Stanton Communications Corporation

By:_____
Name: Theresa E. Gillespie
Title: Treasurer

GS Capital Partners, L.P.

By: GS Advisors, L.L.C., General Partner

By:_____
Name:
Title:

The Goldman Sachs Group, Inc.

By:_____
Name:
Title:

Bridge Street Fund 1992, L.P.

By: Stone Street 1992, L.L.C., Managing General Partner

By:_____
Name:
Title:

Stone Street Fund 1992, L.P.

By: Stone Street 1992, L.L.C., General Partner

By: _____
Name:
Title:

HUTCHISON TELECOMMUNICATIONS HOLDINGS (USA) LIMITED

By: _____
Name: Canning Fok
Title: Director

HUTCHISON TELECOMMUNICATIONS PCS (USA) LIMITED

By: _____
Name: Frank Sixt
Title: Director

Stone Street Fund 1992, L.P.

By: Stone Street 1992, L.L.C., General Partner

By:_____
Name: John E. Bowman
Title: Vice President

HUTCHISON TELECOMMUNICATIONS HOLDINGS (USA) LIMITED

By:_____
Name: Canning Fok
Title: Director

HUTCHISON TELECOMMUNICATIONS PCS (USA) LIMITED

By:_____
Name: Frank Sixt
Title: Director

ALLEN & COMPANY INCORPORATED

By: Richard Fields
Name: Richard L. Fields
Title: ~~Manager~~ MANAGING DIRECTOR AND E.V.P.

MADISON DEARBORN CAPITAL PARTNERS, L.P.

By: Madison Dearborn Partners, L.P., its General Partner

By: Madison Dearborn Partners, Inc. its General Partner

By: _____
Name: James N. Perry
Title: Manager

_____
James N. Perry, Jr.

Richard Fields
Richard L. Fields

ALLEN & COMPANY INCORPORATED

By: _____
Name: Richard L. Fields
Title: Manager

MADISON DEARBORN CAPITAL PARTNERS, L.P.

By: Madison Dearborn Partners, L.P., its General Partner

By: Madison Dearborn Partners, Inc. its General Partner

By: _____
Name: James N. Perry
Title: Manager

_____
James N. Perry, Jr.

_____
Richard L. Fields

AVANCE CAPITAL

By:_____
Name: Douglas G. Smith
Title: Sole Proprietor

AVANCE CAPITAL II

By:_____
Name: Douglas G. Smith
Title: Sole Proprietor

AVANCE CAPITAL III

By:_____
Name: Douglas G. Smith
Title: Sole Proprietor

DOUGLAS AND GABRIELA SMITH
1995 FAMILY TRUST

By:_____
Name: Gabriela Smith
Title: Trustee

_____
Douglas G. Smith

AVANCE CAPITAL

By:_____
Name: Douglas G. Smith
Title: Sole Proprietor

AVANCE CAPITAL II

By:_____
Name: Douglas G. Smith
Title: Sole Proprietor

AVANCE CAPITAL III

By:_____
Name: Douglas G. Smith
Title: Sole Proprietor

DOUGLAS AND GABRIELA SMITH
1995 FAMILY TRUST

By: G Smith, Trustee
Name: Gabriela Smith
Title: Trustee

_____
Douglas G. Smith

James J. Ross

ELIZABETH G. ROSS U/T/A, DATED MARCH 4, 1994

By: _____
Name: James J. Ross
Title: Trustee

DAVID G. ROSS U/T/A, DATED JUNE 18, 1997

By: _____
Name: James J. Ross
Title: Trustee

SONERA CORPORATION

By: _____
Name: KARI-ERIK KELANDER
Title: DEPUTY CEO

SONERA HOLDING, B.V.

By: _____
Name: KARI-ERIK KELANDER
Title: DEPUTY CEO

DEUTSCHE TELEKOM AG

By: _____
Name:
Title:

TELEPHONE AND DATA SYSTEMS, INC.

By: _____
Name:
Title:

SONERA CORPORATION

By:_____
Name: Olli T. Touhimaa
Title: Attorney in Fact

SONERA HOLDING, B.V.

By:_____
Name: Olli T. Touhimaa
Title: Attorney in Fact

DEUTSCHE TELEKOM AG

By:_____
Name: Kevin Copp
Title: Head of International Legal Affairs

TELEPHONE AND DATA SYSTEMS, INC.

By:_____
Name:
Title:

SONERA CORPORATION

By:_____
Name: Olli T. Touhimaa
Title: Attorney in Fact

SONERA HOLDING, B.V.

By:_____
Name: Olli T. Touhimaa
Title: Attorney in Fact

DEUTSCHE TELEKOM AG

By:_____
Name:
Title:

TELEPHONE AND DATA SYSTEMS, INC.

By: Sandra L. Helton
Name: SANDRA L. HELTON
Title: EXECUTIVE VICE PRESIDENT-
FINANCE AND CHIEF
FINANCIAL OFFICER

[Signature Page to First Amended and Restated Voting Agreement]

SCHEDULE I
Stockholders

Name and Address of Stockholder	Number of Shares
John W. Stanton and Theresa E. Gillespie c/o VoiceStream Wireless Corporation 3650 131st Avenue S.E., Suite 400 Bellevue, WA 98006 Attention: John W. Stanton Fax: 425-586-8010	2,930,136
PN Cellular, Inc. c/o VoiceStream Wireless Corporation 3650 131st Avenue S.E., Suite 400 Bellevue, WA 98006 Attention: John W. Stanton Fax: 425-586-8010	1,686,069
Stanton Family Trust c/o VoiceStream Wireless Corporation 3650 131st Avenue S.E., Suite 400 Bellevue, WA 98006 Attention: John W. Stanton Fax: 425-586-8010	164,437
Stanton Communications Corporation c/o VoiceStream Wireless Corporation 3650 131st Avenue S.E., Suite 400 Bellevue, WA 98006 Attention: John W. Stanton Fax: 425-586-8010	1,274,520
GS Capital Partners, L.P. c/o Goldman, Sachs & Co. 85 Broad Street New York, NY 10004 Attention: Terence O'Toole Fax: 212-902-3000	8,986,738
The Goldman Sachs Group, Inc. c/o Goldman, Sachs & Co. 85 Broad Street New York, NY 10004 Attention: Terence O'Toole Fax: 212-357-5505	68,821
Bridge Street Fund 1992, L.P. c/o Goldman, Sachs & Co. 85 Broad Street New York, NY 10004 Attention: Terence O'Toole Fax: 212-357-5505	273,069

Stone Street Fund 1992, L.P. c/o Goldman, Sachs & Co. 85 Broad Street New York, NY 10004 Attention: Terence O'Toole Fax: 212-357-5505	[illegible]
Hutchison Telecommunications PCS (USA) Limited c/o Offshore Incorporations Limited P.O. Box 957 Offshore Incorporations Centre Road Town, Tortola British Virgin Islands Telephone No.: 809-494-2233 Facsimile No.: 809-494-4885 and: c/o Hutchison Telecommunications Limited 22nd Floor, Hutchison House 10 Harcourt Road Hong Kong Attention: Ms. Edith Shih Fax: 852-2128-1778	52,010,364 (Which includes 26,227,586 shares of Common stock issuable upon conversion of the Company's 2.5% Junior Convertible Preferred Stock)
Hutchison Telecommunications Holdings (USA) Limited c/o Offshore Incorporations Limited P.O. Box 957 Offshore Incorporations Centre Road Town, Tortola British Virgin Islands Telephone No.: 809-494-2233 Facsimile No.: 809-494-4885 and: c/o Hutchison Telecommunications Limited 22nd Floor, Hutchison House 10 Harcourt Road Hong Kong Attention: Ms. Edith Shih Fax: 852-2128-1778	3,888,888
Douglas G. Smith 6200 Brookside Drive Chevy Chase, MD 20815	1,196,398

Avance Capital Attn: Douglas G. Smith 6200 Brookside Drive Chevy Chase, MD 20815	2,220,266
Avance Capital II Attn: Douglas G. Smith 6200 Brookside Drive Chevy Chase, MD 20815	750,000
Avance Capital III Attn: Douglas G. Smith 6200 Brookside Drive Chevy Chase, MD 20815	375,000
Douglas & Gabriela Smith 1995 Family Trust Attn: Gabriela Smith, Trustee 6200 Brookside Drive Chevy Chase, MD 20815	519,482
Richard L. Fields 75 Central Park South, Apt. 15B New York, NY 10022	317,368
Allen & Company Incorporated c/o Richard L. Fields, Managing Director 711 Fifth Avenue New York, NY 10022	2,290,522
James N. Perry, Jr. Madison Dearborn Capital Partners, LP Three First National Plaza, Suite 1330 Chicago, IL 60602	50,874
Madison Dearborn Capital Partners, LP c/o James N. Perry, Jr., Managing Director Three First National Plaza, Suite 1330 Chicago, IL 60602	3,232,149
James J. Ross c/o Becker Ross Stone DeStefano & Klein 317 Madison Avenue, Suite 1410 New York, NY 10017	582,445

James J. Ross, as Trustee, of Elizabeth G. Ross U/T/A, dated March 4, 1994 c/o Becker Ross Stone DeStefano & Klein 317 Madison Avenue, Suite 1410 New York, NY 10017 James J. Ross, as Trustee, of David G. Ross U/T/A, dated June 18, 1997 c/o Becker Ross Stone DeStefano & Klein 317 Madison Avenue, Suite 1410 New York, NY 10017	An Aggregate of 145,950
Sonera Corporation P.O. Box 106 FIN-00051-TELE Teollisuuskatu 15, Helsinki Attn: Kaj-Erik Relander, Executive Vice President Facsimile: 011 358 2040 3770	10,203,843
Sonera Holding, B.V. c/o Sonera Corporation P.O. Box 106 FIN-00051-TELE Teollisuuskatu 15, Helsinki Attn: Kaj-Erik Relander, Executive Vice President Facsimile: 011 358 2040 3770	8,771,930
Telephone and Data Systems, Inc. 30 North LaSalle, Suite 4000 Chicago, IL 60602 Attention: LeRoy T. Carlson, Jr., President Facsimile: 312-630-9299	35,570,493
Deutsche Telekom AG [Address]	[Number of Shares] (Representing shares of common stock issuable upon conversion of DT Preferred Stock)

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ALL STATE LEGAL 800.222.0510 ED111C RECYCLED

CERTIFICATE OF DESIGNATION OF THE POWERS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL AND OTHER SPECIAL RIGHTS AND QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS THEREOF OF CONVERTIBLE VOTING PREFERRED STOCK OF VOICESTREAM WIRELESS CORPORATION

Pursuant to Section 151 of the
General Corporation Law of the State of Delaware

VoiceStream Wireless Corporation, a Delaware corporation (the "Corporation"), certifies that pursuant to the authority conferred upon the Board of Directors of the Corporation pursuant to its Certificate of Incorporation, and in accordance with the provisions of Section 151 of the General Corporation Law of the State of Delaware, the Board of Directors of the Corporation, at a meeting duly called and held on July 23, 2000, duly approved and adopted the following resolution which resolution remains in full force and effect on the date hereof:

RESOLVED, that pursuant to the authority vested in the Board of Directors by the Certificate of Incorporation of the Corporation, the Board of Directors does hereby designate, create, authorize and provide for the issue of preferred stock having a par value of $0.001 per share which shall be designated Convertible Voting Preferred Stock (the "Voting Preferred Stock") consisting of up to 3,906,250 shares, which shall be issued, pursuant to that certain Stock Subscription Agreement, dated July 23, 2000, between the Corporation and Deutsche Telekom AG, an Aktiengesellschaft organized and existing under the laws of the Federal Republic of Germany ("DT"), to DT and shall have the powers, preferences and relative, optional and other special rights, and qualifications, limitations and restrictions thereon as follows:

1. Powers, Preferences and Rights of the Voting Preferred Stock. The powers, preferences and rights of the Voting Preferred Stock and the qualifications, limitations and restrictions thereof are as follows:

(a) Ranking. The Voting Preferred Stock shall, with respect to rights on liquidation, dissolution or winding up, rank senior to the Common Stock and the Corporation's 2½% Convertible Junior Preferred Stock, no par value (the "Junior Preferred Stock") and junior to any series or class of the Corporation's preferred stock, now or hereafter authorized.

(b) Dividends and Distributions.

(i) Dividends. The holders of the then outstanding Voting Preferred Stock shall be entitled to receive out of any funds legally available therefor, dividends and other distributions in respect of shares of capital stock at the same rate and at the same time as any dividends declared on or distributions made in respect of the Common Stock, when, as and if declared or made by the Board of Directors; provided that, for purposes of this Section 1(b)(i) only, the holders of the Voting Preferred Stock shall be deemed to own the number of shares of Common Stock into which such shares of Voting Preferred Stock are convertible at the time such dividend is declared or such distribution is made.

(ii) Record Date. The Board of Directors may fix a record date for the determination of holders of shares of Voting Preferred Stock entitled to receive payment of the dividends payable pursuant to paragraph (i) above, which record date shall not be more than 60 days prior to the dividend payment date.

(c) Certain Restrictions. Notwithstanding the provisions of this Certificate of Designation, the Corporation may not redeem, purchase or otherwise acquire any shares of Voting Preferred Stock, if (A) the Corporation is not solvent or would be rendered insolvent thereby or (B) at such time the terms and provisions of any law or agreement of the Corporation, including any agreement relating to its indebtedness, specifically prohibit such redemption, purchase or other acquisition, or provide that such redemption, purchase or other acquisition would constitute a violation or breach thereof or a default thereunder.

(d) Voting Rights.

(i) Except as otherwise required by law or expressly provided in this paragraph (d), the holders of Voting Preferred Stock shall be entitled to notice of and to vote at, in person or by proxy, any special or annual meeting of stockholders, voting together with holders of Common Stock (and the holders of any other equity securities entitled to vote with the holders of Common Stock) and not as a separate class. With respect to any such vote, each share of Voting Preferred Stock shall entitle the holder thereof to cast one (1) vote per share. Each share of Voting Preferred Stock shall also have the right to vote provided in paragraph (ii) below and as provided by law.

(ii) Unless the consent or approval of a greater number of shares shall then be required by law, the affirmative vote of the holders of a majority of the outstanding shares of Voting Preferred Stock present in person or by proxy, at each special and annual meeting of stockholders called for the purpose, or by written consent, shall be necessary to authorize, adopt or approve each amendment to this certificate that would increase or decrease the par value of the

shares of Voting Preferred Stock or alter or change the powers, preferences or rights of the shares of Voting Preferred Stock, provided that in no event shall the consent or approval of the holders of the outstanding shares of Voting Preferred Stock be necessary to (A) authorize, increase the authorized number of shares of or issue (including on conversion or exchange of any Voting Preferred Stock or exchangeable securities or by reclassification) any shares of any class or classes of Senior Stock or Parity Stock or any additional shares of Voting Preferred Stock or (B) authorize or issue any security convertible into, exchangeable for or evidencing the right to purchase or otherwise receive any shares of any class or classes of Senior Stock or Parity Stock. Furthermore, in no event shall the consent or approval of the holders of the outstanding shares of Voting Preferred Stock as a class be necessary to approve (I) any consolidation or merger of the Corporation or any Subsidiary of the Corporation with or into any other Person, the effect of which would result in the holders of shares of Voting Preferred Stock receiving in any such consolidation or merger transaction (i) the consideration which such holders would have received had such holders exercised the right to convert such shares into Common Stock or (ii) shares of capital stock of the surviving Person (or a Person of which such surviving Person is a Subsidiary), having in respect of such surviving Person or other Person, substantially the same powers, preferences and relative, participating, optional, conversion and other special rights, and qualifications, limitations and restrictions thereon, that the shares of Voting Preferred Stock had immediately prior to such transaction, (II) the sale, assignment, transfer, lease, conveyance or any other disposition of all or substantially all of the assets of the Corporation to any other Person, or (III) any plan of liquidation, and no such transaction shall be deemed to constitute an alteration or change of powers, preferences or special rights of the Voting Preferred Stock within the meaning of Section 151 of the General Corporation Law of the State of Delaware.

(e) Redemption at Option of Corporation. On and after December 31, 2020, the Corporation shall have the right to redeem shares of Voting Preferred Stock at the Redemption Price (as such term is defined below).

(f) Redemption at Option of Holder.

(i) No holder of shares of Voting Preferred Stock shall have any right to require the Corporation to redeem any shares of Voting Preferred Stock prior to December 31, 2030 (the "Maturity Date"). Thereafter, at any time within six months following the Maturity Date but subject to the restrictions set forth in Section 1(c), each holder of shares of Voting Preferred Stock shall have the right, at the sole option and election of such holder, to require the Corporation to redeem all (but not less than all) of the shares of Voting Preferred Stock owned by

such holder at a redemption price (the "Redemption Price") per share equal to the Liquidation Preference;

(ii) The holder of any shares of Voting Preferred Stock may exercise such holder's right to require the Corporation to redeem such shares by surrendering for such purpose to the Corporation, at its principal office or at such other office or agency maintained by the Corporation for that purpose, certificates representing the shares of Voting Preferred Stock to be redeemed, accompanied by a written notice stating that such holder elects to require the Corporation to redeem all (but not less than all) of such shares in accordance with the provisions of this Section 1(f), which notice may specify an account for delivery of the Redemption Price;

(iii) Within two (2) Business Days after the surrender of such certificates, the Corporation shall pay to the holder of the shares being redeemed the Redemption Price therefor. Such payment shall be made by wire transfer of immediately available funds to an account designated by such holder or by overnight delivery (by a nationally recognized courier) of a bank check to such holder's address as it appears on the books of the Corporation; and

(iv) Such redemption shall be deemed to have been made at the close of business on the date of the receipt of such notice and of such surrender of the certificates representing the shares of the Voting Preferred Stock to be redeemed, the shares so redeemed shall no longer be deemed outstanding, the rights to receive dividends thereon shall cease from and after the date of redemption designated in the notice of redemption, and the rights of the holder thereof, except for the right to receive the Redemption Price therefor in accordance herewith, shall cease on such date of receipt and surrender.

(g) Reacquired Shares. Any shares of the Voting Preferred Stock redeemed or purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of the Corporation's preferred stock and may be reissued as part of a new series of preferred stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions or restrictions on issuance set forth herein.

(h) Liquidation, Dissolution or Winding Up.

(i) In the event of any liquidation, dissolution or winding up of the Corporation, either voluntarily or involuntarily, before any distribution or payment to holders of Common Stock or holders of Junior Preferred Stock, the holders of shares of Voting Preferred Stock shall be entitled to be paid an amount

equal to the Liquidation Preference with respect to each share of Voting Preferred Stock, and shall then be entitled to no further distribution or payment.

(ii) If, upon any liquidation, dissolution or winding up of the Corporation, the assets of the Corporation available for distribution to the holders of Voting Preferred Stock shall be insufficient to permit payment in full to such holders of the sums which such holders are entitled to receive in such case, then all of the assets available for distribution to holders of the Voting Preferred Stock shall be distributed among and paid to such holders ratably in proportion to the amounts that would be payable to such holders if such assets were sufficient to permit payment in full.

(iii) Neither the consolidation or merger of the Corporation with or into any other Person nor the sale or other distribution to another Person of all or substantially all the assets, property or business of the Corporation, shall be deemed to be a liquidation, dissolution or winding up of the Corporation for purposes of this Section 1(h).

(i) Conversion.

(i) Stockholders' Right To Convert. Prior to the termination (if any) of the Agreement and Plan of Merger, dated as of July 23, 2000, by and between the Corporation and Deutsche Telekom AG (the "Merger Agreement") (the date of any such termination of such Merger Agreement being herein referred to as the "Trigger Date") no holder of shares of Voting Preferred Stock shall have the right to convert such shares into Common Stock. Commencing on the first day after the Trigger Date, shares of Voting Preferred Stock shall be convertible, at the sole option and election of the holder, into that number of fully paid and nonassessable shares of Common Stock as shall be equal to the aggregate Liquidation Preference of the shares of Voting Preferred Stock to be converted, divided by $160.00 (subject to adjustment for stock splits, subdivisions or combinations or other comparable transactions, the "Conversion Rate"). Notwithstanding any other term hereof, the outstanding shares of Voting Preferred Stock shall be convertible into shares of Common Stock only if the Trigger Date occurs.

(ii) No Transfer. No holder shall Transfer any shares of Voting Preferred Stock prior to the Trigger Date except to a Subsidiary.

(iii) [Intentionally Omitted.]

(iv) Fractional Shares. Notwithstanding any other provision of this certificate, the Corporation shall not be required to issue fractions of shares upon conversion of any shares of Voting Preferred Stock or to distribute certificates which evidence fractional shares. In lieu of fractional shares, the Corporation

may pay therefor, at the time of any conversion of shares of Voting Preferred Stock as herein provided, an amount in cash equal to such fraction multiplied by $160.00, subject to adjustment for stock splits, subdivisions or combinations or other comparable transactions.

(v) Reorganization, Reclassification and Merger Adjustment. If there occurs any capital reorganization or any reclassification of the Common Stock of the Corporation or the consolidation or merger of the Corporation with or into another Person (other than a merger or consolidation of the Corporation in which the Corporation is the continuing corporation and which does not result in any reclassification or change of outstanding shares of its Common Stock), and in connection therewith there shall occur a change in Beneficial Ownership (as such term is defined in Rule 13d-3 of the Securities Exchange Act of 1934, as amended) of at least 25% of the outstanding shares of Common Stock of the Corporation, then each share of Voting Preferred Stock shall be converted into the same kind and amounts of securities (including shares of stock) or other assets, or both, which were issuable or distributable to the holders of outstanding Common Stock of the Corporation upon such reorganization, reclassification, consolidation or merger, in respect of that number of shares of Common Stock into which such share of Voting Preferred Stock might have been converted immediately prior to such reorganization, reclassification, consolidation, merger, sale or conveyance; and, in any such case, appropriate adjustments (as determined in good faith by the Board of Directors of the Corporation, whose determination shall be conclusive) shall be made to assure that the provisions set forth herein shall thereafter be applicable, as nearly as reasonably may be practicable, in relation to any securities or other assets thereafter deliverable upon the conversion of the Voting Preferred Stock; provided that in the case of any such reorganization, reclassification, consolidation or merger the shares of Voting Preferred Stock may be converted into or exchanged for shares of capital stock of the surviving Person (or a Person of which such surviving Person is a Subsidiary), having in respect of such surviving Person or other Person, substantially the same powers, preferences and relative, participating, optional, conversion and other special rights, and qualifications, limitations and restrictions thereon, that the shares of Voting Preferred Stock had immediately prior to such transaction, provided, further, that in the case of any such reorganization, reclassification, consolidation or merger which shall not result in a change in Beneficial Ownership (as such term is defined in Rule 13d-3 of the Securities Exchange Act of 1934, as amended) of at least 25% of the outstanding shares of Common Stock of the Corporation, then each such share of Voting Preferred Stock shall be converted into or exchanged for shares of capital stock of the surviving Person (or a Person of which such surviving Person is a Subsidiary), having in respect of such surviving Person or other Person, substantially the same powers, preferences and relative, participating, optional, conversion and other special rights, and qualifications,

limitations and restrictions thereon, that the shares of Voting Preferred Stock had immediately prior to such transaction.

(vi) Notice of Adjustment. Whenever the securities or other property deliverable upon the conversion of the Voting Preferred Stock shall be adjusted pursuant to the provisions hereof, the Corporation shall promptly give written notice thereof to each holder of shares of Voting Preferred Stock at such holder's address as it appears on the transfer books of the Corporation and shall forthwith file, at its principal executive office and with any transfer agent or agents for the Voting Preferred Stock and the Common Stock, a certificate, signed by the Chairman of the Board, President or one of the Vice Presidents of the Corporation, and by its Chief Financial Officer, Treasurer or one of its Assistant Treasurers, stating the securities or other property deliverable per share of Voting Preferred Stock calculated to the nearest cent or to the nearest one-hundredth of a share and setting forth in reasonable detail the method of calculation and the facts requiring such adjustment and upon which such calculation is based. Each adjustment shall remain in effect until a subsequent adjustment hereunder is required.

(vii) Mechanics of Conversion. A Permitted Holder may exercise its option to convert pursuant to paragraph (i) above by surrendering for such purpose to the Corporation, at its principal office or such other office or agency maintained by the Corporation for that purpose, certificates representing the shares of Voting Preferred Stock to be converted, accompanied by a written notice stating that such holder elects to convert such shares in accordance with Section 1(i). The date of receipt of such certificates and notice by the Corporation at such office shall be the conversion date (the "Conversion Date"). If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his or its attorney duly authorized in writing. Within ten (10) Business Days after the Conversion Date, the Corporation shall issue to such holder a number of shares of Common Stock into which such shares of Voting Preferred Stock are convertible pursuant to paragraph (i) above. Certificates representing such shares of Common Stock shall be delivered to such holder at such holder's address as it appears on the books of the Corporation.

(viii) Reservation of Common Stock. The Corporation shall at all times reserve and keep available for issuance upon the conversion of the shares of Voting Preferred Stock the maximum number of its authorized but unissued shares of Common Stock as is reasonably anticipated to be sufficient to permit the conversion of all outstanding shares of Voting Preferred Stock, and shall take all action required to increase the authorized number of shares of Common Stock if

at any time there shall be insufficient authorized but unissued shares of Common Stock to permit such reservation or to permit the conversion of all outstanding shares of Voting Preferred Stock.

(ix) Termination of Rights. All shares of Voting Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares, including the rights, if any, to receive notices and to vote or to receive any dividends, shall immediately cease and terminate on the Conversion Date, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor.

(x) No Conversion Charge or Tax. The issuance and delivery of certificates for shares of Common Stock upon the conversion of shares of Voting Preferred Stock shall be made without charge to the holder of shares of Voting Preferred Stock for any issue or transfer tax, or other incidental expense in respect of the issuance or delivery of such certificates or the securities represented thereby to such holder, all of which taxes and expenses shall be paid by the Corporation.

(xi) Regulatory Approval. Notwithstanding anything herein to the contrary, if Federal Communications Commission or other regulatory approval is required to be obtained prior to the conversion of shares of Voting Preferred Stock, the Voting Preferred Stock may nevertheless be converted pursuant to the terms of this Section 1(i), provided, that such conversion shall not become effective until the close of business on the date of the receipt of the last of any such approvals and of the surrender of the certificates representing the shares of the Voting Preferred Stock to be converted. The Corporation shall provide all reasonable cooperation and make all necessary filings required to be made by the Corporation in connection with any such regulatory approval.

(j) Notice of Certain Events. In case the Corporation shall propose at any time or from time to time (i) to declare or pay any dividend payable in stock of any class to the holders of Common Stock or to make any other distribution to the holders of Common Stock, (ii) to offer to the holders of Common Stock rights or warrants to subscribe for or to purchase any additional shares of Common Stock or shares of stock of any class or any other securities, rights or options, (iii) to effect any reclassification of its Common Stock, (iv) to effect any consolidation, merger or sale, transfer or other disposition of all or substantially all of the property, assets or business of the Corporation which would, if consummated, adjust the securities issuable upon conversion of shares of Voting Preferred Stock, or (v) to effect the liquidation, dissolution or winding up of the Corporation, then, in each such case, the Corporation shall mail to each holder of shares of Voting Preferred Stock, at such holder's address as it appears on the transfer books of the Corporation, a written notice of such proposed action, which shall specify (A) the date on which a record is to be taken for the purpose of such dividend or distribution of rights

or warrants or, if a record is not to be taken, the date as of which the holders of shares of Common Stock of record to be entitled to such dividend or distribution of rights or warrants are to be determined, or (B) the date on which such reclassification, consolidation, merger, sale, conveyance, dissolution, liquidation or winding up is expected to become effective, and such notice shall be so given as promptly as possible but in any event at least ten (10) Business Days prior to the applicable record, determination or effective date, specified in such notice.

2. Redemption of Capital Stock. Notwithstanding any other provision of this certificate to the contrary, outstanding shares of capital stock of the Corporation held by Disqualified Holders shall always be subject to redemption by the Corporation in accordance with the procedure set forth in the next succeeding sentence of this Section 2, by action of the Board of Directors, if, in the judgment of the Board of Directors, such action should be taken, pursuant to the General Corporation Law of the State of Delaware, as amended, or any other applicable provision of law, to the extent necessary to prevent the loss or secure the reinstatement of any license or franchise from any governmental agency held by the Corporation or any of its Subsidiaries to conduct any portion of the business of the Corporation or any of its Subsidiaries, which license or franchise is conditioned upon some or all of the holders of the Corporation's stock possessing prescribed qualifications. Accordingly, notwithstanding anything to the contrary contained herein, in any such event, the Corporation shall have the right to convert shares of Voting Preferred Stock into Common Stock at the Conversion Rate in accordance with the provisions of this Certificate of Designation to permit the redemption by the Corporation of shares of Common Stock in accordance with Section 9.1 of the Certificate of Incorporation of the Corporation to the extent so required to prevent such loss or secure such reinstatement.

3. Legend. Each certificate evidencing a share of Voting Preferred Stock shall contain legends substantially to the following effect (and any Transfer of any such shares shall be subject to the following):

> "THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT THEREUNDER."

Each certificate evidencing a share of Common Stock issued upon conversion of Voting Preferred Stock shall contain a legend substantially to the following effect (and any Transfer of any such shares shall be subject to the following):

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED TO ANY PERSON OTHER THAN TO CERTAIN AFFILIATES OF THE REGISTERED HOLDER AND AS PERMITTED BY THE CERTIFICATE OF DESIGNATION FOR THE SHARES OF VOTING PREFERRED STOCK REPRESENTED BY THIS CERTIFICATE."

4. Definitions. For the purposes of this certificate, the following terms shall have the meanings indicated:

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with that Person. For purposes of this definition, "control" (including the terms "controlling" and "controlled") means the power to direct or cause the direction of the management and policies of a Person, directly or indirectly, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

"Board of Directors" shall mean the Board of Directors of the Corporation.

"Business Day" shall mean any day other than a Saturday, Sunday or other day on which commercial banks in the City of New York or the State of Washington are authorized or required by law or executive order to close.

"Common Stock" shall mean the common stock of the Corporation, par value $0.001 per share.

"Conversion Date" has the meaning assigned to such term in Section 1(i)(vii).

"Conversion Rate" has the meaning assigned to such term in Section 1(i)(i).

"Disqualified Holder" shall mean any holder of shares of capital stock of the Corporation whose holding of such stock, either individually or when taken together with the holding of shares of capital stock of the Corporation by any other holders, may result, in the judgment of the Board of Directors, in the loss of, or the failure to secure the reinstatement of, any license or franchise from any governmental agency held by the corporation or any of its subsidiaries or affiliates to conduct any portion of the business of the corporation or any of its subsidiaries or affiliates.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as it may be amended, and any successor act thereto.

"Junior Preferred Stock" shall have the meaning assigned to such term in Section 1(a).

"Liquidation Preference" shall mean, with respect to each share of Voting Preferred Stock, $1,280.00 and no more (subject to adjustment for stock splits, subdivisions or combinations or other comparable transactions with respect to the Voting Preferred Stock).

"Maturity Date" has the meaning assigned to such term in Section 1(e).

"Parity Stock" shall mean, with respect to shares of Voting Preferred Stock, any capital stock of the Corporation ranking on a parity with the Voting Preferred Stock, with respect to dividends, distribution in liquidation or any other preference, right or power.

"Person" shall mean any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, governmental agency or political subdivision thereof or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

"Redemption Price" has the meaning assigned to such term in Section 1(f)(i).

"Senior Stock" shall mean, with respect to shares of Voting Preferred Stock, any capital stock of the Corporation ranking senior to the Voting Preferred Stock with respect to dividends, distribution in liquidation or any other preference, right or power.

"Voting Preferred Stock" has the meaning assigned to such term in the recitals.

"Subsidiary" shall mean, with respect to any Person, a corporation or other entity of which 50% or more of the voting power of the voting equity securities or 50% of the equity interests are owned, directly or indirectly, by such Person.

"Transfer" shall mean, with respect to any security, the sale, transfer, pledge, hypothecation, encumbrance, assignment or constructive sale or other disposition of such security or the record or beneficial owner thereof, the offer to make such a sale, transfer, constructive sale or other disposition, and each agreement arrangement or understanding, whether or not in writing, to effect any of the foregoing. The term "constructive sale" means a short sale with respect to such security or substantially identical property, entering into or acquiring an offsetting derivative contract with respect to such security or substantially identical property, entering into or acquiring a futures or

forward contract to delivery such security or substantially identical property or entering into any transaction that has substantially the same affect as any of the foregoing.

"Voting Stock" shall mean any class or classes of capital stock, or securities convertible into or exchangeable for any class of capital stock, of the Corporation pursuant to which the holders thereof have the general power under ordinary circumstances to vote with respect to the election of at least a majority of the Board of Directors of the Corporation, irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

VOICESTREAM WIRELESS
CORPORATION

By_____

INVESTOR AGREEMENT

DATED AS OF July 23, 2000

BY AND BETWEEN

DEUTSCHE TELEKOM AG,
an AKTIENGESELLSCHAFT organized under
the laws of the Federal Republic of Germany,

AND

VOICESTREAM WIRELESS CORPORATION,
a Delaware corporation.

INVESTOR AGREEMENT

This INVESTOR AGREEMENT (this "Agreement") is made as of July 23, 2000, by and between DEUTSCHE TELEKOM AG, an AKTIENGESELLSCHAFT organized under the laws of the Federal Republic of Germany (the "Investor"), and VOICESTREAM WIRELESS CORPORATION, a Delaware corporation (the "Company").

WHEREAS, the Investor and the Company have entered into a Stock Subscription Agreement, dated as of July 23, 2000, (the "Subscription Agreement"), pursuant to which the Investor has agreed to purchase from the Company, and the Company has agreed to issue and sell to the Investor, 3,906,250 shares of the Company's Convertible Voting Preferred Stock, par value $0.001 per share (the "Preferred Stock"), all on the terms and subject to the conditions set forth in the Subscription Agreement.

WHEREAS, the Preferred Stock is convertible into shares of the Company's Common Stock, par value $0.001 per share (the "Common Stock"), in accordance with the terms of the Certificate of Designation of the Powers, Preferences and Relative, Participating, Optional and Other Special Rights and Qualifications, Limitations and Restrictions thereof of the Preferred Stock attached hereto as Exhibit A (the "Certificate of Designation").

WHEREAS, the Investor and the Company wish to set forth certain agreements concerning the ownership and transfer of shares of Common Stock, and certain other matters as provided herein.

NOW, THEREFORE, in consideration of the mutual and dependent promises set forth herein, the Investor hereby agrees with the Company, and the Company hereby agrees with the Investor, as follows

1. EFFECTIVE DATE OF AGREEMENT.

This Agreement shall become effective upon the Closing, pursuant to and as defined in the Subscription Agreement (the "Effective Date").

2. DEFINITIONS.

(a) Unless the context requires otherwise, capitalized terms used but not defined in this Agreement have the meanings given in the Subscription Agreement.

(b) As used in this Agreement, the following terms have the respective meanings set forth below (applicable to both the singular and plural forms of such terms):

"$" means United States dollars.

"Actual Voting Power" means, as of the date of determination, the total number of votes attaching to the outstanding securities entitled to vote for the election of directors of the Company.

"Affiliate" has the meaning set forth in Rule 12b-2 of the rules and regulations promulgated under the Exchange Act; provided, however, that for purposes of Section 3 of this Agreement, none of the following shall be deemed to be an Affiliate of the Investor: (i) the Company, (ii) the Cook Inlet Parties, or (iii) any Person who would be an Affiliate of Investor solely because such Person is an Affiliate of any of the Persons referred to in clause (i) or (ii) of this provision.

"Affiliated Director" means any member of the Board who has been designated by Investor for nomination or appointment as a director of the Company pursuant to a Voting Agreement.

"Agreement" means this Investor Agreement, as amended, modified, supplemented or restated from time to time in accordance with the terms hereof.

"Beneficially Owned" and "Beneficial Ownership" have the meaning set forth in Rule 13d-3 of the Exchange Act.

"Blackout Period" has the meaning given in Section 6(e)(ii).

"Board" means the board of directors of the Company.

"Certificate of Designation" has the meaning set forth in the second recital.

"Change of Control" means (i) the acquisition by any Person or 13D Group of direct or indirect Beneficial Ownership of Voting Securities representing fifty per cent (50%) or more of the Total Voting Power, (ii) any merger, consolidation or business combination involving the Company or any material portion of its business, (iii) a sale of all or a substantial portion of the assets of the Company or (iv) a recapitalization, restructuring, liquidation, dissolution or similar extraordinary transaction relating to the Company or any material portion of its business.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the Company's Common Stock, $0.001, and shall include any new, substituted and additional securities issued at any time in replacement of the Common Stock or issued or delivered with respect to the Common Stock.

"Company" means the Company and its successors and assigns.

"Cook Inlet Parties" means (i) Cook Inlet VoiceStream PV/SS PCS, L.P., (ii) Cook Inlet VoiceStream PCS, LLC, (iii) Cook Inlet VoiceStream II, LLC, (iv) Cook

Inlet VoiceStream III, LLC and any similar joint venture in which the Company or its Subsidiaries from time to time are principals.

"Disinterested Board Approval" means the affirmative vote or written consent of a majority of the Board (excluding Affiliated Directors) then in office.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Imputed Cost of Funds" means LIBOR plus 275 basis points.

"Includable Security" means any convertible securities, options, warrants or other rights which are convertible into or exchangeable or exercisable for securities entitled to vote for the election of directors, in later than 60 days, if the effect of excluding the foregoing from the calculation of Voting Securities is to deprive the Company of the protections or to deprive the Investor of the benefits of the provisions of this Agreement to any substantial degree.

"Incremental Shares" has the meaning given in Section 3(d)(i).

"Investor" means the Investor or a wholly-owned subsidiary thereof, and, unless otherwise specified herein or unless the context requires otherwise, includes its successors and all Permitted Affiliate Transferees of the Investor which from time to time hold shares of Voting Securities.

"Investor Group" means Investor and any of its Affiliates.

"Investor's Percentage Ownership" has the meaning given in Section 3(a).

"Investor Tender Offer" means a *bona fide* public tender offer subject to the provisions of Regulation 14D when first commenced within the meaning of Rule 14d-2(a) of the rules and regulations under the Exchange Act, by any of the Investor Group (or any 13D Group that includes any of the Investor Group, other than the Special 13D Group) to purchase or exchange for cash or other consideration any Common Stock and which consists of an offer to acquire one hundred per cent (100%) of the outstanding Common Stock and is conditioned (which condition may not be waived) on a majority of the shares of outstanding Common Stock held by shareholders other than any of the Investor Group being tendered and not withdrawn with respect to such offer.

"Merger Agreement" means the Agreement and Plan of Merger, dated as of July 23, 2000, between the Company and the Investor.

"NASD" has the meaning given in Section 6(a)(iii).

"New Issue Securities" has the meaning given in Section 5(c)(i).

"Other Shareholders" has the meaning given in Section 6(b)(iii)(A).

"Permitted Affiliate Transferee" means, in the case of the Investor, any entity in which the Investor owns, directly or indirectly, more than forty per cent (40%) of the outstanding voting power and of which the members of the Investor Group collectively are the largest shareholder.

"Person" means an individual, partnership, joint-stock company, corporation, trust or unincorporated organization, limited liability company, or a government or agency or political subdivision thereof or any other entity.

"Public Sale" means a public offer and sale or other public distribution of securities, including (i) pursuant to an effective registration statement under the Securities Act, (ii) pursuant to Regulation S under the Securities Act and any applicable securities or stock exchange regulations in any non-United States market or stock exchange in which the Common Stock is publicly traded, or (iii) pursuant to an exemption from registration under Rule 144 under the Securities Act.

"Registrable Securities" has the meaning given in Section 6(a)(ii).

"Registration Expenses" has the meaning given in Section 6(a)(iii).

"Representative" has the meaning given in Section 6(b)(iv).

"Selling Expenses" has the meaning given in Section 6(a)(iv).

"Special 13D Group" means any 13D Group that now or hereafter may exist by virtue of a Voting Agreement.

"Standstill Period" has the meaning given in Section 3(b)(i).

"Standstill Termination Event" means the date on which the first of the following occurs: (i) the Investor Group Beneficially Owns, in the aggregate, less than five percent (5%) of the Total Voting Power, (ii) the Investor Group Beneficially Owns, in the aggregate, more than ninety percent (90%) of the Total Voting Power, or (iii) a Terminating Change of Control.

"Subsidiary" means, as to any Person, another Person which is an entity as to which such Person owns more than fifty per cent (50%) of the outstanding voting power and more than fifty per cent (50%) of the equity.

"Terminating Change of Control" means (i) the acquisition by any Person (other than the Special 13D Group) of direct or indirect Beneficial Ownership of Voting Securities representing fifty per cent (50%) or more of the Total Voting Power, (ii) a sale of all or substantially all of the assets of the Company or (iii) a liquidation or dissolution of the Company.

"Third Party Offer" has the meaning given in Section 3(b)(i)(D).

"Threshold Percentage" means (i) from the date hereof until the second anniversary of the Effective Date, thirty-three per cent (33%), (ii) thereafter and until the third anniversary of the Effective Date, thirty-six per cent (36%), and (iii) thereafter until the fifth anniversary of the Effective Date, forty per cent (40%). The Threshold Percentage shall be calculated as set forth in Section 3(a) below and subject to adjustment as provided below in Section 3(d)(iii).

"Total Voting Power" means, as of the date of determination, the total number of votes which may be cast in the election of directors of the Company at any meeting of shareholders of the Company if all Voting Securities then outstanding are present and voted to the fullest extent possible at such meeting, assuming the conversion, exchange or exercise of all then outstanding convertible securities, options, warrants or other rights which, within 60 days of such date, are convertible into or exchangeable or exercisable for securities entitled to vote for the election of directors or which are Includable Securities.

"Transfer" means any sale, assignment, pledge, hypothecation, or other transfer, disposition or encumbrance of any interest (and includes an exchange of shares in a merger, consolidation or similar transaction).

"Triggering Person" has the meaning given in Section 3(c)(i)(A).

"Voting Agreement" means a voting or similar agreement to which the Investor and the Company are party from time to time which provides, among other things, for the voting of securities for the election of directors of the Company.

"Voting Security" means, as of the date of determination, the Common Stock of the Company, the Preferred Stock, any other security generally entitled to vote for the election of directors and any outstanding convertible securities, options, warrants or other rights which, within sixty (60) days of such date, are convertible into or exchangeable or exercisable for securities entitled to vote for the election of directors or which are Includable Securities.

"13D Group" means any group of persons formed for the purpose of acquiring, holding, voting or disposing of Voting Securities which would be required under Section 13(d) of the Exchange Act, and the rules and regulations promulgated thereunder, to file a statement on Schedule 13D or a Schedule 13G with the Commission as a "person" within the meaning of Section 13(d)(3) of the Exchange Act if such group Beneficially Owned sufficient securities to require such a filing under the Exchange Act. When references herein are to a group under Section 13(d) and not to members of such group, such references shall be deemed to refer to actions of the group acting as such group and not to the individual actions of any members of such group.

When a reference is made in this Agreement to a Section, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The use of a gender herein shall be deemed to include the neuter, masculine and feminine genders whenever necessary or appropriate. Whenever the word "herein," "hereunder" or "hereof" is used in this Agreement, it shall be deemed to refer to this Agreement and not to a particular Section of this Agreement unless expressly stated otherwise.

3. STANDSTILL.

(a) General. For purposes of this Section 3, at any relevant date, the ownership percentage of the Investor Group (the "Investor's Percentage Ownership") and the Threshold Percentage shall be calculated after giving effect to:

(i) the Common Stock issuable under outstanding options and stock purchase rights, exercisable within sixty (60) days of the date of calculation, granted under the Company's employee stock plans (including pursuant to obligations under employee benefit plans of acquired businesses that are assumed in the acquisitions of such businesses);

(ii) the number of shares of Common Stock issuable upon conversion of the Preferred Stock pursuant to the Certificate of Designation whether or not the Preferred Stock is, on the relevant date of determination of Investor's Percentage Ownership, convertible into Common Stock; and

(iii) the issuance of Common Stock pursuant to the conversion, exchange or other exercise of any other options, warrants, convertible or exchangeable securities or other rights or instruments carrying the right to acquire Common Stock to the extent that such are convertible, exchangeable or exercisable within sixty (60) days of the date of calculation or are Includable Securities.

The Investor's Percentage Ownership shall be equal to the number of shares of Common Stock Beneficially Owned by the Investor Group plus the number of shares of Common Stock issuable upon conversion of the Preferred Stock whether or not the Preferred Stock is, on the relevant date of determination of Investor's Percentage Ownership, convertible into Common Stock.

(b) Standstill Obligations.

(i) Limitation. Unless there shall have occurred a Standstill Termination Event, until the fifth anniversary of the date of this Agreement (the "Standstill Period"), except with Disinterested Board Approval, no member of the Investor Group shall, directly or indirectly,

(A) acquire or agree to acquire any Voting Securities (except by way of (x) stock splits, stock dividends or other distributions or offerings made available to holders of Common Stock generally, or (y) stock options, warrants or other rights to purchase Voting Securities the acquisition of which by Investor have received Disinterested Board Approval) if, in any such case, the effect of such acquisition would be to increase the Investor's Percentage Ownership to more than the Threshold Percentage;

(B) (other than in connection with an actual sale of such securities) exercise any stock options, warrants or other rights to purchase Voting Securities approved by the Board of the Company if, in any such case, the effect of such exercise would be to increase the Investor's Percentage Ownership to more than the Threshold Percentage;

(C) solicit proxies with respect to the Voting Securities or become a "participant" in any "election contest" (as such terms are used in Rule 14(a)-11 of Regulation 14A promulgated under the Exchange Act) relating to the election of directors of the Company (it being understood that Purchaser shall not be deemed to be such a participant merely by reason of the membership of any Affiliated Directors on the Board pursuant to the terms of the Voting Agreement); provided that if any other party (a "Breaching Party") shall be in breach under the Voting Agreement (which breach, in the reasonable judgment of Investor, could likely result in an Affiliated Director not being elected in accordance with the terms of the Voting Agreement), Investor may engage in such activities for the limited purpose of electing the Affiliated Director and, if Investor so elects, for nominees other than the nominees which the Breaching Party otherwise would be entitled to designate under the Voting Agreement; or

(D) join a 13D Group (other than the Special 13D Group) with any Person or otherwise induce, attempt to induce or in any manner act in concert with any such Person for the purpose of initiating or effectuating a tender offer or exchange offer for any Voting Securities (a "Third Party Offer") or a transaction which would result in a Change of Control (a "Third Party Change of Control"); provided that the provisions of this clause (D) shall not be applicable if any member of a Special 13D Group holding more than five per cent (5%) of the Voting Securities (other than a member of the Investor Group) shall have engaged in any material respect in any of the activities referred to in this clause (D).

(E) initiate, induce, attempt to induce or in any manner act in concert with any such Person for the purpose of initiating or effectuating a tender or exchange offer or Change of Control;

(F) disclose to any Person any intention, plan or arrangement inconsistent with the foregoing;

Nothing in this Section 3(b)(i) shall have the effect of precluding a member of the Investor Group from participating in a Third Party Offer or voting or agreeing to vote its shares in favor of a Third Party Change of Control in which the Investor Group would receive consideration on the same basis as is generally available to other holders of Common Stock or (z) prohibiting the Affiliated Directors (acting in their capacity as such) from (1) participating in discussions with other members of the Board or (2) in meetings of the Board.

If any member of the Investor Group makes such an acquisition or exercise that would increase the percentage interest of the Investor Group in the Actual Voting Power to more than the Threshold Percentage, whether during the period that the Merger Agreement shall be in full force and effect or after the termination of the Merger Agreement, such excess shares shall (for so long as the Actual Voting Power exceeds the Threshold Percentage) be voted in a manner proportionate to shares voted by the shareholders of the Company other than the Investor Group; provided, that if the excess shares shall result from the bad faith actions of the Investor Group or its Affiliates, it shall promptly divest such excess; provided, further, however, that no member of the Investor Group shall be obligated to divest itself of such excess pursuant to this Section 3(b)(i) until such time as such divestment would not subject such member of the Investor Group to liability under Section 16(b) of the Exchange Act or any other applicable provision of Federal or state law.

(ii) Recapitalizations, Etc. Notwithstanding Section 3(b)(i), no member of the Investor Group shall be obligated to dispose of any Voting Securities if the aggregate percentage ownership of the Investor Group is increased as a result of (A) a recapitalization of the Company, (B) a repurchase of Voting Securities by the Company, (C) any other action taken by the Company or its Affiliates other than the Investor Group.

(iii) Reinstatement of Standstill. If a Standstill Termination Event shall have occurred by virtue of the Investor Group's Beneficially Owning less than five per cent (5%) of the Voting Power and thereafter the Investor Group shall thereafter Beneficially Own more than five per cent (5%) of the Voting Power, the provisions of this Section 3 shall be deemed to have been reinstated.

(c) Exception for Certain Third-Party Acquisitions.

(i) Exception to Standstill Obligation. Notwithstanding Section 3(b)(i), the Investor Group may:

(A) acquire Voting Securities without regard to the limitations set forth above but in accordance with Section 3(c)(ii) if at any time any person or 13D Group (other than the Special 13D Group in the case of clause (y) below) of persons (such person or persons together with any of their Affiliates, collectively, a "Triggering Person"), directly or indirectly, (x) makes a *bona fide* offer to acquire, or (y) acquires, Beneficial Ownership of Voting Securities which, if added to the Voting Securities (if any) already Beneficially Owned by such

Triggering Person, would represent ownership of Voting Securities greater than the Threshold Percentage;

(B) with Disinterested Board Approval, make an Investor Tender Offer during the Standstill Period; and

(C) with Disinterested Board Approval, acquire Voting Securities without regard to the limitations set forth above.

The Company shall give Investor written notice of the occurrence of any event of the type referred to in clause (A) promptly after it obtains knowledge of such event.

(ii) Competing Offers. If an event identified in Section 3(c)(i)(A) occurs and shall not have been withdrawn or terminated, the Investor Group shall be permitted to take such action and make such offers as may be considered to be of the same nature and type of action or offer and for the same resulting number of shares as that which is being taken by the Triggering Person; provided that the Investor Group may only acquire that number of shares which when added to the number of shares already owned by the Investor Group shall not exceed the number of shares acquired or to be acquired (assuming any proposals or offers to purchase have been consummated) by the Triggering Person. In proceeding with any action or offer permitted under this Section 3(c)(ii), the Investor Group shall be permitted to offer more favorable terms such as price, cash versus securities or other such terms as may be consistent with an offer of the same nature and type of consideration as that which is being proposed by the Triggering Person.

(iii) No Contesting. If the Investor Group shall take any such action permitted by this Section 3(c), the Company agrees that it shall not in any way (whether by active opposition, Board announcement or otherwise) contest such action, subject in all events to the fiduciary obligations of the Company's Board and officers to the Company's stockholders.

(d) Option to Purchase Incremental Shares.

(i) Incremental Shares. If an event identified in Section 3(c)(i) occurs and as a result the Investor Group acquires Voting Securities which increase the Investor Group's percentage interest in the Actual Voting Power to more than the Threshold Percentage (the "Incremental Shares"), and thereafter the Triggering Person holds Voting Securities representing a percentage of the Total Voting Power less than the Threshold Percentage, then, upon the expiration of the Investor Group 's right to dispose of the Incremental Shares as provided in Section 3(d)(ii) below, the Investor hereby grants to the Company or a designee selected with Disinterested Board Approval, for a period of ninety (90) days (subject to extension in the event of Investor's exercise of rights under Section 3(d)(ii) below), an option to acquire any Incremental Shares at a price equal to the price paid by the Investor Group for such shares, plus such expenses and costs reasonably necessary to acquire the Incremental Shares and incurred by the Investor

Group in acquiring the Incremental Shares (including the Imputed Cost of Funds of the Investor Group of holding the incremental Shares until acquired by the Company or such designee); provided, however, that the Investor Group shall not be obligated to sell any Voting Securities pursuant to this Section 3(d)(i) until such time as such sale would not subject the Investor Group to liability under Section 16(b) of the Exchange Act or any other applicable provision of Federal or state law.

(ii) Disposition. In the event that the Investor Group has acquired Incremental Shares from a seller or sellers other than the Company, for a period of sixty (60) days from the date on which the Investor Group holds Incremental Shares, the Investor Group shall have the right to sell such Incremental Shares as follows: (A) to an independent third party in a bona fide transaction or transactions; (B) if Rule 144 is available, into the public market in accordance with the terms of Rule 144; or (C) as provided under both (A) and (B). In the event that the Investor Group elects to dispose of the Incremental Shares as provided in this Section 3(d)(ii), Investor shall provide written notice to the Company of such disposition and the purchase option granted to the Company pursuant to Section 3(d)(i) shall apply only to those Incremental Shares which have not been so disposed of; provided, however, that the Investor Group shall not be obligated to sell any Voting Securities pursuant to this Section 3(d)(ii) until such time as such sale would not subject the Investor Group to liability under Section 16(b) of the Exchange Act or any other applicable provision of Federal or state law.

(iii) Adjustment for Failure to Exercise Option. In the event that the Company or its designee fails to exercise its option as provided in Section 3(d)(i), the Threshold Percentage shall be increased to a percentage equal to the percentage of the Actual Voting Power held by the Investor Group upon the expiration of the right to exercise such option by the Company or such designee.

(iv) Voting of Incremental Shares. Until the Incremental Shares shall have been disposed of as provided in Section 3(d)(ii) and, if applicable, the option of the Company or its designee provided in Section 3(d)(i) shall have expired, the Incremental Shares shall be voted in a manner proportionate to shares voted by the shareholders of the Company other than the Investor.

(v) No Intentional Circumvention. The Investor shall not attempt to circumvent the provisions of this Section 3(d) by taking any action that would have the effect of extending the periods for which Section 16(b) liability would apply.

(e) Nothing in this Section 4 shall be deemed to prevent the Investor Group or the Company from consummating the transactions contemplated by the Merger Agreement.

4. TRANSFER.

(a) The Investor Group shall not be permitted to Transfer any shares of the Preferred Stock prior to the termination of the Merger Agreement. The Common Stock

shall be freely tradable and may be Transferred by the Investor as provided in this Section 4.

(b) Provided that it shall have provided prior written notice to the Company, the Investor (and each Permitted Affiliate Transferee) shall have the unrestricted right to Transfer its Common Stock and the rights and obligations hereunder to any Permitted Affiliate Transferee who agrees in writing to be bound by the terms of this Agreement.

(c) The Investor and its Permitted Affiliate Transferees shall also have the right to Transfer shares of Common Stock (but not the rights and obligations hereunder unless otherwise provided herein or with Disinterested Board Approval) to Persons other than Permitted Affiliate Transferees of the Investor.

(d) The Company agrees to cooperate in all reasonable respects (without any obligation to incur any liability or expense) in connection with any Transfer by the Investor permitted by this Section 4, so as to enable such Transfer to be effected on an optimal basis for tax and other applicable regulatory purposes.

5. ISSUANCE OF COMPANY SECURITIES.

(a) Subject to the provisions of this Section 5, the Board shall have the ability to determine the manner in which the Company shall raise any additional funding.

(b) For purposes of this Section 5, the term "equity securities" shall (without duplication of previously issued equity securities in the case of exercise or conversion) mean any equity securities, including any warrants, options or other rights to acquire equity securities or debt securities convertible into equity securities, but shall not include non-voting, non-convertible preferred stock or nominal equity features included in the terms of a debt financing. This Section 5 shall not apply with respect to issuances of the Company's equity securities in connection with (i) a stock dividend, (ii) a merger, amalgamation, acquisition, reclassification or other reorganization in which the then-current shareholders of the Company would continue to be the only shareholders of the Company or which is effected to carry out an acquisition transaction, (iii) the grant or exercise of stock options or other grants or purchases of equity securities of the Company pursuant to any stock option, stock purchase or other employee benefit plan now or hereafter adopted for employees, directors or consultants of the Company or (iv) a bona fide public offering of equity securities.

(c) If at any time after the date hereof, the Company proposes to issue equity securities of any kind (except as provided in Section 5(b)), then the Company shall:

(i) give Investor written notice setting forth in reasonable detail (A) the designation and all of the terms and provisions of the equity securities proposed to be issued (the "New Issue Securities"), including, where applicable, the voting powers, preferences and relative participating, optional or other special rights, and the qualifications, limitations or restrictions thereof and, if applicable, the dividend rate and

maturity; (B) the price and other terms of the proposed sale of such securities; (C) the amount of such securities proposed to be issued; and (D) such other material information as may reasonably be requested in order to evaluate the proposed issuance; and

(ii) offer Investor a right to purchase a portion of the New Issue Securities up to the Investor's Percentage Ownership on the terms and conditions stated in such notice.

(d) If the Investor wishes to exercise its purchase rights hereunder, it must deliver a written notice to that effect to the Company within 15 days after the date the notice specified in Section 5(c) was delivered by the Company. To the extent that the Company offers two or more securities in units, the Investor must purchase such units as a whole and will not be given the opportunity to purchase only one of the securities making up such units. The Investor must complete the purchase of such New Issue Securities at the same time and in a single closing within five Business Days after the expiration of the 15-day period referred to in the first sentence of this Section 5(d). If the purchase and sale of such New Issue Securities by the Investor is subject to any prior regulatory approval, consent, waiver, notice or like requirement, then provided that the Investor shall promptly make any necessary filings or applications for, and diligently pursue, the satisfaction of such regulatory requirements, the time period during which such purchase and sale must be consummated shall be extended until the earlier of (i) five Business Days after all such regulatory requirements have been satisfied and (ii) 90 days after the expiration of the applicable period set forth above for the completion of a purchase by the Investor, provided, that such 90-day period shall be extended by an additional 90 days upon written request of the Investor, unless the Company shall deliver to the Investor an opinion of counsel experienced in the relevant area of law or regulation that such regulatory requirements cannot be satisfied by the Investor. At the closing of the purchases of the New Issue Securities by the Investor, the Company shall deliver to the Investor, against receipt of the purchase price therefor by cash or certified or bank cashier's check, duly issued certificate or certificates representing the New Issue Securities that the Investor has elected to purchase.

(e) Upon the expiration of the offering periods described in the first sentence of Section 5(d), or upon any failure of the Investor to complete the purchase of New Issue Securities in the time required under Section 5(d), the Company will be free to sell such New Issue Securities that the Investor has not elected to purchase (or have failed to purchase within the required time) during the 90 days (or applicable longer period under Section 5(d)) following such expiration (or failure) on terms and conditions per share no more favorable to the purchasers thereof than those offered to the Investor. Any New Issue Securities offered or proposed to be sold by the Company after such 90-day period (or applicable longer period under Section 5(d)) or on more favorable terms and conditions per share to the purchaser must be reoffered to the Investor pursuant to this Section 5. The election by the Investor not to exercise its purchase rights under this Section 5 in any one instance shall not affect its rights as to any subsequent proposed issuance other than the decrease in Investor's Ownership Percentage resulting therefrom. Any sale of such securities by the Company without first giving the Investor the rights

described in this Section 5 shall be void and of no force and effect and the Company shall cause any required correction to the registration and transfer books of the Company to be effected.

(f) The Company hereby agrees that it shall cause each of its wholly-owned Subsidiaries to comply with the terms of this Section 5 with respect to the issuance of any equity securities by such Subsidiary (except for issuances of stock dividends or in connection with a merger, amalgamation, reclassification or other reorganization resulting in no reduction in the Company's direct or indirect equity interest in such Subsidiary).

(g) The Company represents that it has taken all action, and covenants to take all such further action, to ensure that the provisions of Section 203 of the Delaware General Corporation Law shall not be applicable to Investor. The Company shall not adopt a "poison pill" share purchase rights plan (or similar plan) unless any such plan excludes Investor and its Affiliates from the definition of "Acquiring Person" (or similarly exempts Investor and its Affiliates from the application of such plan). Unless there shall have been a Terminating Change of Control or the Investor Group Beneficially Owns in the aggregate less than ten percent (10%) of the Total Voting Power, the Company shall not take any further action not contemplated by this Agreement which is not generally applicable to stockholders of the Company and which has the effect of discriminating against Investor with respect to ownership, voting rights or rights to acquire or Transfer securities of the Company.

(h) During the term of this Agreement, the Company shall not issue any equity security (including, without limitation, any Voting Security) which provides the holder(s) thereof with any extraordinary or special voting rights or any right to veto any action of the Company, unless such issuance is approved in writing in advance by the Investor. Further, the Company shall not consider or approve any such issuance prior to the Effective Date.

6. REGISTRATION RIGHTS.

The Investor shall have the right to have its Registrable Securities (as hereinafter defined) registered under the Securities Act and applicable United States state securities laws in accordance with the express terms of the following provisions.

(a) Definitions. As used in this Section 6:

(i) the terms "register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act (and any post-effective amendments filed or required to be filed) and the declaration or ordering of effectiveness of such registration statement;

(ii) the term "Registrable Securities" shall mean (A) Common Stock owned by the Investor or any affiliate of the Investor as of the date of this Agreement,

(B) any additional Common Stock acquired by the Investor from the Company, and (C) any Common Stock issued as a dividend or other distribution with respect to, or in exchange for or in replacement of, the Common Stock referred to in clauses (A), (B) and (C);

(iii) "Registration Expenses" shall mean all expenses incident to the Company's performance of or compliance with its obligations under this Section 6, including, without limitation, all Commission, National Association of Securities Dealers ("NASD") and stock exchange or NASDAQ registration, listing and filing fees and expenses, fees and expenses of compliance with applicable state securities or "blue sky" laws (including, without limitation, reasonable fees and disbursements of counsel for the underwriters in connection with "blue sky" qualifications of Registrable Securities), printing expenses, messenger and delivery expenses, fees and disbursements of counsel for the Company and all independent certified public accountants (including the expenses of any annual audit and "cold comfort" letters required by or incident to such performance and compliance), the fees and disbursements of underwriters customarily paid in connection with secondary registered Public Sales of securities (including the fees and expenses of any "qualified independent underwriter" required by the NASD), the reasonable fees of one U.S. counsel plus, if reasonably required by the Investor, one local counsel retained by the Investor in connection with each such registration pursuant to this Section 6 for purposes of obtaining advice concerning applicable securities laws and securities exchange regulations, review of the registration statement and prospectus and limited due diligence concerning the Company, the reasonable fees and expenses of any special experts retained by the Company in connection with such registration, and fees and expenses of other Persons retained by the Company (but not including any underwriting discounts or commission or transfer taxes, if any, attributable to the sale of Registrable Securities by the Investor); and

(iv) "Selling Expenses" shall mean all underwriting discounts and selling commissions applicable to the sale of Registrable Securities and transfer tax, if any, attributable to the sale of Registrable Securities by the Investor.

(b) Demand Registration.

(i) Commencing on the date that is forty-five (45) days after the termination of the Merger Agreement, the Investor shall have the right, upon delivery of written notice to the Company (not more than twice in any twelve-month period) to require the Company to register under the Securities Act such amount of Registrable Securities owned by the Investor as may be specified in such notice in accordance with the procedures set forth in this Section 6(b), provided that the Company need effect only eight (8) such demand registrations (in the aggregate for all Persons entitled to the benefit of this provision by virtue of this Agreement) pursuant hereto; provided further, that any such registration demanded by the Investor under this Section 6(b)(i) must be for an amount of Common Stock having an aggregate anticipated sales price of at least $25,000,000.

(ii) The rights of the Investor to demand the registration of its Registrable Securities shall continue until (A) all the Registrable Securities owned by it shall have been Transferred to transferees who are not entitled to the registration rights of the Investor hereunder in accordance with the terms hereof or, if earlier, (B) all its remaining Registrable Securities are eligible to be Transferred in Public Sales to U.S. persons in the United States without registration under the Securities Act and without being subject to volume limitations under Rule 144 under the Securities Act, provided, in the case of (B), that there is a public float of the Common Stock equal to at least fifteen per cent (15%) of the total outstanding shares of Common Stock.

(iii) If the Investor shall have demanded a registration of Registrable Securities then the Company shall:

(A) promptly give written notice of the proposed registration to all other shareholders entitled to piggyback registration rights under Section 6(c) hereof or any other contractual agreement of the Company (the "Other Shareholders") and

(B) as soon as practicable, use its best efforts to prepare and file with the Commission and cause to become effective such registration statement as would permit or facilitate the sale and distribution of all the Registrable Securities required to be covered thereby pursuant to the notice delivered by the Investor, together (subject to Section 6(b)(iv) below) with all or such portion of the securities of any Other Shareholders joining in such registration as are specified in written requests received by the Company within ten Business Days after written notice from the Company is delivered under Section 6(b)(iii)(A) above.

(iv) The Investor, at its election, shall have the Registrable Securities covered by its request distributed by means of an underwritten public offering with a single or managing underwriter selected by the Company and reasonably acceptable to the Investor. If any Other Shareholders so request, the securities of such Other Shareholders shall be included in the registration and underwriting being effected pursuant to this Section 6(b), subject to this Section 6(b)(iv). The Investor and the Company shall (together with all Other Shareholders proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected for such underwriting by the Company and reasonably acceptable to the Investor (the "Representative"). Notwithstanding any other provision of this Section 6(b), if the Representative advises the Investor and the Company in writing that (A) marketing factors require a limitation on the number of shares to be underwritten or (B) the inclusion of shares held by officers and directors of the Company in the offering could, in the Representative's best judgment, materially reduce the offering price per share, then, in the case of the preceding clause (A), the Common Stock held by Other Shareholders shall be excluded from such underwriting to the extent so required by such limitations and, in the case of the preceding clause (B), the Common Stock held by officers and directors of the Company shall be excluded from such underwriting to the extent advised

by the Representative. If, after the exclusion of such shares, further reductions are required to meet the limitation on the number of shares to be underwritten as advised by the Representative, then the Investor may elect, in its sole discretion, to reduce the number of shares that shall be included in the underwriting by it by such number of shares as is necessary to comply with such limitation, but in no event to an amount which is below the minimum amount for a demand registration as provided in Section 6(b)(i). If the Investor does not so elect, then the registration of its shares under Section 6(b)(i) shall not proceed and shall be terminated without liability to any other Person. If the Representative has not limited the number of Registrable Securities or other securities to be underwritten, the Company may include its securities for its own account in such registration if the Representative so agrees and if the number of Registrable Securities which would otherwise have been included in such registration and underwriting shall not thereby be limited.

(v) Notwithstanding the foregoing, if the Company shall furnish to the Investor and the Other Shareholders a certificate signed by the President or Chief Executive Officer of the Company stating that, in the good faith judgment of the Board, it would be materially detrimental to the Company and its shareholders for such registration statement to be filed, then the Company shall have the right to defer such filing for a period of not more than ninety (90) days after the delivery of such certificate, provided that the Investor shall not be required to accept such a deferral more than twice in any twelve-month period; provided, that notwithstanding the provisions of clause (b)(i) above, the Investor shall have the right to up to two demand registrations within the nine-month period following the expiration of such deferral period.

(c) Piggyback Registration.

(i) If the Company shall determine to register any of its Common Stock either for its own account or for the account of any holder or holders of Common Stock (other than a registration on Form S-8 (or similar or successor form) relating solely to stock option, stock purchase or other employee benefit plans, or a registration on Form S-4 (or similar or successor form), or a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a registration statement covering the sale of Registrable Securities), the Company shall:

(A) promptly give to the Investor a written notice thereof (which shall include a list of the jurisdictions in which the Company intends to attempt to qualify such securities under the applicable blue sky or other state securities laws); and

(B) subject to Section 6(c)(ii) below, include in such registration (and any related qualification under blue sky laws or other compliance), and in any underwriting involved therein, all the Registrable Securities specified in a written request or requests made by the Investor within fifteen (15) days after the date written notice as described in Section 6(c)(i)(A) above is delivered by the

Company. Such written request may specify all or a part of the Registrable Securities.

(ii) If the registration of which the Company gives notice is for a Public Sale consisting of an underwritten public offering (in which event the underwriter shall be selected by the Company, in its sole discretion), the Company shall so advise the Investor as a part of the written notice given pursuant to Section 6(c)(i)(A). In such event, the right of the Investor to registration pursuant to this Section 6(c) shall be conditioned upon the Investor's participation in such underwriting and the inclusion of the Investor's Registrable Securities in the underwriting to the extent provided herein. The Investor, if its shares are to be included in such registration, shall (together with the Company and the Other Shareholders distributing their Common Stock through such underwriting) enter into an underwriting agreement in customary form with the Representative. Notwithstanding any other provision of this Section 6(c), if the Representative advises the Investor or the Company in writing that (A) the inclusion of shares held by the officers and directors of the Company in the offering could, in the Representative's best judgment, materially reduce the offering price per share, or (B) that marketing factors require a limitation on the number of shares to be underwritten, then, in the case of the preceding clause (A), the Common Stock held by officers and directors of the Company shall be excluded from such underwriting to the extent so advised by the Representative and, in the case of the preceding clause (B), the number of shares that may be included in the underwriting by the Investor and Other Shareholders requesting inclusion in such registration (but not the Company) shall be reduced, on a *pro rata* basis (based on the number of shares requested by the Investor and such Other Shareholders to be included in such registration), by such minimum number of shares as is necessary to comply with such limitation. If the Investor disapproves of the terms of any such underwriting, it may elect to withdraw therefrom by written notice to the Company and the Representative, given a reasonable period of time prior to the finalization of the underwriting arrangements. Any Registrable Securities or other securities excluded or withdrawn from such underwriting shall not be included in such registration. If at any time prior to the effective date of the registration statement, the Company shall determine for any reason not to register such securities, the Company may, at its election, give written notice of such determination to the Investor and, thereupon, shall be relieved of its obligation under this Section 6(c) to register any of the Registrable Securities in connection with such registration.

(iii) Number and Duration. The Investor shall be entitled to have its shares included in an unlimited number of registrations pursuant to this Section 6(c). The rights of the Investor to registration of its Registrable Securities under this Section 6(c) shall continue until (A) all the Registrable Securities owned by it shall have been Transferred to transferees who are not entitled to the registration rights of the Investor hereunder in accordance with the terms hereof or, if earlier, (B) all its remaining Registrable Securities are already included in an effective resale registration statement on Form S-3 or other appropriate form for continuous or delayed offerings or are eligible to be Transferred in Public Sales to U.S. persons in the United States without registration under the Securities Act and without being subject to volume limitations under Rule 144

under the Securities Act, provided, in the case of (B), that there is a public float of the Common Stock equal to at least fifteen per cent (15%) of the total outstanding shares of Common Stock.

(d) Expenses of Registration. Upon the exercise of registration rights set forth in this Section 6, the Company shall pay all Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to this Section 6, provided that such expenses shall not include Selling Expenses, which shall be borne by the Investor *pro rata* on the basis of the number of its shares so registered.

(e) Registration Procedures. In the case of each registration effected by the Company pursuant to this Section 6, the Company shall keep the Investor advised in writing as to the initiation of each registration and as to the completion thereof. In connection with any offering of Registrable Securities registered pursuant to clause (b) or (c) of this Section 6, at its expense, the Company shall:

(i) prepare and file with the Commission, as promptly as practical after receipt of a request for registration pursuant to this Section 6, a registration statement on any form for which the Company then qualifies, and which form shall be available for the sale of the Registrable Securities in accordance with the intended methods of distribution thereof, and use its best efforts to cause such registration statement to become and remain effective as provided herein; provided, that before filing with the Commission a registration statement or prospectus or any amendments or supplements thereto, the Company shall (A) furnish to the Investor copies of all such documents proposed to be filed for review and comment and (B) notify the Investor of any stop order issued or threatened by the Commission and take all reasonable actions required to prevent the entry of such stop order or to remove it if entered;

(ii) prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration effective (A) during the ten (10) Business Day period immediately following the date on which such registration statement shall be declared effective, and (B) subject to any obligation of the Investor to refrain from selling or offering to sell any Registrable Securities during a Blackout Period (as defined below), for one hundred twenty (120) days after the date of effectiveness or (C) if earlier, until the Investor has completed the distribution described in the registration statement relating thereto (but not before the expiration of the time periods referred to in Section 4(3) of the Securities Act and Rule 174 promulgated thereunder, or any successor provisions, if applicable). The Company shall be entitled to elect that a registration statement not be usable, for a reasonable period of time, but not in excess of one hundred twenty (120) consecutive days (a "Blackout Period"), if the Company determines in good faith that the use of such registration statement or the related prospectus would interfere with any pending financing, acquisition, corporate reorganization or any other material corporate development involving the Company or any of its Subsidiaries, or would require premature disclosure thereof, and the Company promptly gives the Investor written notice of such determination, containing a general statement of the reasons for

such postponement or restriction on use and an approximation of the anticipated delay; provided, however, that (x) the Company shall not be entitled to initiate a Blackout Period unless it shall concurrently forbid purchases or sales in the open market by directors, senior executives and other Affiliates of the Company, (y) the aggregate number of days included in all Blackout Periods during any consecutive twelve (12) month period shall not exceed two hundred forty (240) days, and (z) the period that the Company shall be required to maintain the effectiveness of the registration statement shall be increased by the aggregate number of days in the Blackout Periods. The Company shall give written notice to each shareholder of record included in the registration statement of the commencement and the termination of any Blackout Period;

(iii) furnish to each underwriter, if any, and the Investor such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits thereto), and the prospectus included in such registration statement (including each preliminary prospectus) in conformity with the requirements of the Securities Act, and such other documents incident thereto as the Investor may reasonably request from time to time in order to facilitate the disposition of the Registrable Securities owned by the Investor;

(iv) use its best efforts to register or qualify such Registrable Securities under the state securities or "blue sky" laws of such states as the Investor or the Representative reasonably request and do any and all other acts and things that may be reasonably necessary or advisable to enable the Investor and the underwriters to consummate the disposition in such jurisdictions of the Registrable Securities owned by the Investor; provided that the Company shall not be required as a result thereof to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this clause (iv), (B) subject itself to taxation or regulation of its business in any such jurisdiction in which it would not otherwise be so subject or (C) consent to general service of process in any jurisdiction in which it would not otherwise be subject to general service of process;

(v) use its best efforts to cause the Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Company to enable the Investor to consummate the disposition of such Registrable Securities;

(vi) immediately notify the Investor at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event that comes to the Company's attention, if as a result of such event the prospectus included in such registration statement contains an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading; and subject to the Blackout Period provisions in clause (ii) above, the Company shall promptly prepare and furnish to the Investor a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue