such Eliska Partners' expired put rights (or portion thereof) shall be returned to DT or, at the option of DT, shall be sold and the proceeds thereof delivered to DT. At such time as all the Eliska Partners' Eliska Put Rights have been exchanged or the right to exchange such Eliska Partners Shares has otherwise expired or been waived, any DT Ordinary Shares or any cash that remains in the Eliska Partners Shares Trust shall be returned to DT or, at the option of DT, any such DT Ordinary Shares shall be sold and the proceeds thereof delivered to DT, and the Eliska Partners Shares Trust shall be terminated. Except as provided above, the Eliska Partners Shares Trustee shall hold the DT Ordinary Shares and shall not otherwise transfer them. Upon a bankruptcy, insolvency or any other event under German law that is substantially similar to a bankruptcy or insolvency of DT (including, without limitation, *Insolvenzverfahren*), any DT Ordinary Shares in the Eliska Partners Shares Trust at such time shall, to the extent legally permissible, be immediately returned to DT and the holders shall exercise all rights relating to the Eliska Partners Shares against DT for delivery of the DT Ordinary Shares returned to DT pursuant to the exercise of the Eliska Partners Shares subject to the rights of creditors of DT in general and other restrictions of applicable insolvency laws.

The Eliska Partners Shares Trust Agreement shall provide that the Eliska Partners Shares Trustee shall irrevocably waive any dividend, voting and subscription rights pertaining to the DT Ordinary Shares while such Shares are held in the Eliska Partners Shares Trust.

DT shall take, or shall cause to be taken, all actions as are necessary or advisable for the conversion of the Eliska Partners' put rights in accordance with this Annex 1.05(i) of this Agreement, including (i) the issuance and listing of DT Ordinary Shares as is necessary to effect the transactions contemplated by this Annex 1.05(i) of this Agreement and (ii) entering into such agreements as are necessary or advisable to establish the Eliska Partners Shares Trust.

Powertel shall take, or shall cause to be taken, all actions as are necessary or advisable to effect the transactions contemplated by this Annex 1.05(i) of this Agreement.

Annex 1.08(a)

On the Closing Date, as soon as possible after the Effective Time, DT shall issue to the Escrow Agent for the account of the Options Trust, the trustee of which shall be a United States bank or trust company or other independent financial institution in the United States (other than the Escrow Agent) reasonably satisfactory to DT and Powertel (the “Options Trustee”), that number of DT Ordinary Shares equal to the Powertel Option Amount in consideration for the share for share Powertel exchange. In connection therewith, the Trustee shall assume the obligation to satisfy the Powertel Rollover Options. The DT Ordinary Shares shall be held in the name of the Options Trustee for the sole purpose of satisfying obligations under the Powertel Rollover Options. In connection therewith, the Options Trustee, DT and the Escrow Agent shall enter into an agreement prior to the Effective Time establishing such Options Trust for the sole purpose of satisfying obligations under the Powertel Rollover Options (the “Options Trust Agreement”). Powertel shall have no right, title, interest or claim on any of the assets held in the Options Trust.

Upon exercise of any Powertel Rollover Option by the holder thereof and, except as set forth below for cashless exercises delivery by such holder to the Options Trustee of the consideration for the exercise therefor, the Options Trustee shall deliver to such holder that number of DT Ordinary Shares for which such Powertel Rollover Option was exercisable. In the event that a holder of Powertel Rollover Options elects to exercise a Powertel Rollover Option pursuant to a “cashless exercise,” to the extent permitted in the applicable Option Plan (or any award agreement thereunder), such holder shall notify the Options Trustee and shall retain a broker in accordance with the procedures set forth in the applicable Option Plan to sell the number of DT Ordinary Shares equal to the exercise price of such Powertel Rollover Option and

the broker shall deliver the proceeds of such DT Ordinary Shares up to an amount equal to the exercise price to the Options Trustee and shall deliver the balance of the DT Ordinary Shares to the holder. In the event that a holder elects to have DT Ordinary Shares withheld to satisfy withholding tax obligations applicable to the exercise of a Powertel Rollover Option to the extent permitted by the applicable Option Plan (or any award agreement thereunder), such holder shall notify the Options Trustee and the Options Trustee shall retain a broker in accordance with the procedures set forth in the applicable Powertel Option Plan to sell the number of DT Ordinary Shares equal to the withholding tax obligations applicable to such exercise and the broker shall deliver the proceeds of such DT Ordinary Shares up to an amount equal to the withholding tax obligations to the Options Trustee and the balance of the DT Ordinary Shares to the holder.

At such times as any Powertel Rollover Option expires, the DT Ordinary Shares in the Options Trust that pertain to such Powertel Rollover Option shall be returned to DT or, at the option of DT, shall be sold and the proceeds thereof delivered to DT. The consideration delivered to the Options Trustee for the exercise of any Powertel Rollover Option shall thereupon be delivered to DT. At such time as all the Powertel Rollover Options have been exercised or expired, any DT Ordinary Shares or any consideration for the exercise of any Powertel Rollover Option that remain in the Options Trust shall be returned to DT or, at the option of DT, any such DT Ordinary Shares shall be sold and the proceeds thereof delivered to DT, and the Options Trust shall be terminated. Except as provided above, the Options Trustee shall hold the DT Ordinary Shares and shall not otherwise transfer them. Upon a bankruptcy or insolvency of DT or Powertel or any other event under German or, as the case may be, U.S. law that is substantially similar to a bankruptcy or insolvency of DT or Powertel (including without

limitation Insolvenzverfahren), the assets of the Options Trust shall be held for the benefit of DT's or Powertel's, as the case may be, general creditors.

The Options Trust Agreement shall provide that the Options Trustee shall irrevocably waive any dividend, voting and subscription rights pertaining to the DT Ordinary Shares while such Shares are held in the Options Trust.

By no later than the Effective Time, DT shall take, or shall cause to be taken, all actions as are necessary or advisable for the conversion of the Options in accordance with Annex 1.08 of this Agreement, including (i) the issuance and listing of DT Ordinary Shares as is necessary to effect the transactions contemplated by Annex 1.08(a) of this Agreement, (ii) entering into such agreements as are necessary or advisable to establish the Options Trust and (iii) the filing of a registration statement with the SEC on Form S-8 or any other applicable form to register the DT Ordinary Shares held in the Options Trust.

Powertel shall take, or shall cause to be taken, all actions as are reasonably necessary or advisable to amend and/or make determinations under the applicable Option Plans to effect the transactions contemplated by this Annex 1.08(a) and Section 1.08 of this Agreement.

The Options Trust Agreement shall be subject to the review and approval of Powertel prior to the Effective Time, which approval shall not be unreasonably withheld. In the event of any corporate transaction involving the DT Ordinary Shares, including without limitation a stock split, stock dividend, spin-off, merger or reorganization, the number and kind of shares in the Options Trust shall be appropriately and equitably adjusted. In the event the Options Trust does not honor the exercise of a Powertel Rollover Option or otherwise deliver DT Ordinary Shares upon the exercise of a Powertel Rollover Option, DT shall upon written notice from the holder of such option, deliver or cause to be delivered to such holder the appropriate number of DT

Ordinary Shares due upon exercise, or, if not permitted by law to deliver such shares, DT shall or shall cause to be delivered to such holder the excess of the aggregate fair market value on such date of the DT Ordinary Shares with respect to which such option is exercised minus the aggregate exercise price payable with respect to such exercise. Any return of DT Ordinary Shares to DT described above shall have no effect upon the terms and conditions of the Powertel Rollover Options or the rights of the optionees.

If the Trustee (including in the case of bankruptcy, insolvency or similar events, as described above) is under applicable law prohibited from fulfilling its obligations to deliver shares with respect to the Powertel Rollover Options pursuant to the terms and conditions of the Powertel Rollover Options, DT shall, at the election of the option holder, cause to be substituted for the Powertel Rollover Options stock appreciation rights exercisable against DT for cash on substantially similar terms and conditions as the Powertel Rollover Options.