As filed with the Securities and Exchange Commission on March 16, 1999

Registration No. 333-71715

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1

TO

FORM S-4
REGISTRATION STATEMENT
Under
The Securities Act of 1933

CROWN CASTLE INTERNATIONAL CORP.
(Exact name of Registrant as specified in its charter)

Delaware	4899	76-0470458
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Number)	(I.R.S. Employer Identification Number)

Mr. Charles C. Green, III
510 Bering Drive
Suite 500
Houston, Texas 77057
(713) 570-3000
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Copies to:
Stephen L. Burns, Esq.
Cravath, Swaine & Moore
825 Eighth Avenue
New York, New York 10019

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. [_]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [_]

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine. Information contained herein is subject to completion or amendment. A Registration Statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the Registration Statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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+   +
+The information in this prospectus is not complete and may be changed. We may +
+not sell these securities until the registration statements filed with the   +
+Securities and Exchange Commission relating to these securities is effective. +
+This prospectus is not an offer to sell these securities and it is not   +
+soliciting an offer to buy these securities in any state where the offer or +
+sale is not permitted.   +
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Subject to Completion

March 16, 1999

Prospectus

CROWN CASTLE INTERNATIONAL CORP.

Offer to Exchange all Outstanding 12 3/4% Senior Exchangeable Preferred Stock due 2010 for 12 3/4% Senior Exchangeable Preferred Stock due 2010, which have been Registered under the Securities Act of 1933

This prospectus (and accompanying Letter of Transmittal) relates to our proposed offer to exchange up to $200,000,000 of our new 12 3/4% Senior Exchangeable Preferred Stock due 2010, which we refer to as the new preferred stock, which will be freely transferable, for any and all outstanding 12 3/4% Senior Exchangeable Preferred Stock due 2010 issued in a private offering on December 16, 1998, which we refer to as the old preferred stock. We refer to the new preferred stock and the old preferred stock collectively as the exchangeable preferred stock.

Expiration Date:

- The exchange offer expires at 5:00 p.m., New York City time, on [ ], 1999, unless extended.

Withdrawal Rights:

- Tenders of old preferred stock may be withdrawn at any time prior to the expiration of the exchange offer.

The New Preferred Stock:

- The terms of the new preferred stock are substantially identical to the terms of the old preferred stock, except that the new preferred stock will be freely tradeable.

The Exchange Debentures:

- The terms of the exchange debentures are substantially identical to the terms of the restricted exchange debentures, except that the exchange debentures will be freely tradeable.

Please see "Risk Factors" beginning on page 24 for a discussion of certain factors you should consider in connection with the exchange offer.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the new preferred stock or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We may amend or supplement this prospectus from time to time by filing amendments or supplements as required. You should read this entire prospectus (and accompanying Letter of Transmittal and related documents) and any amendments or supplements carefully before making your investment decision.

The date of this prospectus is , 1999.

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Our U.K. subsidiary, Castle Transmission Services (Holdings) Ltd., which we refer to as CTSH, publishes its consolidated financial statements in pounds sterling. For the convenience of the reader, this prospectus contains translations of certain pound sterling amounts into U.S. dollars at specified rates, or, if not so specified, at the noon buying rate in New York City for cable transfers in pounds sterling as certified for customs purposes by the Federal Reserve Bank of New York on December 31, 1998, of (Pounds)1.00 = $1.6628. No representation is made that the pound sterling amounts have been, could have been or could be converted into U.S. dollars at the rates indicated or any other rates. On March 15, 1999, the noon buying rate was (Pounds)1.00 = $1.6223.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. It may not contain all the information that is important to you. We encourage you to read this entire prospectus carefully.

The Company

We are a leading owner and operator of wireless communications and broadcast transmission infrastructure. After giving effect to the completion of the proposed transactions we describe in this prospectus, as of December 31, 1998, we owned or managed 6,105 towers, including 4,419 towers in the United States and Puerto Rico and 1,686 towers in the United Kingdom. Our customers currently include many of the world's major wireless communications and broadcast companies, including Bell Atlantic Mobile, BellSouth Mobility, AT&T Wireless, Nextel and the British Broadcasting Corporation.

Our strategy is to use our leading domestic and international position to capture the growing consolidation and build-out opportunities created by:

- the outsourcing of towers by major wireless carriers;
- the need for existing wireless carriers to expand coverage and improve capacity;
- the additional demand for towers created by new entrants into the wireless communications industry;
- the privatization of state-run broadcast transmission networks; and
- the introduction of new digital broadcast transmission technology and wireless technologies.

Our two main businesses are leasing antenna space on wireless and broadcast multi-tenant towers and operating broadcast transmission networks. We also provide complementary services to our customers, including network design, radio frequency engineering, site acquisition, site development and construction, antenna installation and network management and maintenance. We believe that our end-to-end service capabilities are a key competitive advantage in forming strategic partnerships to acquire large wireless and broadcast tower portfolios and in winning tower construction mandates.

Our primary business in the United States is the leasing of antenna space to wireless carriers under long-term contracts. After completion of the proposed transactions we describe in this prospectus, we will have tower clusters in 26 of the 50 largest U.S. metropolitan areas, 23 of which are east of the Mississippi river. We believe that by owning and managing large tower clusters we are able to offer our customers the ability to expand their networks rapidly and efficiently across particular markets or regions. Our acquisition strategy has been focused on adding tower clusters. For example, we have entered into agreements with both Bell Atlantic Mobile, which we refer to as BAM, and BellSouth Mobility, which we refer to as BellSouth, that will allow us to control and operate substantially all the towers in their 850 MHz networks in the eastern, southwestern and midwestern United States.

Our primary business in the United Kingdom is the operation of television and radio broadcast transmission networks. Our towers provide broadcast coverage to 99% of the population and substantially all of the major metropolitan markets. In 1997, we acquired the BBC's national broadcast transmission infrastructure and network services. Following the acquisition of the BBC's tower infrastructure, we were awarded long-term contracts to provide the BBC and other broadcasters analog and digital transmission services. We also lease antenna space to wireless operators in the United Kingdom on the towers we acquired from the BBC and from various wireless carriers. After completion of the One2One transaction described in this prospectus, we will have a nationwide wireless footprint in the United Kingdom. We believe that our towers are uniquely situated in locations that wireless carriers seeking to lease antenna space find particularly desirable.

We believe our towers are attractive to a diverse range of wireless communications industries, including PCS, cellular, ESMR, SMR, paging, and fixed microwave, as well as radio and television broadcasting. In the

United States our major customers include AT&T Wireless, Aerial, BAM, BellSouth Mobility, Motorola, Nextel, PageNet and Sprint PCS. In the United Kingdom our major customers include the BBC, Cellnet, Dolphin, NTL, ONdigital, One2One, Orange, Virgin Radio and Vodafone.

We have embarked on a major construction program for our customers to enhance our tower footprint. In 1998, we constructed 231 towers at an aggregate cost of approximately $46.0 million, and had begun construction of an additional 72 towers as of December 31, 1998. In 1999, we plan to construct between 800 and 1,100 towers at an estimated aggregate cost of between $150.0 million and $200.0 million for wireless carriers such as BAM, BellSouth and Nextel. The actual number of towers built may be outside that range depending on acquisition opportunities and potential build-to-suit contracts from large wireless carriers. In addition, we were selected to build and operate in the United Kingdom the world's first digital terrestrial television system.

Industry Overview

As the wireless communications industry has become more competitive, wireless carriers have sought operating and capital efficiencies by outsourcing network services and the build-out and operation of new and existing infrastructure. These carriers have also begun co-locating transmission equipment with other carriers on multiple tenant towers. We believe that there has been a fundamental shift in strategy among established carriers relating to infrastructure ownership. In order to concentrate on their customer bases and expansion of their service offerings, many such carriers have begun to sell their wireless communications infrastructure to, or establish joint ventures with, experienced infrastructure providers that have the proven ability to manage networks.

The television broadcasting industry is experiencing significant change because of the impending widespread deployment of digital terrestrial television broadcasting. Many countries are expected to start to establish digital services within the next five years. The shift to digital transmission will require network design, development and engineering services and the significant enhancement of existing broadcast transmission infrastructure, including new transmission and monitoring equipment and the modification, strengthening and construction of towers. In addition, state-run broadcast transmission networks are continuing to be privatized throughout the world.

We expect these trends to continue globally in both the wireless communications and broadcasting industries. We believe that the next logical step for wireless carriers and broadcasters will be the outsourcing of the operation of their towers and transmission networks, including the transmission of their signals, in much the same way as the BBC has done with its transmission network. We believe that such carriers and broadcasters will only entrust the operation of their towers and the transmission of their signals to those infrastructure providers, such as us, that have the ability to manage towers and transmission networks and a proven track record of providing end-to-end services to the wireless communications and broadcasting industries.

Growth Strategy

Our objective is to become the premier global provider of wireless communications and broadcast transmission infrastructure and related services. Our experience in expanding tower footprints and operating analog and digital transmission networks, our significant relationships with wireless carriers and broadcasters and our ability to offer customers our in-house technical and operational expertise positions us to accomplish this objective. The key elements of our growth strategy are to:

Maximize Utilization of Tower Capacity. We seek to increase the number of antenna leases on the towers and rooftops that we own or manage. Many of our towers have significant capacity for additional antennas. We can increase the number of tenants on these towers at a low incremental cost.

Leverage Expertise of U.S. and U.K. Personnel to Capture Global Growth Opportunities. Our ability to design, develop (build) and operate wireless communications and broadcast transmission networks, including the transmission of signals, is an important competitive advantage in our pursuit of growth opportunities, as evidenced by the BBC, One2One, BAM, BellSouth and Powertel transactions.

Partner with Wireless Carriers to Assume Ownership of their Existing Towers. We will continue to seek to partner with major wireless carriers in order to assume ownership of their towers directly or through joint ventures or control their towers through contractual arrangements. We believe that we will be able to capitalize on our relationships with our strategic partners and customers with international operations to expand our global footprint.

Provide Build-to-Suit Towers for Wireless Carriers and Broadcasters. We are aggressively pursuing build-to-suit opportunities. As wireless carriers continue to expand and fill-in their service areas, they will require additional communications sites and will have to build new towers where co-location is not available. Similarly, the introduction of digital terrestrial television broadcasting in the United States and elsewhere in the world will require the construction of new broadcast towers to accommodate new digital transmission equipment and analog transmission equipment displaced from existing towers.

Acquire Existing Broadcast Transmission Networks. We intend to pursue selective acquisitions of broadcast transmission networks and related infrastructure around the world. We believe we can capitalize on the experience we have gained through the acquisition of the BBC's broadcast transmission network and our roll-out of digital television transmission services throughout the United Kingdom.

Continue to Decentralize Management Functions. In order to better manage our tower lease-up efforts and build-out programs, and in anticipation of the continued growth of our tower footprint throughout the United States, we have begun and plan to continue decentralizing some management and operational functions. To that end, in addition to our Pittsburgh operating headquarters and regional office, we have opened five regional offices and plan to add 10 additional regional offices in connection with the proposed transactions described below.

Proposed Transactions

Proposed BAM JV

On December 8, 1998, we entered into an agreement, which we call the Formation Agreement, with BAM to form a joint venture to own and operate approximately 1,427 towers. These towers represent substantially all the towers in BAM's 850 MHz wireless network in the eastern and southwestern United States and provide coverage of 11 of the top 50 U.S. metropolitan areas, including New York, Philadelphia, Boston, Washington, D.C. and Phoenix. A substantial majority of these towers are over 100 feet tall and can accommodate multiple tenants.

Upon its formation, we will manage the day-to-day operations of the proposed joint venture. Concurrently with the formation of the joint venture, BAM and the joint venture will enter into a master build-to-suit agreement pursuant to which the joint venture will build and own the next 500 towers to be built for BAM's wireless communications business. The joint venture will have the right to build an additional 200 towers for BAM thereafter. Pursuant to a global lease agreement, BAM will lease antenna space on the towers transferred to the joint venture, as well as the towers built pursuant to the build-to-suit agreement.

Upon its formation, we will own approximately 62.3% of the joint venture and BAM and certain of its affiliates will own the other 37.7% along with a 0.001% interest in the joint venture's operating subsidiary. To form the proposed joint venture, we will contribute $250.0 million in cash and approximately 15.6 million shares of our common stock (valued at $197.0 million) to the joint venture. BAM and its affiliates will transfer approximately 1,427 towers along with related assets and liabilities to the joint venture. The joint venture expects

to borrow $180.0 million under a committed $250.0 million revolving credit facility, following which the joint venture will make a $380.0 million cash distribution to BAM. The joint venture initially will have approximately $46.0 million of cash to fund its operations and pay costs and expenses associated with building new towers.

Proposed BellSouth Transaction

On March 8, 1999, we entered into a preliminary agreement, which we call the Letter Agreement, with BellSouth and certain of its affiliates to control and operate approximately 1,850 towers. These towers represent substantially all the towers in BellSouth's 850 MHz wireless network in the southeastern and midwestern United States and provide coverage of 12 of the top 50 U.S. metropolitan areas, including Miami, Atlanta, Tampa, Nashville and Indianapolis. A substantial majority of these towers are over 100 feet tall and can accommodate multiple tenants.

We will be responsible for managing, maintaining, marketing and leasing the available space on BellSouth's towers. BellSouth will enter into a master build-to-suit agreement with us pursuant to which we will have the right to build, control and operate the next 500 towers to be built for BellSouth's wireless communications business. BellSouth will lease antenna space on the towers subject to the Letter Agreement, as well as the towers built pursuant to the build-to-suit agreement.

The transaction is structured as a taxable sale pursuant to a master sublease. While we will have complete responsibility for the towers and will receive all the economic benefits of leasing available space on the towers, BellSouth will continue to own the tower infrastructure. We will pay BellSouth $610.0 million, consisting of $430.0 million in cash and approximately 9.1 million shares of our common stock (valued at $180.0 million), subject to adjustment. While the transaction is expected to close in a series of closings beginning in the second quarter of 1999, we will begin marketing all the towers immediately. In connection with our entering into the Letter Agreement, we have placed $50.0 million in an escrow account which will be returned to us at the first closing date. See "Risk Factors--We May Not Consummate the Proposed Transactions."

Proposed Powertel Acquisition

On March 15, 1999, we entered into an agreement, which we call the Asset Purchase Agreement, with Powertel to purchase approximately 650 towers and related assets. These towers represent substantially all of Powertel's owned towers in its 1.9 GHz wireless network in the southeastern and midwestern United States. Approximately 90% of these towers are clustered in seven southeastern states, providing coverage of such major metropolitan areas as Atlanta, Birmingham, Jacksonville, Memphis and Louisville, and a number of major connecting highway corridors in the southeast. These towers are complementary to BellSouth's 850 MHz footprint in the southeast and have minimal coverage overlap. Substantially all of these towers are over 100 feet tall, were built within the last three years and can accommodate multiple tenants.

Concurrently with the tower acquisition, we will enter into master lease agreements pursuant to which Powertel will lease antenna space on the towers we acquire in the acquisition.

We will purchase the 650 towers from Powertel for an aggregate cash purchase price of $275.0 million. Pursuant to the Asset Purchase Agreement and a related escrow agreement, we have placed $50.0 million in escrow to be applied to the purchase price at closing. See "Risk Factors--We May Not Consummate the Proposed Transactions".

Proposed One2One Transaction

On March 5, 1999, we entered into an agreement, which we call the Framework Agreement, with One2One, pursuant to which our U.K. operating subsidiary, which we call CTI, has agreed to manage, develop and, at its option, acquire up to 821 towers. These towers represent substantially all the towers in One2One's 1800 MHz nationwide wireless network in the United Kingdom. We believe this transaction will position us to capitalize on lease-up and build-out opportunities provided by the introduction of new wireless technologies such as UMTS.

CTI will be responsible for managing and leasing available space on the towers, and will receive all the income from any such third party leases. The term of the management arrangement will be for up to 25 years. During the three-year period following the closing, CTI will have the right, at its option, to acquire for (Pounds)1.00 per site One2One's interest in the 821 towers, to the extent such interests can be assigned. One2One has also agreed to include as part of the Framework Agreement, including CTI's right to acquire sites during the three-year period, any new One2One towers constructed during the term of the agreement.

As consideration for this transaction, CTI has agreed to provide One2One with free rent on the 821 towers for nine years, free rent on newly constructed One2One towers assigned to CTI for 15 years and free rent on CTI towers on which One2One currently leases space for two years.

Although we expect the Proposed BAM JV, the Proposed Powertel Acquisition and the Proposed One2One Transaction to be consummated during the first half of 1999, and the first closing of the Proposed BellSouth Transaction to be consummated by May 31, 1999, the operative agreements governing these transactions are subject to a number of significant conditions. Therefore, we cannot guarantee you that we will close any of these proposed transactions on the terms described in this document or at all. See "Risk Factors--We May Not Consummate the Proposed Transactions". When we refer to financial information in this prospectus as "after giving effect to" or "pro forma for" the Proposed Transactions, we mean after giving effect to the proposed transactions described above, other than the Proposed One2One Transaction, which does not have a material impact on our pro forma financial results.

Proposed Offerings

At the same time that we file this amendment to our exchange offer, we are filing a Registration Statement on Form S-1 in connection with a concurrent public underwritten offering of our common stock and our % Senior Discount Notes due 2011, which we refer to as the Proposed Offerings. The proceeds from the Proposed Offerings will be used, in part, to finance the Proposed BellSouth Transaction and the Proposed Powertel Acquisition.

Recent Transactions

On August 21, 1998, we increased our ownership interest in CTSH to 80.0% by consummating a share exchange with the shareholders of CTSH. The remaining 20.0% of CTSH's shares are owned by a company called TeleDiffusion de France, or TdF, whose ultimate parent is France Telecom. Immediately prior to the exchange, we converted all shares of our then existing preferred stock into shares of our common stock and reclassified our then existing common stock into shares of our common stock. We refer to the exchange and the conversions collectively as the Roll-Up. At that time, we also raised approximately $150.0 million in an initial public offering of our common stock. We have allocated the net proceeds from our IPO to finance a portion of our investment in the Proposed BAM JV.

On October 8, 1998, we acquired all the outstanding shares of Millennium Communications Limited for aggregate consideration of $14.5 million, consisting of cash, our common stock and the assumption of indebtedness. Millennium develops, owns and operates telecommunications towers and related assets in the United Kingdom. On the date of acquisition, Millennium owned 102 tower sites. Millennium is being operated as a subsidiary of CTI.

On December 21, 1998, we privately placed 200,000 shares of our 12 3/4% Senior Exchangeable Preferred Stock due 2010, with a liquidation preference of $1,000 per share. We used a portion of the net proceeds of the

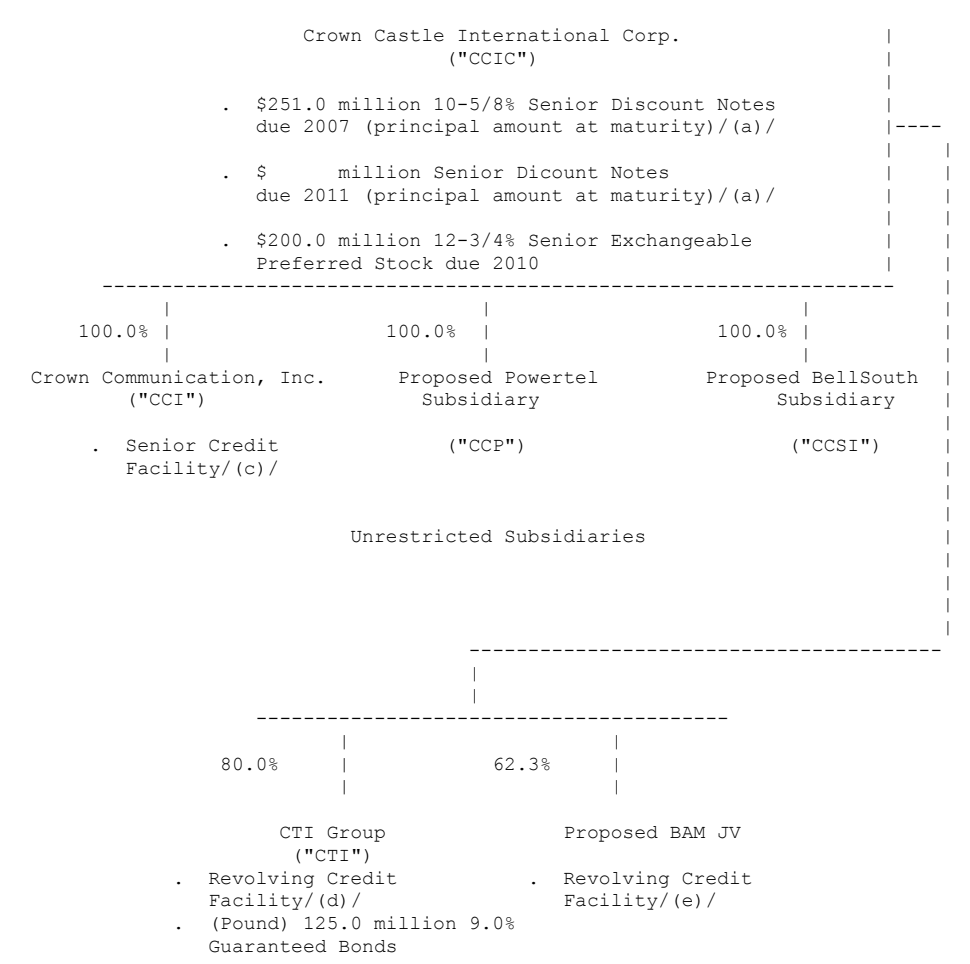
exchangeable preferred stock offering to repay substantially all of our then outstanding indebtedness under our senior credit facility. We have allocated the remaining net proceeds of the preferred stock offering to finance the balance of our investment in the Proposed BAM JV.

On March 15, 1999, we entered into a loan agreement to finance our escrow payments in connection with the Proposed BellSouth Transaction and the Proposed Powertel Acquisition. We intend to use a portion of the net proceeds of the offerings to repay all amounts outstanding under this loan agreement.

Our principal executive offices are located at 510 Bering Drive, Suite 500, Houston, Texas 77057, and our telephone number is (713) 570-3000.

Corporate Structure

The following chart illustrates, assuming the Proposed Transactions and the Proposed Offerings described in this prospectus had been completed, (1) the organizational structure of the Company and its principal subsidiaries and (2) our consolidated debt obligations. See "Capitalization" and "The Proposed Transactions".



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(a) As of December 31, 1998, the accreted value of our outstanding senior discount notes was $168.1 million.

(b) Our newly issued senior discount notes will have an initial accredited value of $300.0 million.

(c) As of December 31, 1998, $5.5 million was drawn of the $100.0 million revolving credit facility.

(d) As of December 31, 1998, (Pounds) 33.2 million was drawn of the (Pounds) 64.0 million revolving credit facility.

(e) The Company expects that the proposed joint venture will obtain a new credit facility of up to $250.0 million of revolving credit loans with availability subject to a borrowing base. The Company expects that $180.0 million will be drawn at the formation of the proposed joint venture.

The Offering

Summary of Terms of the Exchange Offer

The exchange offer relates to the exchange of up to $200,000,000 aggregate liquidation preference of our outstanding 12 3/4 Senior Exchangeable Preferred Stock due 2010, which we call the old preferred stock, for up to an equal aggregate liquidation preference of our 12 3/4 Senior Exchangeable Preferred Stock due 2010, which has been registered under the Securities Act of 1933 and which we call the new preferred stock. The shares of the new preferred stock will be our obligations as governed by the terms of the certificate of designations we filed on December 18, 1998 with the Secretary of State of the State of Delaware. The form and terms of the shares of the new preferred stock are identical in all material respects to the form and terms of the shares of the old preferred stock except:

- that the shares of the new preferred stock have been registered under the Securities Act,
- that the shares of the new preferred stock are not entitled to certain registration rights which are applicable to the shares of the old preferred stock under a registration rights agreement, and
- for certain liquidated damages provisions.

For more information, see "Description of Securities".

The Exchange Offer..... We are offering to exchange $1,000 liquidation preference of new preferred stock for each $1,000 liquidation preference of old preferred stock.

As of the date of this document, $200,000,000 in aggregate liquidation preference of old preferred stock is outstanding. The old preferred stock was originally issued in a private placement. As a condition to the purchase of the old preferred stock, the initial purchasers required that we make a registered offer to exchange the old preferred stock for other securities substantially similar to the old preferred stock. We are making this exchange offer to satisfy this contractual obligation.

Resale.....

Based on an interpretation by the staff of the Securities and Exchange Commission set forth in no-action letters issued to third parties, we believe that new preferred stock issued pursuant to the exchange offer in exchange for old preferred stock may be offered for resale, resold and otherwise transferred by you (unless you are our "affiliate" within the meaning of Rule 405 under the Securities Act of 1933, or a broker-dealer which acquired the old preferred stock directly from us) without compliance with the registration and prospectus delivery provisions of the Securities Act of 1933, provided that you are acquiring the new preferred stock in the ordinary course of your business and that you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in the distribution of the new preferred stock. Each participating broker-dealer that receives shares of new preferred stock for its own account pursuant to the exchange offer in exchange for shares of old preferred stock that were acquired as a result of market-making or other trading activity must acknowledge that it will deliver a prospectus in connection with any resale of the shares of new preferred stock. See "Plan of Distribution".

	Any holder of old preferred stock who (i) is our affiliate, (ii) does not acquire new preferred stock in the ordinary course of its business, (iii) tenders in the exchange offer with the intention to participate, or for the purpose of participating, in a distribution of new preferred stock or (iv) is a broker-dealer that acquired the old preferred stock directly from us, must comply with the registration and prospectus delivery requirements of the Securities Act of 1933 in connection with the resale of the new preferred stock.
Expiration Date.....	5:00 p.m., New York City time, on , 1999, (20 business days after effectiveness of the registration statement of which this prospectus is a part), unless we extend the exchange offer, in which case the term "Expiration Date" means the latest date and time to which the exchange offer is extended.
Certain Conditions to the Exchange Offer.....	The exchange offer is subject to certain customary conditions, which we may waive. For more information, see "The Exchange Offer--Conditions to the Exchange Offer".
Special Procedures for Beneficial Holders.....	If you are a beneficial owner whose shares of old preferred stock are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender in the exchange offer, you should contact the person in whose name your shares of old preferred stock are registered promptly and instruct such person to tender on your behalf. If you wish to tender in the exchange offer on your own behalf, you must, prior to completing and executing the Letter of Transmittal and delivering your shares of old preferred stock, either make appropriate arrangements to register ownership of the shares of old preferred stock in your name or obtain a properly completed bond power from the person whose name your shares of old preferred stock are registered. The transfer of registered ownership may take considerable time.
Withdrawal Rights.....	Tenders may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date pursuant to the procedures described under "The Exchange Offer--Withdrawal of Tenders".
Acceptance of Old Preferred Stock and Delivery of New Preferred Stock.....	We will accept for exchange any and all shares of old preferred stock that are properly tendered in the exchange offer prior to 5:00 p.m., New York City time, on the expiration date. The shares of new preferred stock will be delivered promptly after the expiration date. For more details, see "The Exchange Offer--Terms of the Exchange".
Certain Tax Consequences....	The exchange pursuant to the exchange offer will generally not be a taxable event for Federal income tax purposes. For more details, see "Certain U.S. Federal Income Tax Considerations".

Use of Proceeds.....	We will not receive any proceeds from the exchange pursuant to the exchange offer. See "Use of Proceeds".
Exchange Agent.....	ChaseMellon Shareholder Services, L.L.C. is serving as exchange agent in connection with the exchange offer.

Summary Description of the Securities to be Registered

The New Preferred Stock:

Securities Offered.....	200,000 shares of 12 3/4% Senior Exchangeable Preferred Stock due 2010 with a liquidation preference of $1,000 per share. We have the option to exchange the Exchangeable Preferred Stock, in whole but not in part, for 12 3/4% Senior Subordinated Exchange Debentures due 2010.
Dividends.....	Annual fixed rate of 12 3/4%. We will declare and pay dividends on March 15, June 15, September 15 and December 15 of each year, commencing on March 15, 1999. On or before December 15, 2003, we have the option to pay dividends in cash or in additional fully paid and non-assessable shares of new preferred stock having an aggregate liquidation preference equal to the amount of such dividends. After December 15, 2003, we will pay dividends only in cash.
Mandatory Redemption.....	We will be required to redeem all of the shares of new preferred stock outstanding on December 15, 2010 at a redemption price equal to 100% of the liquidation preference of such shares, plus accumulated and unpaid dividends to the date of redemption.
Optional Redemption.....	On or after December 15, 2003, we may redeem some or all of the shares of new preferred stock at any time at the redemption prices (together with accumulated and unpaid dividends, if any, to the date of redemption) listed in the section "Description of Securities--Description of Senior Exchangeable Preferred Stock" under the heading "Optional Redemption". In addition, before December 15, 2001, we may redeem up to 35% of the outstanding shares of new preferred stock with the proceeds of certain public equity offerings or strategic equity investments at a redemption price equal to 112.750% of the liquidation preference of the new preferred stock, together with accumulated and unpaid dividends, if any, to the date of redemption.
Change of Control.....	If we experience specific kinds of changes in control, we will be required to make an offer to purchase any and all shares of new preferred stock for cash at a purchase price of 101% of the liquidation preference of such shares, together with all accumulated

and unpaid dividends to the date of purchase. However, our repurchase of new preferred stock under these circumstances must comply with certain provisions of the indenture governing our outstanding senior notes. If we were unable to comply with those provisions and fail to repurchase new preferred stock, then holders of the new preferred stock would be entitled to certain voting rights. In addition, there can be no assurance that we will have sufficient funds to repurchase the new preferred stock in the event of a change of control or that our creditors will otherwise allow us to make the repurchase. See "Risk Factors--Repurchase of the Exchangeable Preferred Stock or the Exchange Debentures Upon a Change of Control".

Ranking.....

The new preferred stock will rank (1) senior to all our other classes of capital stock established after the issue date of the new preferred stock that do not expressly provide that they rank on a parity with the new preferred stock as to dividends and distributions upon the liquidation, winding up and dissolution of us and (2) on a parity with any class of capital stock established after the date of issuance of the new preferred stock the terms of which provide that such class or series will rank on a parity with the new preferred stock as to dividends and distributions upon our liquidation, winding up and dissolution.

Our obligations with respect to the new preferred stock are subordinate and junior in right of payment to all our present and future indebtedness, including the notes, and are effectively subordinate to all debt and liabilities (including trade payables) of our restricted and unrestricted subsidiaries.

Our creditors will have priority over the new preferred stock with respect to claims on our assets. See "Description of Securities-- Description of Senior Exchangeable Preferred Stock--Ranking."

Certain Covenants..... We will issue the new preferred stock pursuant to the terms of the certificate of designations that we filed on December 18, 1998 and which became part of our certificate of incorporation. The certificate of designations contains certain covenants that, among other things, limit our ability and the ability of certain of our subsidiaries to:

- borrow money;
- pay dividends on stock or purchase our capital stock;
- make investments; and
- sell assets or merge with or into other companies.

These covenants are subject to important exceptions and qualifications which are described in "Description of Securities-- Description of Senior Exchangeable Preferred Stock" under the heading "Certain Covenants."

Voting Rights.....	The new preferred stock will have no voting rights except as required by law and as specified in the certificate of designations. If we fail to meet our obligations under the covenants contained in the certificate of designations, the holders of the new preferred stock will be entitled to elect two additional members of our Board of Directors.
Exchange Feature.....	On any scheduled dividend payment date, we have the option to exchange all (but not less than all) of the shares of new preferred stock then outstanding for our 12 3/4% Senior Subordinated Exchange Debentures due 2010 which we call the exchange debentures. If we exercise our option to exchange, we will issue exchange debentures in an aggregate principal amount equal to the aggregate liquidation preference of the outstanding new preferred stock. The indenture governing our outstanding senior notes contains substantial restrictions on our ability to exchange new preferred stock for exchange debentures. See "Description of Securities--Description of Senior Exchangeable Preferred Stock--Exchange".
Registration Rights and Liquidated Damages.....	Holders of new preferred stock (except as described below) are not entitled to any registration rights with respect to the new preferred stock. Pursuant to a registration rights agreement, we agreed to file with the Commission within 60 days following the consummation of the offering a registration statement with respect to an offer to exchange the exchangeable preferred stock for a new series of our exchangeable preferred stock registered under the Securities Act, with terms substantially identical to the exchangeable preferred stock. We also agreed to use all commercially reasonable efforts to cause the registration statement to become effective within 150 days following consummation of the offering. If the exchange offer is not permitted by applicable law or is not consummated within the time periods specified in the registration rights agreement, we will be required to provide a shelf registration statement to cover resales of shares of exchangeable preferred stock by holders of such shares. If we fail to satisfy these registration obligations, we will be obligated to pay liquidated damages to holders of the exchangeable preferred stock at the rates listed in the section "Description of Securities--Registration Rights and Liquidated Damages".
The Exchange Debentures:	
Securities Offered.....	12 3/4% Senior Subordinated Exchange Debentures due 2010 in an aggregate principal amount equal to the aggregate liquidation preference of the new preferred stock outstanding on the date of the exchange, plus such principal amount of additional exchange debentures as may be issued in lieu of cash interest.
Maturity.....	December 15, 2010.

Interest.....	At an annual fixed rate of 12 3/4%. We will pay interest on each June 15 and December 15 of each year, commencing on the first of these dates that occurs after the date of the exchange. On or before December 15, 2003, we have the option to pay interest in cash or in additional exchange debentures in an aggregate principal amount equal to the amount of such interest. After December 15, 2003, we will pay interest only in cash.
Ranking.....	These exchange debentures are senior subordinated debts. They rank behind all of our current and future indebtedness (excluding trade payables) other than indebtedness that expressly provides that it is on a parity with or subordinated in right of payment to the exchange debentures.
Optional Redemption.....	On or after December 15, 2003, we may redeem some or all of the exchange debentures at any time at the redemption prices (together with accrued and unpaid interest, if any, to the date of redemption) listed in the section "Description of Securities--Description of Senior Subordinated Exchange Debentures" under the heading "Optional Redemption". In addition, before December 15, 2001, we may redeem up to 35% of the exchange debentures with the proceeds of certain public equity offerings or strategic equity investments at the price listed in the section "Description of Securities--Description of Senior Subordinated Exchange Debentures" under the heading "Optional Redemption". If we choose this option, we must redeem the exchange debentures within 60 days of receiving the proceeds.
Mandatory Offer to Repurchase.....	If we sell certain assets or experience specific kinds of changes of control, we must offer to repurchase the exchange debentures at the prices listed in the section "Description of Securities--Description of Senior Subordinated Exchange Debentures" under the heading "Repurchase at the Option of Holders".
Basic Covenants of the Exchange Indenture.....	If and when we issue the exchange debentures, we will issue them under an indenture with United States Trust Company of New York, as trustee. The indenture will, among other things, restrict our ability and the ability of certain of our subsidiaries to: .borrow money; .pay dividends on stock or purchase stock; .make investments; and .sell certain assets or merge with or into other companies.

	For more details, see the section "Description of Securities--Description of Senior Subordinated Exchange Debentures" under the heading "Certain Covenants".
Registration Rights; Liquidated Damages.....	If we exchange the old preferred stock into exchange debentures before we consummate a registered exchange offer for the old preferred stock, we will be required to make a registered exchange offer to all holders of exchange debentures. This registered exchange offer will give holders of exchange debentures the opportunity to exchange their debentures for new debentures that are substantially identical to the original debentures but have been registered under the Securities Act. If we fail to consummate the registered exchange offer within the required time frame, we will pay liquidated damages at the rates listed in the section "Description of Securities--Registration Rights and Liquidated Damages". We will continue to pay liquidated damages until we fulfill our registration obligations.

Risk Factors

You should carefully consider all of the information in this prospectus. In particular, you should evaluate the specific risk factors under "Risk Factors" for a discussion of certain risks related to your participation in the exchange offer.

Summary Unaudited Pro Forma Financial and Other Data

The unaudited pro forma financial and other data set forth below have been derived from the Pro Forma Financial Statements (as defined) included under "Unaudited Pro Forma Condensed Consolidated Financial Statements". The pro forma statement of operations data and other data for the year ended December 31, 1998, give effect to (1) the 1998 Transactions (as defined under "Unaudited Pro Forma Condensed Consolidated Financial Statements"), (2) the Proposed Offerings and (3) the Proposed Transactions (as defined under "Unaudited Pro Forma Condensed Consolidated Financial Statements") as if they had occurred on January 1, 1998. The pro forma balance sheet data give effect to the Proposed Offerings and the Proposed Transactions as if they had occurred on December 31, 1998. The unaudited pro forma financial and other data for the Restricted Group (as defined) are not intended as alternative measures of operating results, financial position or cash flow from operations (as determined in accordance with generally accepted accounting principles). The information set forth below should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Statements", "Selected Financial and Other Data of CCIC", "Selected Financial and Other Data of CTI", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the notes thereto of CCIC, CTI, Bell Atlantic Mobile Tower Operations and Powertel Tower Operations included elsewhere in this document.

	Company Pro Forma	Restricted Group Pro Forma
	Year Ended December 31, 1998	Year Ended December 31, 1998
	(Dollars in thousands)	
Statement of Operations Data:		
Net revenues:		
Site rental and broadcast transmission.....	$ 251,679	$ 72,286
Network services and other.....	50,299	32,217
Total net revenues.....	301,978	104,503
Costs of operations:		
Site rental and broadcast transmission.....	94,663	23,684
Network services and other.....	29,480	17,329
Total costs of operations.....	124,143	41,013
Expected incremental operating expenses for Proposed Transactions(a).....	21,054	15,917
General and administrative.....	28,571	21,153
Corporate development(b).....	4,633	4,625
Non-cash compensation charges(c).....	16,589	9,907
Depreciation and amortization.....	148,155	61,066
Operating income (loss).....	(41,167)	(49,178)
Other income (expense):		
Interest and other income (expense).....	4,945	1,101
Interest expense and amortization of deferred financing costs.....	(89,059)	(50,608)
Income (loss) before income taxes and minority interests.....	(125,281)	(98,685)
Provision for income taxes.....	(374)	(374)
Minority interests.....	1,307	--
Net income (loss).....	(124,348)	(99,059)
Dividends on preferred stock.....	(26,745)	(26,745)
Net income (loss) after deduction of dividends on preferred stock.....	$(151,093)	$(125,804)
Other Data:		
Site data(d):		
Towers and revenue producing rooftop sites at end of period.....		

	Company Pro Forma	Restricted Group Pro Forma
	Year Ended December 31, 1998	Year Ended December 31, 1998
	(Dollars in thousands)	
EBITDA(e):		
Site rental and broadcast transmission.....	$ 148,581	$ 46,823
Network services and other.....	683	(4,486)
Expected incremental operating expenses for Proposed Transactions (a).....	(21,054)	(15,917)
Corporate development expenses(b).....	(4,633)	(4,625)
Total EBITDA.....	$ 123,577	$ 21,795
Adjusted EBITDA(e).....	--	$
Capital expenditures.....	$ 202,553	88,535
Summary cash flow information:		
Net cash provided by operating activities.....	111,891	13,511
Net cash used for investing activities.....	(212,763)	(88,535)
Net cash provided by financing activities.....	1,042,743	1,010,263
Ratio of earnings to fixed charges(f).....	--	--
Ratio of EBITDA to cash interest expense(g).....	3.06x	6.23x

	Company Pro Forma As of December 31, 1998			Restricted Group Pro Forma As of December 31, 1998		
	Historical CCIC	Pro Forma for Proposed Offerings	Pro Forma for Proposed Offerings and Proposed Transactions	Historical CCIC	Pro Forma for Proposed Offerings	Pro Forma for Proposed Offerings and Proposed Transactions
	(Dollars in thousands)					
Balance Sheet Data:						
Cash and cash equivalents.....	$ 296,450	$ 962,575	$ 49,583	$ 41,785	$ 707,910 (h)	$ 3,293 (h)
Property and equipment, net.....	592,594	592,594	2,067,969	165,205	165,205	1,048,100
Total assets.....	1,523,230	2,200,230	2,769,269	1,130,685	1,807,685	2,184,994
Total debt.....	429,710	729,710	909,710	173,599	473,599	473,599
Net debt(i).....	133,260	(232,865)	860,127	131,814	(234,311)	470,306
Redeemable preferred stock.....	201,063	201,063	201,063	201,063	201,063	201,063
Total stockholders' equity	737,562	1,114,562	1,491,562	737,562	1,114,562	1,491,562

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(a) CCIC expects that it will incur incremental operating expenses as a result of the Proposed Transactions. Such incremental expenses are currently estimated to amount to approximately $5.2 million per year for the Proposed BAM JV and approximately $15.9 million per year for the Proposed BellSouth Transaction and the Proposed Powertel Acquisition. The Company has included the effect of these incremental expenses in the accompanying summary pro forma financial data in order to more accurately present the effect of the Proposed Transactions on CCIC's consolidated results of operations. The effect of these incremental expenses has not been reflected in the Unaudited Pro Forma Condensed Consolidated Statement of Operations included elsewhere in this document. See "Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations."

(b) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers.

(c) Represents charges related to the issuance of stock options to certain employees and executives.

(d) Represents the aggregate number of sites of CCIC, CTI, the Proposed BAM JV and the Proposed Powertel Acquisition at the end of the period. As of December 31, 1998, we had contracts with 1,365 buildings in the United States to manage on behalf of such buildings the leasing of space for antennas on the rooftops of such buildings. A revenue producing rooftop represents a rooftop where we have arranged a lease of space on such rooftop and, as such, are receiving payments in respect of our management contract. We generally do not receive any payment for rooftops under management unless we actually lease space on such rooftops to third parties. As of December 31, 1998, we had 1,284 rooftop sites under management throughout the United States that were not revenue producing rooftops but were available for leasing to customers and, in the United Kingdom, we had 54 revenue producing rooftop sites that were occupied by our transmitters but were not available for leasing to customers.

(e) EBITDA is defined as operating income (loss) plus depreciation and amortization and non-cash compensation charges. Adjusted EBITDA is defined as the sum of (i) annualized site rental and broadcast transmission EBITDA before corporate development for the most recent calendar quarter and (ii) EBITDA, less site rental and broadcast transmission EBITDA before corporate development, for the most recent four calendar quarters. EBITDA and Adjusted EBITDA are presented as additional information because management believes them to be useful indicators of our ability to meet debt service and capital expenditure requirements. They are not, however, intended as alternative measures of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, our measure of EBITDA may not be comparable to similarly titled measures of other companies.

(f) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes, minority interests and fixed charges. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the year ended December 31, 1998, our earnings were insufficient to cover our fixed charges by $125.3 million. For the year ended December 31, 1998, earnings were insufficient to cover fixed charges of the Restricted Group by $98.7 million.

(g) Total interest expense for the year ended December 31, 1998 includes amortization of deferred financing costs and discount of $47.2 million for CCIC, $0.9 million for CTI and $0.6 million for the Proposed BAM JV.

(h) Pro forma balances of cash and cash equivalents for the Restricted Group exclude $248.1 million of proceeds from the IPO and the offering of exchangeable preferred stock (along with interest earned on such amounts since the consummation of these transactions) that will be contributed to the Proposed BAM JV, of which approximately $45.9 million will remain in the Proposed BAM JV after its formation.

(i) Net debt represents total debt less cash and cash equivalents.

Summary Financial and Other Data of CCIC

The summary historical consolidated financial and other data for CCIC set forth below for each of the four years in the period ended December 31, 1998, and as of December 31, 1995, 1996, 1997 and 1998, have been derived from the consolidated financial statements of CCIC, which have been audited by KPMG LLP, independent certified public accountants. The results of operations for the year ended December 31, 1998 are not comparable to the year ended December 31, 1997, and the results for the year ended December 31, 1997 are not comparable to the year ended December 31, 1996 as a result of business acquisitions consummated in 1997 and 1998. Results of operations of these acquired businesses are included in the Company's consolidated financial statements for the periods subsequent to the respective dates of acquisition. The summary historical financial and other data for the Restricted Group (as defined) are not intended as alternative measures of operating results or cash flows from operations (as determined in accordance with generally accepted accounting principles). The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CCIC" and the consolidated financial statements and the notes thereto of CCIC included elsewhere in this document.

	Years Ended December 31,			
	1995	1996	1997	1998
	(Dollars in thousands)			
Statement of Operations Data:				
Net revenues:				
Site rental and broadcast transmission	$ 4,052	$ 5,615	$ 11,010	$ 75,028
Network services and other	6	592	20,395	38,050
Total net revenues	4,058	6,207	31,405	113,078
Costs of operations:				
Site rental and broadcast transmission	1,226	1,292	2,213	26,254
Network services and other	--	8	13,137	21,564
Total costs of operations	1,226	1,300	15,350	47,818
General and administrative	729	1,678	6,824	23,571
Corporate development(a)	204	1,324	5,731	4,625
Non-cash compensation charges(b)	--	--	--	12,758
Depreciation and amortization	836	1,242	6,952	37,239
Operating income (loss)	1,063	663	(3,452)	(12,933)
Other income (expense):				
Equity in earnings (losses) of unconsolidated affiliate	--	--	(1,138)	2,055
Interest and other income (expense)(c)	53	193	1,951	4,220
Interest expense and amortization of deferred financing costs	(1,137)	(1,803)	(9,254)	(29,089)
Loss before income taxes and minority interests	(21)	(947)	(11,893)	(35,747)
Provision for income taxes	--	(10)	(49)	(374)
Minority interests	--	--	--	(1,654)
Net loss	(21)	(957)	(11,942)	(37,775)
Dividends on preferred stock	--	--	(2,199)	(5,411)
Net loss after deduction of dividends on preferred stock	$ (21)	$ (957)	$(14,141)	$(43,186)
Loss per common share--basic and diluted	$ (0.01)	$ (0.27)	$ (2.27)	$ (1.02)
Common shares outstanding--basic and diluted (in thousands)	3,316	3,503	6,238	42,518

	Years Ended December 31,			
	1995	1996	1997	1998
	(Dollars in thousands)			
Other Data:				
Site data (at period end)(d):				
Towers owned	126	155	240	1,344
Towers managed	7	7	133	129
Rooftop sites managed (revenue producing)(e)	41	52	80	135
Total sites owned and managed	174	214	453	1,608
EBITDA(f):				
Site rental	$ 2,697	$ 3,555	$ 7,682	$ 44,661
Network services and other	(594)	(326)	1,549	(2,972)
Corporate development expenses(a)	(204)	(1,324)	(5,731)	(4,625)
Total EBITDA	$ 1,899	$ 1,905	$ 3,500	$ 37,064
Restricted Group EBITDA	$ 1,899	$ 1,905	$ 3,500	$ 5,799
Capital expenditures	161	890	18,035	138,759
Summary cash flow information:				
Net cash provided by (used for) operating activities	1,672	(530)	(624)	44,976
Net cash used for investing activities	(16,673)	(13,916)	(111,484)	(149,248)
Net cash provided by financing activities	15,597	21,193	159,843	345,248
Ratio of earnings to fixed charges(g)	--	--	--	--
Balance Sheet Data (at period end):				
Cash and cash equivalents	$ 596	$ 7,343	$ 55,078	$ 296,450
Property and equipment, net	16,003	26,753	81,968	592,594
Total assets	19,875	41,226	371,391	1,523,230
Total debt	11,182	22,052	156,293	429,710
Redeemable preferred stock(h)	5,175	15,550	160,749	201,063
Total stockholders' equity (deficit)	619	(210)	41,792	737,562

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(a) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers. For the year ended December 31, 1997, such expenses include (i) nonrecurring cash bonuses of $0.9 million paid to certain executive officers in connection with the CTI Investment and (ii) a nonrecurring cash charge of $1.3 million related to the purchase by CCIC of shares of common stock from CCIC's former chief executive officer in connection with the CTI Investment. See "Certain Relationships and Related Transactions".

(b) Represents charges related to the issuance of stock options to certain employees and executives.

(c) Includes a $1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI in connection with the CTI Investment.

(d) Represents the aggregate number of sites of CCIC as of the end of each period.

(e) As of December 31, 1998, CCIC had contracts with 1,365 buildings in the United States to manage on behalf of such buildings the leasing of space for antennas on the rooftops of such buildings. A revenue producing rooftop represents a rooftop where CCIC has arranged a lease of space on such rooftop and, as such, is receiving payments in respect of its management contract. CCIC generally does not receive any payment for rooftops under management unless CCIC actually leases space on such rooftops to third parties. As of December 31, 1998, CCIC had 1,284 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers and, in the United Kingdom, we had 54 revenue producing rooftop sites that were occupied by the Company's transmitters but were not available for leasing to customers.

(f) EBITDA is defined as operating income (loss) plus depreciation and amortization and non-cash compensation changes. EBITDA is presented as additional information because management believes it to be a useful indicator of CCIC's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CCIC's measure of EBITDA may not be comparable to similarly titled measures of other companies.

(g) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes, fixed charges and equity in earnings (losses) of unconsolidated affiliate. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the years ended December 31, 1995, 1996, 1997 and 1998, earnings were insufficient to cover fixed charges by $21,000, $0.9 million, $10.8 million and $37.8 million, respectively.

(h) The 1995, 1996 and 1997 amounts represent (1) the Senior Convertible Preferred Stock privately placed by CCIC in August 1997 and October 1997, all of which has been converted into shares of common stock, and (2) the Series A convertible preferred stock, the Series B convertible preferred stock and the Series C convertible preferred stock privately placed by CCIC in April 1995, July 1996 and February 1997, respectively, all of which has been converted into shares of common stock in connection with the consummation of the IPO. The 1998 amount represents the 12 3/4% exchangeable preferred stock.

You should carefully consider the risks described below, as well as the other information included in this prospectus, when evaluating your participation in the exchange offer.

There May be Consequences if You Fail to Exchange the Old Preferred Stock

We will issue new preferred stock in exchange for the old preferred stock pursuant to the exchange offer only following the satisfaction of the procedures and conditions set forth in "The Exchange Offer--Procedures for Tendering." Such procedures and conditions include timely receipt by the exchange agent of such shares of old preferred stock, and of a properly completed and duly executed Letter of Transmittal. Shares of old preferred stock which you do not tender or we do not accept will, following the exchange offer, continue to be restricted securities and you may not offer or sell them except pursuant to an exemption from, or in a transaction not subject to, the Securities Act of 1933 and applicable state securities law.

Any shares of old preferred stock tendered and exchanged in the exchange offer will reduce the aggregate principal amount of the old preferred stock outstanding. Following the exchange offer, if you did not tender your shares of old preferred stock you generally will not have any further registration rights, and such shares of old preferred stock will continue to be subject to certain transfer restrictions. Accordingly, the liquidity of the market for such shares of old preferred stock could be adversely affected. The shares of old preferred stock are currently eligible for sale pursuant to Rule 144A and Regulation S through the Private Offerings, Resale and Trading through Automated Linkages ("PORTAL") market of the National Association of Securities Dealers, Inc. Because we anticipate that most holders of old preferred stock will elect to exchange such shares of old preferred stock, we anticipate that the liquidity of the market for any shares of old preferred stock remaining after the consummation of the exchange offer may be substantially limited.

We May Not Be Able to Manage the Integration Necessitated by Our Rapid Growth

Our ability to implement our growth strategy depends, in part, on our successes in integrating our acquisitions, investments, joint ventures and strategic alliances into our operations. We have grown significantly over the past two years through acquisitions and, as evidenced by the Proposed Transactions, such growth continues to be an important part of our business plan. The addition of approximately 4,748 towers to our tower footprints through the Proposed Transactions will increase our current business considerably and will add operating complexities. Successful integration of these transactions will depend primarily on our ability to manage these combined operations and to integrate new management with and into our existing management. We cannot guarantee that we will be able to successfully integrate these acquired businesses and assets or any future acquisitions into our business or implement our plans without delay. If we fail to do so it could have a material adverse effect on our financial condition and results of operations.

We regularly evaluate potential acquisition and joint venture opportunities and are currently evaluating potential transactions that could involve substantial expenditures, possibly in the near term. Implementation of our acquisition strategy may impose significant strains on our management, operating systems and financial resources. If we fail to manage our growth or encounter unexpected difficulties during expansion it could have a material adverse effect on our financial condition and results of operations. The pursuit and integration of acquisitions, investments, joint ventures and strategic alliances will require substantial attention from our senior management, which will limit the amount of time they are able to devote to our existing operations. If we are successful in consummating future acquisitions, we may have to incur substantial amounts of debt and contingent liabilities and an increase in amortization expenses related to goodwill and other intangible assets, all of which could have a material adverse effect on our financial condition and results of operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources".

Our Substantial Level of Indebtedness Could Adversely Affect Our Financial Condition

We are a highly leveraged company. The following chart sets forth certain important credit information and is presented as of December 31, 1998, (1) assuming we had completed the Proposed Offerings and (2) assuming we had completed the Proposed Offerings and consummated the Proposed Transactions, each as of December 31, 1998.

	Pro Forma for the Proposed Offerings	Pro Forma for the Proposed Offerings and the Proposed Transactions
	(Dollars in thousands)	
Total indebtedness	$ 729,710	$ 909,710
Redeemable preferred stock	201,063	201,063
Stockholders' equity	1,114,562	1,491,562
Debt and redeemable preferred stock to equity ratio	0.84x	0.74x

In addition, assuming we had completed the Proposed Transactions and the Proposed Offerings on January 1, 1998, for the twelve months ended December 31, 1998, our earnings would have been insufficient to cover fixed charges by $104.2 million.

Given our substantial indebtedness, we could be affected in the following ways:

- We could be more vulnerable to general adverse economic and industry conditions.
- We may find it more difficult to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements.
- We will be required to dedicate a substantial portion of our cash flow from operations to the payment of principal and interest on our debt, reducing the available cash flow to fund other projects.
- We may have limited flexibility in planning for, or reacting to, changes in our business and in the industry.
- We will have a competitive disadvantage relative to other less leveraged companies in our industry.

Our ability to service our debt and to fund planned capital expenditures in connection with our business strategy will depend, to a degree, on factors beyond our control, including general economic, financial, competitive and regulatory environments. We cannot guarantee that we will be able to generate enough cash flow from operations or that we will be able to obtain enough capital to service our debt or fund our planned capital expenditures. In addition, we may need to refinance some or all of our indebtedness on or before maturity. We cannot guarantee, however, that we will be able to refinance our indebtedness on commercially reasonable terms or at all.

Currently we have debt instruments in place which restrict our ability to incur more indebtedness, pay dividends, create liens, sell assets and engage in certain mergers and acquisitions. Some of our subsidiaries, under the debt instruments, are also required to maintain specific financial ratios. Our ability to comply with the restrictions of these instruments and to satisfy our debt obligations will depend on our future operating performance. If we fail to comply with the debt restrictions, we will be in default under those instruments, which in some cases would cause the maturity of substantially all of our long-term indebtedness to be accelerated. See "Description of Certain Indebtedness".

We May Not Consummate the Proposed Transactions or the Proposed Offerings

The Proposed Offerings are not conditioned on the consummation of the Proposed BAM JV, the Proposed BellSouth Transaction, the Proposed Powertel Acquisition or the Proposed One2One Transaction, and we cannot guarantee that we will complete any or all of these transactions. While we have signed definitive agreements

with respect to the Proposed BAM JV, the Proposed Powertel Acquisition and the Proposed One2One Transaction, and a preliminary agreement in connection with the Proposed BellSouth Transaction, there are many conditions that must be satisfied before we can close these transactions.

In addition, we cannot assure you that the transactions, if and when consummated, will be done so on the terms described in this prospectus. The Formation Agreement relating to the Proposed BAM JV, the Letter Agreement related to the Proposed BellSouth Acquisition, the Asset Purchase Agreement relating to the Proposed Powertel Acquisition and the Framework Agreement relating to the Proposed One2One Transaction include provisions that could result in our purchasing fewer towers at closing. If one or more of these transactions is not consummated or is consummated on significantly different terms than those described in this prospectus, it could substantially affect the implementation of our business strategy.

Moreover, if the Proposed BAM JV is not consummated, the net proceeds from the preferred stock offering would not be used to form the joint venture, and if the Proposed BellSouth Transaction or the Proposed Powertel Acquisition is not consummated, part of the net proceeds from the Proposed Offerings would not be used to consummate those transactions. Therefore, in either case, we would have substantial discretion in applying the proceeds of the exchangeable preferred stock offering and of the Proposed Offerings to other uses. See "-- We Will Have Broad Discretion in the Application of Proceeds from the Proposed Offerings". Further, we cannot guarantee that we would be able to identify any other acquisition of comparable value to our business or that any other acquisition that we did pursue would be on substantially the same economic terms as any of the proposed transactions we describe in this prospectus.

In connection with our entering into the Asset Purchase Agreement with Powertel, we made a $50.0 million escrow payment, which amount, or some portion thereof, is subject to our forfeit if the Proposed Powertel Acquisition does not close as a result of our inability or unwillingness to deliver the balance of the purchase price at the scheduled closing date. In connection with our entering into the Letter Agreement with BellSouth, we placed $50.0 million into an escrow fund. We could be forced to pay this amount to BellSouth if we do not enter into definitive agreements with respect to the Proposed BellSouth Transaction, or if we fail to comply with all conditions, covenants and representations we are required to fulfill in connection with the closings of the Proposed BellSouth Transaction. The loss of these escrow payments, alone or together, would significantly affect our available working capital and could have a material adverse effect on our ability to effect our business strategy. See "The Proposed Transactions".

We Require Significant Capital to Expand Our Operations and Make Acquisitions

Our business strategy contemplates substantial capital expenditures (1) in connection with the expansion of our tower footprints by partnering with wireless carriers to assume ownership or control of their existing towers, by pursuing build-to-suit opportunities and by pursuing other tower acquisition opportunities and (2) to acquire existing transmission networks globally as opportunities arise. We anticipate that we will build, through the end of 1999, approximately 750 towers in the United States at a cost of approximately $175.0 million and approximately 200 towers in the United Kingdom at a cost of approximately $23.0 million. We also expect that the capital expenditure requirements related to the roll-out of digital broadcast transmission in the United Kingdom will be approximately (Pounds)100.0 million ($170.0 million). In addition to capital expenditures in connection with contracted build-to-suits, we expect to apply a significant amount of capital to finance the cash portion of the consideration being paid in connection with the Proposed Transactions.

To fund the execution of the our business strategy, including the Proposed Transactions, we expect to use the net proceeds of the Proposed Offerings, the borrowings available under CCI's senior credit facility, the borrowings available under CTI's credit facility and the remaining net proceeds from our IPO and our 12 3/4% exchangeable preferred stock offering. Following consummation of the Proposed Offerings and assuming all the Proposed Transactions are consummated, we believe we will have sufficient liquidity to fund our operations and pursue our business strategy in the near term. Our business strategy, however, includes the pursuit of additional tower acquisition and build-out opportunities, and we may have additional cash needs as opportunities arise.

Some of the opportunities that we are currently pursuing could require significant additional capital. In the event we do not otherwise have cash available, or borrowings under our credit facilities have otherwise been utilized, when an opportunity arises, we would be forced to seek additional debt or equity financing or to forego the opportunity. In the event we determine to seek additional debt or equity financing, there can be no assurance that any such financing will be available (on commercially acceptable terms or at all) or permitted by the terms of our existing indebtedness. To the extent we are unable to finance future capital expenditures, we will be unable to achieve our currently contemplated business strategy. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources".

Our Ability to Pay Dividends on the Exchangeable Preferred Stock is Dependent on Several Factors

Our ability to pay any dividends is dependent on applicable provisions of state law, and our ability to pay cash dividends on the exchangeable preferred stock is subject to the terms of the 10 5/8% notes indenture, which currently prohibit us from paying cash dividends on any preferred stock, including the exchangeable preferred stock. Our ability to pay dividends on the exchangeable preferred stock in the future will depend on our meeting certain financial criteria. See "Description of Certain Indebtedness". Moreover, under Delaware law we are permitted to pay dividends on our capital stock, including the exchangeable preferred stock, only out of surplus, or if there is no surplus, out of net profits for the year in which a dividend is declared or for the immediately preceding fiscal year. Surplus is defined as the excess of a company's total assets over the sum of its total liabilities plus the par value of its outstanding capital stock. In order to pay dividends in cash, we must have surplus or net profits equal to the full amount of the cash dividend at the time such dividend is declared. We cannot predict what the value of our assets or the amount of the liabilities will be in the future and, accordingly, we cannot guarantee that we will be able to pay cash dividends on the exchangeable preferred stock.

The Exchangeable Preferred Stock is Subordinated to Our Other Debt

Our obligations with respect to the exchangeable preferred stock are subordinate and junior in right of payment to all our present and future indebtedness, including the Notes. In the event of a bankruptcy, liquidation or reorganization, our assets will be available to pay obligations on the exchangeable preferred stock only after we have paid all other indebtedness. Therefore, we may not have sufficient assets remaining to pay amounts due on any or all of the exchangeable preferred stock then outstanding.

While any shares of exchangeable preferred stock are outstanding, we may not authorize, create or increase the amount of any class or series of stock that ranks senior to the exchangeable preferred stock with respect to the payment of dividends or amounts upon liquidation, dissolution or winding up without the consent of the holders of a majority of the outstanding shares of exchangeable preferred stock. However, without the consent of any holder of exchangeable preferred stock, we may create additional classes of stock, increase the authorized number of shares of preferred stock or issue a new series of stock that ranks pari passu with or junior to the exchangeable preferred stock with respect to the payment of dividends and amounts upon liquidation, dissolution or winding up.

If We Issue the Exchange Debentures, They Will be Subordinated to Our Other Debt

If the exchange debentures are issued, they will rank behind all of our existing indebtedness (other than trade payables) and all of our future borrowings (other than trade payables), except any future indebtedness that expressly provides that it ranks equal with, or subordinated in right of payment to, the exchange debentures. As a result, upon any distribution to our creditors in a bankruptcy, liquidation or reorganization or similar proceeding relating to us or our property, the holders of our senior debt will be entitled to be paid in full in cash before any payment may be made with respect to the exchange debentures.

In addition, all payments on the exchange debentures will be blocked in the event of a payment default on senior debt and may be blocked for up to 179 of 360 consecutive days in the event of certain non-payment defaults on senior debt.

In the event of a bankruptcy, liquidation or reorganization or similar proceeding relating to our company, holders of the exchange debentures will participate with trade creditors and all other holders of subordinated indebtedness of the company in the assets remaining after we have paid all of the senior debt. However, because the indenture requires that amounts otherwise payable to holders of senior debt instead, holders of the exchange debentures may receive less, ratably, than holders of trade payables in any such proceeding. In any of these cases, we may not have sufficient funds to pay all of our creditors and holders of exchange debentures may receive less, ratably, than the holders of senior debt.

On December 31, 1998, we had $545.4 million of outstanding indebtedness and other liabilities (including approximately $375.9 million of indebtedness and other liabilities of our subsidiaries), all of which would have been senior in right of payment to the exchange debentures. Assuming we had consummated the Proposed Transactions and the Proposed Offerings and applied the net proceeds as intended on December 31, 1998, as of that date we would have had $1,025.7 million of indebtedness and other liabilities (including $556.2 million of indebtedness and other liabilities of our subsidiaries). See "Description of Securities--Description of the Senior Subordinated Exchange Debentures--Ranking".

We May Be Required to Offer to Repurchase of the Exchangeable Preferred Stock or the Exchange Debentures Upon a Change of Control

Under the certificate of designation (in the case of the exchangeable preferred stock) and the exchange indenture (in the case of the exchange debentures), in the event of certain changes of control of CCIC:

- we are required to offer to purchase all outstanding shares of exchangeable preferred stock, in whole or in part, at a purchase price equal to 101% of its aggregate liquidation preference, plus accumulated and unpaid dividends; and

- each holder of exchange debentures may require us to purchase their exchange debentures, in whole or in part, at a purchase price equal to 101% of their aggregate principal amount, plus any accrued and unpaid interest.

In the case of the senior exchangeable preferred stock, our offer to repurchase upon a change of control must comply with certain provisions of our existing senior notes indenture. If we are unable to comply with those provisions and fail to repurchase senior exchangeable preferred stock, then holders of the senior exchangeable preferred stock would be entitled to certain voting rights. In addition, if a change of control were to occur, we may not have the financial resources to repurchase all of the exchangeable preferred stock and/or exchange debentures and repay any other indebtedness that would become payable upon the occurrence of the change of control. This feature of the exchangeable preferred stock and exchange debentures may in certain circumstances discourage or make more difficult a sale or takeover of us.

We Will Have Broad Discretion in the Application of Proceeds from the Proposed Offerings

We will allocate a substantial portion of the estimated net proceeds from the Proposed Offerings to fund the Proposed BellSouth Transaction and the Proposed Powertel Acquisition and for general corporate purposes. In addition, we may use these funds for as yet unidentified acquisitions, investments or joint ventures in the United States or abroad, especially if any or all of the Proposed Transactions are not consummated. If we do not consummate any or all of the Proposed Transactions, we would have a significant amount of unallocated net proceeds. Due to the number and variability of factors that we will analyze before we determine how to use these net proceeds, we cannot determine now how we would reallocate such proceeds. In addition, in such case we would have broad discretion in allocating these net proceeds from the offerings without any action or approval of our stockholders. Moreover, the indenture governing the issuance of the notes will not contain any restrictions on the use of proceeds from the Proposed Offerings. Accordingly, investors will not have the opportunity to evaluate the economic, financial and other relevant information that will be considered by us in determining the application of any such net proceeds.

As a Holding Company, We Depend on Dividends from Subsidiaries to Meet Cash Requirements or Pay Dividends

Crown Castle International Corp. is a holding company with no business operations of its own. CCIC's only significant asset is the outstanding capital stock of its subsidiaries. CCIC conducts all its business operations through its subsidiaries. Accordingly, CCIC's only source of cash to pay dividends or make other distributions on its capital stock or to pay interest on its outstanding indebtedness is distributions with respect to its ownership interest in its subsidiaries from the net earnings and cash flow generated by such subsidiaries. Although the notes to be issued in the proposed debt offering will not require cash interest payments until , at such time the notes to be issued in the proposed debt offering will have accreted to $ million and will require annual cash interest payments of . In addition, the notes to be issued in the proposed debt offering will mature on . In addition, we will be required to begin paying cash interest payments on our 10 5/8% discount notes in May 2003 and on our 12 3/4% exchangeable preferred stock in March 2004. CCIC currently expects that the earnings and cash flow of its subsidiaries will be retained and used by such subsidiaries in their operations, including to service their respective debt obligations. Even if CCIC determined to pay a dividend on or make a distribution in respect of the capital stock of its subsidiaries, there can be no assurance that CCIC's subsidiaries will generate sufficient cash flow to pay such a dividend or distribute such funds to CCIC or that applicable state law and contractual restrictions, including negative covenants contained in the debt instruments of such subsidiaries, would permit such dividends or distributions. Furthermore, the terms of CCI's senior credit facility and its outstanding notes place restrictions on CCI's ability, and the terms of CTI's credit facility and its outstanding bonds place restrictions on CTI's ability, to pay dividends or to make distributions, and in any event, such dividends or distributions may only be paid if no default has occurred under the applicable instrument. In addition, CCIC's subsidiaries will be permitted under the terms of their existing debt instruments to incur additional indebtedness that may restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to CCIC. See "--Our Substantial Level of Indebtedness Could Adversely Affect Our Financial Condition" and "Description of Certain Indebtedness".

Our Agreements with TdF Give TdF Substantial Governance and Economic Rights

We have entered into agreements with TdF that give TdF significant protective rights with respect to the governance of CCIC and CTI, the ownership of CTI and the disposition of shares in CCIC and CTI. CTI's operations currently account for a substantial majority of our revenues.

TdF's Governance Rights

We have granted TdF the ability to govern some of our activities, including the ability to:

- prohibit us from entering into certain material transactions, including material acquisitions;
- elect up to two members of our Board of Directors; and
- elect at least one director to the executive and nominating and corporate governance committees of our Board of Directors.

In addition, TdF has significant governance rights over CTI. Although TdF currently has only a 20% equity interest in CTI, these governance rights give TdF generally rights characteristic of those that a 50% partner to a joint venture would have.

TdF's exercise of these rights could be contrary to your interests and could prevent us from conducting some activities that our Board of Directors consider to be in our best interests and the best interests of our shareholders. See "Certain Relationships and Related Transactions--Agreements with TdF Related to the Roll Up--Governance Agreement".

TdF's CTSH Option

Under the circumstances described below, TdF also will have the right to acquire all of our shares in CTSH or to require us to purchase all of TdF's shares in CTSH, at fair market value in either case. This right will be triggered under the following circumstances:

- the sale of all or substantially all of our assets;
- a merger, consolidation or similar transaction that would result in any person owning more than 50% of our voting power or equity securities;
- an unsolicited acquisition by any person of more than 25% of our voting power or equity securities; or
- other circumstances arising from an acquisition by any person that would give rise to a right of the BBC to terminate our analog or digital transmission contracts with the BBC.

Further, immediately before any of these events occurs, TdF will have the right to require us to purchase 50% of their Class A common stock in cash at the same price we would have to pay once the event occurs.

If we were required to sell our shares in CTSH to TdF, we would no longer own our U.K. business. On the other hand, if we were required to purchase all of TdF's shares in CTSH and/or purchase 50% of their Class A common stock, we cannot guarantee that we would have the necessary funds to do so or that we would be permitted to do so under our debt instruments. If we did not have sufficient funds, we would have to seek additional financing. We cannot guarantee, however, that such financing would be available on commercially reasonable terms or at all. If such financing were not available, we might be forced to sell certain other assets at unfavorable prices in order to generate the cash needed to buy the shares from TdF. In addition, our obligation to purchase TdF's shares could result in an event of default under our debt instruments.

TdF's Liquidity Rights

Under certain other circumstances, TdF will have the right to require us to purchase all of their shares in CTSH, at fair market value. We may elect to pay either (1) in cash or (2) with our common stock at a discount of 15% to its market value. We cannot guarantee that we will have sufficient funds to purchase such shares for cash if TdF were to require us to purchase their shares of capital stock of CTSH. If we did not have sufficient funds, we would either need to seek additional financing or purchase the shares with our common stock. We cannot guarantee that we could obtain such financing on terms acceptable to us. If we were to issue shares of common stock to effect the purchase, this would result in substantial dilution of our other stockholders, could adversely affect the market prices of the common stock and could impair our ability to raise additional capital through the sale of our equity securities.

TdF's Preemptive Rights

Except in certain circumstances, if we issue any equity securities (other than equity that is mandatorily exchangeable for debt, such as the exchangeable preferred stock) to any person, including the equity offering and in connection with the Proposed BAM JV and the Proposed BellSouth Transaction, we must offer TdF the right to purchase, at the same cash price and on the same other terms proposed, up to the amount of such equity securities as would be necessary for TdF and its affiliates to maintain their consolidated ownership percentage in us.

The Construction and Acquisition of Towers Involves Various Risks

Our growth strategy depends on our ability to construct, acquire and operate towers in conjunction with the expansion of wireless carriers. As of December 31, 1998, we had 72 towers under construction. We currently have plans to commence construction on approximately 800 to 1,100 additional towers during fiscal 1999. Our ability to construct new towers can be affected by a number of factors beyond our control, including:

- zoning and local permitting requirements and national regulatory approvals;

- availability of construction equipment and skilled construction personnel; and

- bad weather conditions.

In addition, as the concern over tower proliferation has grown in recent years, certain communities have placed restrictions on new tower construction or have delayed granting permits required for construction. You should consider that:

- the barriers to new construction may prevent us from building towers where we want;

- we may not be able to complete the number of towers planned for construction in accordance with the requirements of our customers; and

- we cannot guarantee that there will be a significant need for the construction of new towers once the wireless carriers complete the build-out of their tower network infrastructure.

Competition for the acquisition of towers is keen, and we expect it to continue to grow. We not only compete against other independent tower owners and operators, but also against wireless carriers, broadcasters and site developers. As competition increases for tower acquisitions, we may be faced with fewer acquisition opportunities, as well as higher acquisition prices. While we regularly explore acquisition opportunities, we cannot guarantee that we will be able to identify suitable towers to acquire in the future. In addition, we may need to seek additional debt or equity financing in order to fund such acquisitions and for working capital to fund the construction of the towers we have already planned or have under contract. We cannot, however, guarantee that such financing will be available or that the proposed financings will be permitted under our debt instruments. Moreover, we cannot guarantee that we will be able to identify, finance and complete future construction and acquisitions on acceptable terms or that we will be able to manage profitably and market under-utilized capacity on additional towers. The extent to which we are unable to construct or acquire additional towers, or manage profitably tower expansion, may have a material adverse effect on our financial condition and results of operations.

We believe that the time frame for the current wireless build-out cycle may be limited to the next few years, as many PCS and PCN networks have already been built out in large markets. If we do not move quickly and aggressively to obtain growth capital and capture this infrastructure opportunity, our financial condition and results of operations could be materially adversely affected.

Our Business Depends on the Demand for Wireless Communications

Demand for our site rentals depends on demand for communication sites from wireless carriers, which, in turn, depends on the demand for wireless services. Most types of wireless services currently require ground-based network facilities, including communication sites for transmission and reception. The demand for our sites depends on certain factors which we cannot control, including:

- the level of demand for wireless services generally;

- the financial condition and access to capital of wireless carriers;

- the strategy of carriers with respect to owning or leasing communication sites;

- changes in telecommunications regulations; and

- general economic conditions.

The wireless communications industry has experienced significant growth in recent years. A slowdown in the growth of, or reduction in, demand in a particular wireless segment could adversely affect the demand for communication sites. For example, we anticipate that a significant amount of our revenues over the next several years will be generated from carriers in the PCS and PCN market and, as such, we will be subject to downturns in PCS and PCN demand. Moreover, wireless carriers often operate with substantial leverage, and financial

problems for our customers could result in accounts receivable going uncollected, in the loss of a customer and the associated lease revenue or in a reduced ability of these customers to finance expansion activities.

Finally, advances in technology, such as the development of new satellite systems, could reduce the need for land-based transmission and reception networks. The occurrence of any of these factors could have a material adverse effect on our financial condition and results of operations.

Variability in Demand for Network Services May Reduce the Predictability of Our Results

Demand for our network services fluctuates from period to period and within periods. These fluctuations are caused by a number of factors, including:

- the timing of customers' capital expenditures;
- annual budgetary considerations of customers;
- the rate and volume of wireless carriers' tower build-outs;
- timing of existing customer contracts; and
- general economic conditions.

While demand for our network services fluctuates, we must incur certain costs, such as maintaining a staff of network services employees in anticipation of future contracts, even when there may be no current business. Consequently, the operating results of our network services businesses for any particular period may vary significantly, and should not be considered as necessarily being indicative of longer-term results. Furthermore, as wireless carriers complete their build-outs, the need for the construction of new towers and the demand for certain network services could decrease significantly and could result in fluctuations and, possibly, significant declines in our operating performance.

We Operate our Business in an Increasingly Competitive Industry--Many of Our Competitors Have Significantly More Resources

We face competition for site rental customers from various sources, including:

- other large independent tower owners;
- wireless carriers that own and operate their own tower footprints and lease antenna space to other carriers;
- site development companies which acquire antenna space on existing towers for wireless carriers and manage new tower construction; and
- traditional local independent tower operators.

Wireless carriers that own and operate their own tower footprints generally are substantially larger and have greater financial resources than we have. We believe that tower location and capacity, price, quality of service and density within a geographic market historically have been and will continue to be the most significant competitive factors affecting the site rental business.

We compete for acquisition and new tower construction opportunities with wireless carriers, broadcasters, site developers and other independent tower operators. We believe that competition for tower acquisitions will increase and that additional competitors will enter the tower market. These additional competitors may have greater financial resources than we have. See "--The Construction and Acquisition of Towers Involves Various Risks".

NTL, which owns the privatized engineering division of the Independent Broadcasting Authority, is our principal competitor in the terrestrial broadcast transmission market in the United Kingdom. We could encounter significant competition from NTL for our transmission business with the BBC or ONdigital following the

expiration of our current contracts with these broadcasters. See "--We Rely Heavily on Agreements with Several Business Partners".

We Rely Heavily on Agreements with Several Business Partners

Assuming we had completed the Roll-Up and the Proposed Transactions as of January 1, 1998, none of our customers would have accounted for more than ten percent of our revenues except the BBC which would have accounted for approximately 25.1% of our revenues for the twelve month period ended December 31, 1998.

Our broadcast transmission business is substantially dependent on contracts with the BBC. See "Business--U.K. Operations--Significant Contracts". The initial term of our analog transmission contract with the BBC will expire on March 31, 2007, and our digital transmission contract with the BBC expires on October 31, 2010. In addition, our digital transmission contract with the BBC may be terminated by the BBC after five years if the BBC's board of governors does not believe that digital television in the United Kingdom has enough viewers, subject to payment to CTI of predetermined cash compensation if this occurs. We cannot guarantee that the BBC will renew these contracts or that they will not attempt to negotiate terms that are not as favorable to us as those in place now. If we were to lose the BBC contracts, our business, results of operations and financial condition would be materially adversely affected.

In order to optimize service coverage in the United Kingdom and enable viewers to receive all analog UHF television services using one receiving antenna, CTI and NTL have agreed to share all UHF television sites. See "Business--U.K. Operations--Significant Contracts". We are currently in negotiations with NTL to amend the agreement to reflect the build-out of digital transmission sites and equipment, new rates for site sharing fees for new digital facilities and revised operating and maintenance procedures for the new equipment. This agreement may be terminated with five years' notice by either CTI or NTL, and is set to expire on December 31, 2005. Although we do not believe that the agreement will be terminated, we cannot guarantee that it will not be, which could have a material adverse effect on our business, results of operations and financial condition.

We Are Subject to Extensive Regulations Which Could Change at Any Time

We are subject to a variety of foreign, federal, state and local regulation. In the United States, both the Federal Communications Commission and Federal Aviation Administration regulate towers and other sites used for wireless communications transmitters and receivers. Such regulations control siting and marking of towers and may, depending on the characteristics of the tower, require registration of tower facilities. Most proposals to construct new antenna structures or to modify existing antenna structures are reviewed by both the FCC and the FAA to ensure that a structure will not present a hazard to aviation. We generally indemnify our customers against any failure to comply with applicable standards. Failure to comply with applicable requirements may lead to civil penalties or require us to assume costly indemnification obligations. Local regulations include city or other local ordinances, zoning restrictions and restrictive covenants imposed by community developers. These regulations vary greatly but typically require tower owners to obtain approval from local officials or community standards organizations prior to tower construction. Local regulations can delay or prevent new tower construction or site upgrade projects, thereby limiting our ability to respond to customers' demands. In addition, such regulations increase the costs associated with new tower construction. We cannot guarantee that existing

regulatory policies will not adversely affect the timing or cost of new tower construction or that additional regulations will not be adopted which increase such delays or result in additional costs. These factors could have a material adverse effect on our financial condition and results of operations.

In the United Kingdom, both OFTEL and the Radiocommunications Agency regulate and monitor telecommunications and frequency licensing for sites used for wireless communications transmitters and receivers. Site rental fees for broadcasting (but not telecommunications) are also subject to price regulation by OFTEL. In order to construct or materially alter towers, we must receive regulatory approvals from the Civil Aviation Authority, which ensures that new antenna structures do not present a hazard to aviation, and from local government planning authorities. In addition, we sometimes must receive international frequency clearance. Our

ability to respond to customers' demands may be delayed or even prevented by the need to seek these approvals. We cannot guarantee, therefore, that existing regulatory policies will not adversely affect the timing or cost of new tower construction or that additional regulations will not be adopted which increase such delays or result in additional costs. These factors could have a material adverse effect on our financial condition and results of operations.

Since we signed the analog transmission contract with the BBC, the BBC has increased its service requirements to include 24-hour broadcasting on our terrestrial transmission network for the BBC's two national television services and a requirement for CTI to add a number of filler stations to its network to extend existing BBC services. The BBC has agreed to increases of approximately (Pounds)800,000 ($1,330,240) per year in the charges payable by the BBC to CTI for these service enhancements. The additional charges may necessitate an amendment to CTI's Transmission Telecommunications License. OFTEL, the relevant regulatory authority in the United Kingdom, has confirmed in initial discussions with CTI that it is not OFTEL's intention to prevent the provision of such additional services to the BBC at an additional charge. CTI is discussing with OFTEL the most appropriate way to rectify this situation in order to allow the additional services to be provided to the BBC in return for the additional agreed payments. While we expect the license to be amended, there can be no assurance as to the final resolution of these issues with OFTEL.

Our customers may also become subject to new regulations or regulatory policies which adversely affect the demand for communication sites. In addition, as we pursue international opportunities, we will be subject to regulation in foreign jurisdictions.

We are also subject to laws and regulations relating to worker health and safety. If we fail to comply with such laws and regulations, it could have a material adverse effect on our business, results of operations or financial condition.

Costs of Compliance with Environmental Laws Could Adversely Affect Our Financial Condition

Our operations are subject to foreign, federal, state and local laws and regulations regarding the management, use, storage, disposal, emission, release and remediation of, and exposure to, hazardous and nonhazardous substances, materials or wastes. Under certain environmental laws, we could be held liable for the remediation of hazardous substance contamination at current or former facilities or at third-party waste disposal sites, and we also could be subject to personal injury or property damage claims related to such contamination. Although we believe that we are in substantial compliance with all applicable environmental laws, we cannot guarantee that costs of compliance with existing or future environmental laws will not have a material adverse effect on our financial condition and results of operations. See "Business--Environmental Matters".

Emissions from Our Antennas May Create Health Risks

Our towers are subject to government requirements and other guidelines relating to radio frequency emissions. The potential connection between radio frequency emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. To date, the results of these studies have been inconclusive. Although we have not been subject to any claims relating to radio frequency emissions, we cannot guarantee that we will not be subject to such claims in the future.

We Are Subject to Risks Associated with Our International Operations

We conduct business in countries outside the United States, which exposes us to fluctuations in foreign currency exchange rates. For the twelve month period ended December 31, 1998, assuming we had completed the Roll-Up on January 1, 1998, but without giving effect to the Proposed Transactions, approximately 74.3% of our consolidated revenues would have originated outside the United States, all of which were denominated in currencies other than U.S. dollars (principally pounds sterling). We have not historically engaged in significant hedging activities with respect to our non-U.S. dollar operations.

Our international operations are subject to other risks, such as the imposition of government controls, inflation, tariff or taxes and other trade barriers, difficulties in staffing and managing international operations, price, wage and exchange controls, and political, social and economic instability. We cannot guarantee that these and other factors will not have a material adverse effect on our financial condition or results of operations.

We Are Heavily Dependent on Our Senior Management

Our existing operations and continued future development are dependent to a significant extent upon the performance and active participation of certain key individuals, including senior management. We cannot guarantee that we will be successful in retaining the services of these, or other key personnel. None of our employees have signed noncompetition agreements. If we were to lose any of these individuals, our financial condition and results of operations could be materially adversely affected.

We are Subject to Year 2000 Compliance Problems

We are in the process of conducting a comprehensive review of our computer systems to identify which of our systems will need to be modified, upgraded or converted to recognize dates after December 31, 1999, which is known as the year 2000 problem. The failure to correct a material year 2000 problem could result in a system failure, such as the failure of tower lighting or security monitoring systems, or miscalculations causing disruption of operations including, among other things, a temporary inability to process transactions, send invoices, or engage in similar normal business activities.

In 1997 we established a year 2000 project to ensure that the issue received appropriate priority and that the necessary resources were made available. This project includes the replacement of our worldwide business computer systems with systems that use programs that will make approximately 90% of our business computer systems year 2000 compliant. The testing phase of the year 2000 project is ongoing as hardware or system software is remediated, upgraded or replaced. Testing as well as remediation is scheduled for completion in June 1999. The final phase of our year 2000 project, contingency planning, will be completed and tested to the extent possible by September 1999.

However, we cannot assure you that all year 2000 compliance issues will be resolved without any future disruption or that we will not incur significant additional expense. In addition, if some of our major suppliers and customers fail to address their own year 2000 compliance issues, their non-compliance could have a material adverse effect on us and our operations.

There is Currently No Market for the Securities

The shares of new preferred stock will be new securities for which there currently is no established trading market. We do not intend to apply for listing of the new preferred stock on a national securities exchange or automatic quotation system. Although the initial purchasers of the old preferred stock have informed us that they currently intend to make a market in the new preferred stock, the initial purchasers are not obligated to do so, and any such market making may be discontinued at any time without notice. The liquidity of any market for the shares of new preferred stock will depend upon the number of holders of the new preferred stock, the interest of securities dealers in making a market in the new preferred stock and other factors. Accordingly, there can be no assurance as to the development or liquidity of any market for the shares of new preferred stock. If an active trading market for the shares of new preferred stock does not develop, the market price and liquidity of the shares of new preferred stock may be adversely affected. If the shares of new preferred stock are traded, they may trade at a discount from their initial offering price, depending upon prevailing interest rates, the market for similar securities, our financial performance and certain other factors. The liquidity of, and trading markets for, the shares of new preferred stock also may be adversely affected by general declines in the market for payment-in-kind preferred stock. Such declines may adversely affect the liquidity of, and trading markets for, the shares of new preferred stock, independent of our financial performance or prospects.

Historically, the market for payment-in-kind preferred stock has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the new preferred stock. There can be no assurance that the market, if any, for the shares of new preferred stock will not be subject to similar disruptions. Any such disruptions may have an adverse effect on the holders of the new preferred stock.

This Document Includes Forward-Looking Statements

This document includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical facts included in this document, including, without limitation, the statements under "Prospectus Summary", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Industry Background" and "Business" and located elsewhere in this document regarding industry prospects, our prospects and our financial position are forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from our expectations are disclosed in this document, including, without limitation, in conjunction with the forward-looking statements included under "Risk Factors". All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements included in this document. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur.

USE OF PROCEEDS

We will not receive any proceeds from the exchange offer.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock and do not anticipate paying cash dividends on our capital stock in the foreseeable future. It is our current policy to retain earnings to finance the expansion of our operations. Future declaration and payment of dividends, if any, will be determined in light of the then-current conditions, including our earnings, operations, capital requirements, financial condition and other factors deemed relevant by the Board of Directors. In addition, our ability to pay dividends is limited by the terms of our debt instruments and the terms of the certificate of designations in respect of our exchangeable preferred stock. See "Description of Certain Indebtedness" and "Description of Capital Stock".

CAPITALIZATION

The following table sets forth as of December 31, 1998 (i) the historical capitalization of the Company, (ii) the pro forma capitalization of the Company after giving effect to the Proposed Offerings and (iii) the pro forma capitalization of the Company after giving effect to the Proposed Offerings and the Proposed Transactions. The information set forth below should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Statements", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the notes thereto included elsewhere in this document. The Proposed Transactions are not contingent upon the Proposed Offerings. See "Unaudited Pro Forma Condensed Consolidated Financial Statements" for detail regarding the pro forma adjustments.

	December 31, 1998		
	Actual	Pro Forma for Proposed Offerings	Pro Forma for Proposed Offerings and Proposed Transactions
	(Dollars in thousands, except share amounts)		
Cash and cash equivalents(a)	$ 296,450	$ 962,575	$ 49,583
Notes payable and current maturities of long-term debt	$ --	$ --	$ --
Long-term debt (less current maturities):			
Senior Credit Facility(b)	$ 5,500	$5,500	$5,500
10 5/8% Senior Discount Notes due 2007	168,099	168,099	168,099
CTI Credit Facility(b)	55,177	55,177	55,177
9% Guaranteed Bonds due 2007	200,934	200,934	200,934
Proposed BAM JV Credit Facility	--	--	180,000
Proposed Notes offered	--	300,000	300,000
Total long-term debt(a)	429,710	729,710	909,710
Minority interests	39,185	39,185	50,915
Redeemable preferred stock:			
Exchangeable Preferred Stock ($.01 par value; 400,000 shares authorized; 200,000 shares issued)(a)	201,063	201,063	201,063
Stockholders' equity:			
Common stock ($.01 par value; 690,000,000 shares authorized):			
Common Stock (83,123,873 shares issued, actual; shares issued, pro forma for offerings; and shares issued, pro forma for the offerings and the Proposed Transactions)(c)	831	831	831
Class A Common Stock (11,340,000 shares issued)	113	113	113
Additional paid-in capital(c)	795,153	1,175,153	1,552,153
Cumulative foreign currency translation adjustment	1,690	1,690	1,690
Accumulated deficit	(60,225)	(63,225)	(63,225)
Total stockholders' equity(a)	737,562	1,114,562	1,491,562
Total capitalization(a)	$1,407,520	$2,084,520	$2,653,250

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(a) On a pro forma basis for the Proposed Offerings and the Proposed Transactions, the Restricted Group (as defined) would have cash and cash equivalents, total long-term debt, redeemable preferred stock, total stockholders' equity and total capitalization of $3.3 million, $473.6 million, $201.1 million, $1,491.6 million, and $2,166.2 million, respectively. See "Unaudited Pro Forma Condensed Consolidated Financial Statements--Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet".

(b) As of March 1, 1999, our principal U.S. subsidiary, CCI, had unused borrowing availability under the Senior Credit Facility of approximately $54.0 million, and our principal U.K. subsidiary, CTI, had approximately (Pounds)24.0 million ($39.9 million) of unused borrowing availability under the CTI Credit Facility. See "Description of Certain Indebtedness".

(c) The Company's issuance of (1) approximately 15.6 million shares of common stock in connection with the formation of the Proposed BAM JV, (2) approximately 9.1 million shares of common stock in connection with the Proposed BellSouth Transaction and (3) approximately million shares of common stock pursuant to the equity offering will give TdF the right to purchase up to approximately (1) 5.42 million shares of common stock at

approximately $12.65 per share, (2) million shares of common stock at approximately $ per share and (3) million shares of common stock at a price equal to the public offering price less the underwriting discount pursuant to TdF's antidilutive right under the Governance Agreement. See "Certain Relationships and Related Transactions--Agreements with TdF Related to the Roll-Up--Governance Agreement".

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated financial statements (the "Pro Forma Financial Statements") are based on the historical financial statements of CCIC and the historical financial statements of the entities acquired by CCIC during the period presented, adjusted to give effect to the following transactions (collectively, the "Transactions"):

(1) the Roll-Up;

(2) the IPO;

(3) the conversion of CCIC's senior convertible preferred stock into common stock (all of which, as of July 17, 1998, had been converted);

(4) the issuance of CCIC's 12 3/4% Exchangeable Preferred Stock due 2010;

(5) the Proposed Offerings;

(6) the Proposed BAM JV;

(7) the Proposed BellSouth Transaction; and

(8) the Proposed Powertel Acquisition.

In this pro forma discussion, we refer to the transactions set forth in clauses (1) through (4) of the preceding sentence collectively as the 1998 Transactions, and we refer to the Proposed BAM JV, the Proposed BellSouth Transaction and the Proposed Powertel Acquisition collectively as the Proposed Transactions. We refer to all of the above transactions as the Transactions.

The Unaudited Pro Forma Condensed Consolidated Statement of Operations for the year ended December 31, 1998 gives effect to the Transactions as if they had occurred as of January 1, 1998. The Unaudited Pro Forma Condensed Consolidated Balance Sheet gives effect to the (1) Proposed Offerings and (2) the Proposed Transactions as if they had occurred as of December 31, 1998. The pro forma adjustments are described in the accompanying notes and are based upon available information and certain assumptions that management believes are reasonable.

Included in the notes accompanying the Pro Forma Financial Statements are tables summarizing the unaudited pro forma results of operations and balance sheet for CCIC and its Restricted Subsidiaries (as defined in the Indenture governing the 10 5/8% discount notes, the "10 5/8% Notes Indenture"); such group of companies is hereinafter referred to as the "Restricted Group". The Restricted Group excludes CTI and the Proposed BAM JV, both of which are designated as Unrestricted Subsidiaries (as defined in the 10 5/8% Notes Indenture) under our debt instruments.

The Pro Forma Financial Statements do not purport to represent what CCIC's results of operations or financial condition would actually have been had the 1998 Transactions, the Proposed Offerings or the Proposed Transactions in fact occurred on such dates or to project CCIC's results of operations or financial condition for any future date or period. The Pro Forma Financial Statements should be read in conjunction with the consolidated financial statements and the notes thereto included elsewhere in this document and "Management's Discussion and Analysis of Financial Condition and Results of Operations".

The Roll-Up, the Proposed BAM JV and the Proposed Powertel Acquisition are accounted for under the purchase method of accounting. The total purchase price for the Roll-Up, the Proposed BAM JV and the Proposed Powertel Acquisition have been allocated to the identifiable tangible and intangible assets and liabilities of the applicable acquired business based upon CCIC's preliminary estimate of their fair values with the remainder allocated to goodwill and other intangible assets. The allocations of the purchase prices are subject to revision when additional information concerning asset and liability valuations is obtained; however, the Company does not expect that any such revisions will have a material effect on its consolidated financial position or results of operations. The Company has recorded the purchase price for the Roll-Up based on (i) the number of shares of CCIC's common stock and Class A common stock exchanged for shares of CTI's capital stock and (ii) the price per share received by CCIC in our IPO.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

Year Ended December 31, 1998

(Dollars in thousands, except per share amounts)

	Historical CCIC(a)	Historical CTI(b)	Adjustments for 1998 Transactions	Pro Forma for 1998 Transactions	Adjustments for Proposed Offerings	Pro Forma for 1998 Transactions and Proposed Offerings	Historical Proposed BAM JV(j)	Adjustments for Proposed BAM JV
Net revenues:								
Site rental and broadcast transmission....	$ 75,028	$84,714	$ --	$159,742	$ --	$ 159,742	$ 11,183	$31,009(k)
Network services and other.....	38,050	12,514	(265)(c)	50,299	--	50,299	--	--
Total net revenues.....	113,078	97,228	(265)	210,041	--	210,041	11,183	31,009
Operating expenses:								
Costs of operations:								
Site rental and broadcast transmission....	26,254	35,901	--	62,155	--	62,155	14,941	-- (l)
Network services and other.....	21,564	7,916	--	29,480	--	29,480	--	--
General and administrative..	23,571	5,265	(265)(c)	28,571	--	28,571	--	-- (l)
Corporate development.....	4,625	8	--	4,633	--	4,633	--	--
Non-cash compensation charges.....	12,758	3,831	--	16,589	--	16,589	--	--
Depreciation and amortization....	37,239	25,684	11,463 (d)	74,386	--	74,386	6,278	23,346 (m)
	126,011	78,605	11,198	215,814	--	215,814	21,219	23,346
Operating income (loss).....	(12,933)	18,623	(11,463)	(5,773)	--	(5,773)	(10,036)	7,663
Other income (expense):								
Equity in earnings of unconsolidated affiliate.....	2,055	--	(2,055)(e)	--	--	--	--	--
Interest and other income (expense).....	4,220	725	--	4,945	--	4,945	--	--
Interest expense and amortization of deferred financing costs.....	(29,089)	(13,378)	3,689 (f)	(38,778)	(32,570)(i)	(71,348)	--	(17,711)(n)
Income (loss) before income taxes and minority interests.....	(35,747)	5,970	(9,829)	(39,606)	(32,570)	(72,176)	(10,036)	(10,048)
Provision for income taxes....	(374)	--	--	(374)	--	(374)	--	--
Minority interests.....	(1,654)	--	(1,194)(g)	(2,848)	--	(2,848)	--	4,155 (o)
Net income (loss).....	(37,775)	5,970	(11,023)	(42,828)	(32,570)	(75,398)	(10,036)	(5,893)
Dividends on preferred stock.....	(5,411)	--	(21,334)(h)	(26,745)	--	(26,745)	--	--
Net income (loss) after deduction of dividends on preferred stock.....	$(43,186)	$ 5,970	$(32,357)	$(69,573)	$(32,570)	$(102,143)	$(10,036)	$(5,893)
Loss per common share--basic and diluted	$ (1.02)			$ (0.74)		$		
Common shares outstanding--basic and diluted (in								

thousands).....	42,518		94,064		

	Pro Forma for 1998 Transactions, Proposed Offerings and Proposed BAM JV	Adjustments for Proposed BellSouth Transaction	Historical Powertel(s)	Adjustments for Proposed Powertel Acquisition	Pro Forma for the Transactions
Net revenues:					
Site rental and broadcast transmission....	$ 201,934	$33,840(p)	$ 1,865	$14,040(t)	$ 251,679
Network services and other.....	50,299	--	--	--	50,299
Total net revenues.....	252,233	33,840	1,865	14,040	301,978
Operating expenses:					
Costs of operations:					
Site rental and broadcast transmission....	77,096	11,400(l)(q)	6,167	-- (l)	94,663
Network services and other.....	29,480	--	--	--	29,480
General and administrative..	28,571	-- (l)	--	-- (l)	28,571
Corporate development.....	4,633	--	--	--	4,633
Non-cash compensation charges.....	16,589	--	--	--	16,589
Depreciation and amortization....	104,010	30,500 (r)	7,534	6,111 (u)	148,155
	260,379	41,900	13,701	6,111	322,091
Operating income (loss).....	(8,146)	(8,060)	(11,836)	7,929	(20,113)
Other income (expense):					
Equity in earnings of unconsolidated affiliate.....	--	--	--	--	--
Interest and other income (expense).....	4,945	--	--	--	4,945
Interest expense and amortization of deferred financing costs.....	(89,059)	--	--	--	(89,059)
Income (loss) before income taxes and minority interests.....	(92,260)	(8,060)	(11,836)	7,929	(104,227)
Provision for income taxes....	(374)	--	--	--	(374)
Minority interests.....	1,307	--	--	--	1,307
Net income (loss).....	(91,327)	(8,060)	(11,836)	7,929	(103,294)
Dividends on preferred stock.....	(26,745)	--	--	--	(26,745)
Net income (loss) after deduction of dividends on preferred stock.....	$(118,072)	$(8,060)	$(11,836)	$ 7,929	$(130,039)
Loss per common share--basic and diluted	$				$
Common shares outstanding--basic and diluted (in thousands).....					

See Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations

Notes to Unaudited Pro Forma Condensed Consolidated Statement of Operations

(Dollars in thousands)

(a) The historical results of operations for CTI are included in CCIC's historical results of operations for the period from the date of the Roll-Up, August 21, 1998, through December 31, 1998.

(b) Reflects the historical results of operations of CTI (under U.S. GAAP) for the periods prior to the consummation of the Roll-Up on August 21, 1998. Such results have been translated from pounds sterling to U.S. dollars at the average Noon Buying Rate for the period.

(c) Reflects the elimination of management fees payable to CCIC from CTI.

(d) Reflects the incremental amortization of goodwill as a result of the Roll-Up. Goodwill is being amortized over twenty years.

(e) Reflects the elimination of equity accounting adjustments to include CCIC's percentage in CTI's earnings and losses.

(f) Reflects decrease in interest expense attributable to the repayment of borrowings under CCIC's senior credit facility from a portion of the net proceeds from the issuance of our 12 3/4% exchangeable preferred stock.

(g) Reflects the minority interest in dividends accrued on CTI's Redeemable Preference Shares.

(h) Reflects (1) decrease in dividends of $4,348 attributable to the conversion of the outstanding shares of senior convertible preferred stock into shares of common stock and (2) increase in dividends of $25,682 attributable to 12 3/4% exchangeable preferred stock.

(i) Reflects (1) increase in interest expense of $29,570 as a result of the issuance of the notes in the Proposed Debt Offering at an assumed interest rate of % per annum and (2) nonrecurring financing fees of $3,000 related to the term loans incurred to fund the escrow payments in connection with the Proposed BellSouth Transaction and the Proposed Powertel Acquisition (the "Term Loans").

(j) Reflects the historical results of operations of the tower operations to be contributed to the Proposed BAM JV.

(k) Reflects additional revenues to be recognized by the Proposed BAM JV pursuant to the BAM global lease and the Formation Agreement.

(l) CCIC expects that the Proposed BAM JV will incur incremental operating expenses as a stand-alone entity. Such incremental expenses are currently estimated to amount to approximately $5.2 million per year. In addition, CCIC expects that it will incur incremental operating expenses as a result of the Proposed BellSouth Transaction and the Proposed Powertel Acquisition. Such incremental expenses are currently estimated to amount to approximately $15.9 million per year. These incremental operating expenses are based on management's best estimates rather than any contractual obligations; as such, these amounts have not been presented as adjustments in the accompanying Pro Forma Financial Statement.

(m) Reflects the incremental depreciation of property and equipment as a result of the Proposed BAM JV. Property and equipment is being depreciated over twenty years.

(n) Reflects additional interest expense attributable to borrowings under a credit facility to be entered into by the Proposed BAM JV. Such borrowings are initially estimated to incur interest at a rate of 9.25% per annum.

(o) Reflects the minority partner's 37.7% interest in the Proposed BAM JV's operations.

(p) Reflects additional revenues to be recognized by CCIC in connection with the Proposed BellSouth Transaction pursuant to the Sublease and the Letter Agreement. This amount includes $26,640 in revenues to be received from BellSouth and $7,200 in revenues to be received from other tenants.

(q) Reflects additional costs to be incurred for ground rents in connection with the Proposed BellSouth Transaction pursuant to the Letter Agreement.

(r) Reflects the incremental depreciation of property and equipment as a result of the Proposed BellSouth Transaction. Property and equipment is being depreciated over twenty years.

(s) Reflects the historical results of operations of the tower operations to be acquired in the Proposed Powertel Acquisition.

(t) Reflects additional revenues to be recognized by CCIC in connection with the Proposed Powertel Acquisition pursuant to the Master Site Agreements and the Asset Purchase Agreement.

(u) Reflects the incremental depreciation of property and equipment as a result of the Proposed Powertel Acquisition. Property and equipment is being depreciated over twenty years.

The following tables summarize the unaudited pro forma results of operations for the Restricted Group. Such information is not intended as an alternative measure of the operating results as would be determined in accordance with generally accepted accounting principles.

	Year Ended December 31, 1998							
	Pro Forma for Proposed Offerings	Exclusion of Unrestricted Subsidiaries	Exclusion of Certain Adjustments for Roll-Up	Restricted Group Pro Forma for Proposed Offerings	Adjustments for Proposed BellSouth Transaction	Historical Powertel	Adjustments for Proposed Powertel Acquisition	Restricted Group Pro Forma for the Transactions
Net revenues:								
Site rental and broadcast transmission	$ 159,742	$(137,201)	$ --	$ 22,541	$33,840	$ 1,865	$14,040	$ 72,286
Network services and other	50,299	(18,082)	--	32,217	--	--	--	32,217
Total net revenues	210,041	(155,283)	--	54,758	33,840	1,865	14,040	104,503
Operating expenses:								
Costs of operations:								
Site rental and broadcast transmission	62,155	(56,038)	--	6,117	11,400	6,167	--	23,684
Network services and other	29,480	(12,151)	--	17,329	--	--	--	17,329
General and administrative	28,571	(7,683)	265	21,153	--	--	--	21,153
Corporate development	4,633	(8)	--	4,625	--	--	--	4,625
Non-cash compensation charges	16,589	(6,682)	--	9,907	--	--	--	9,907
Depreciation and amortization	74,386	(46,002)	(11,463)	16,921	30,500	7,534	6,111	61,066
	215,814	(128,564)	(11,198)	76,052	41,900	13,701	6,111	137,764
Operating income (loss)	(5,773)	(26,719)	11,198	(21,294)	(8,060)	(11,836)	7,929	(33,261)
Other income (expense):								
Interest and other income (expense)	4,945	(3,844)	--	1,101	--	--	--	1,101
Interest expense and amortization of deferred financing costs	(71,348)	20,740	--	(50,608)	--	--	--	(50,608)
Income (loss) before income taxes and minority interests	(72,176)	(9,823)	11,198	(70,801)	(8,060)	(11,836)	7,929	(82,768)
Provision for income taxes	(374)	--	--	(374)	--	--	--	(374)
Minority interests	(2,848)	1,654	1,194	--	--	--	--	--
Net income (loss)	(75,398)	(8,169)	12,392	(71,175)	(8,060)	(11,836)	7,929	(83,142)
Dividends on preferred stock	(26,745)	--	--	(26,745)	--	--	--	(26,745)
Net income (loss) after deduction of dividends on preferred stock	$(102,143)	$ (8,169)	$12,392	$(97,920)	$(8,060)	$(11,836)	$ 7,929	$(109,887)

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

As of December 31, 1998

(Dollars in thousands)

	Historical CCIC	Adjustments for Proposed Offerings	Pro Forma for Proposed Offerings	Historical Proposed BAM JV(e)	Adjustments for Proposed BAM JV	Pro Forma for Proposed Offerings and Proposed BAM JV	Adjustments for Proposed BellSouth Transaction	Historical Powertel(o)
Assets:								
Current assets:								
Cash and cash equivalents	$ 296,450	$666,125(a)	$ 962,575	$ --	$(208,375)(f)	$ 754,200	$(430,000)(l)	$ --
Receivables	36,420	--	36,420	--	--	36,420	--	--
Inventories	6,599	--	6,599	--	--	6,599	--	--
Prepaid expenses and other current assets	2,647	--	2,647	--	--	2,647	--	2,031
Total current assets	342,116	666,125	1,008,241	--	(208,375)	799,866	(430,000)	2,031
Property and equipment, net	592,594	--	592,594	83,557	508,923 (g)	1,185,074	610,000 (m)	121,490
Investments in affiliates	2,258	--	2,258	--	--	2,258	--	--
Goodwill and other intangible assets, net	569,740	--	569,740	--	--	569,740	--	--
Deferred financing costs and other assets, net	16,522	10,875(b)	27,397	--	4,625 (h)	32,022	--	--
	$1,523,230	$677,000	$2,200,230	$83,557	$305,173	$2,588,960	$180,000	$123,521
Liabilities and Stockholders' Equity:								
Current liabilities:								
Accounts payable	$ 46,020	$ --	$ 46,020	$ --	$ --	$46,020	$ --	$ --
Other current liabilities	46,867	--	46,867	--	--	46,867	--	309
Long-term debt, current maturities	--	--	--	--	--	--	--	--
Total current liabilities	92,887	--	92,887	--	--	92,887	--	309
Long-term debt, less current maturities	429,710	300,000(c)	729,710	--	180,000 (i)	909,710	--	--
Other liabilities	22,823	--	22,823	--	--	22,823	--	--
Total liabilities	545,420	300,000	845,420	--	180,000	1,025,420	--	309
Minority interests	39,185	--	39,185	--	11,730 (j)	50,915	--	--
Redeemable preferred stock	201,063	--	201,063	--	--	201,063	--	--
Stockholders' equity	737,562	377,000(d)	1,114,562	83,557	113,443 (k)	1,311,562	180,000 (n)	123,212
	$1,523,230	$677,000	$2,200,230	$83,557	$305,173	$2,588,960	$ 180,000	$123,521

	Adjustments for Proposed Powertel Acquisition	Pro Forma for the Transactions
Assets:		
Current assets:		
Cash and cash equivalents	$(274,617)(p)	$ 49,583
Receivables	--	36,420
Inventories	--	6,599
Prepaid expenses and other		

current assets..	--	4,678
Total current assets.....	(274,617)	97,280
Property and equipment, net..	151,405 (q)	2,067,969
Investments in affiliates.....	--	2,258
Goodwill and other intangible assets, net.....	--	569,740
Deferred financing costs and other assets, net.....	--	32,022
	$(123,212)	$2,769,269
Liabilities and Stockholders' Equity:		
Current liabilities:		
Accounts payable.....	$ --	$ 46,020
Other current liabilities.....	--	47,176
Long-term debt, current maturities.....	--	--
Total current liabilities....	--	93,196
Long-term debt, less current maturities.....	--	909,710
Other liabilities.....	--	22,823
Total liabilities....	--	1,025,729
Minority interests.....	--	50,915
Redeemable preferred stock.....	--	201,063
Stockholders' equity.....	(123,212)(r)	1,491,562
	$(123,212)	$2,769,269

See Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet

Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet

(Dollars in thousands)

(a) Reflects the following adjustments to cash and cash equivalents:

(1) Increase resulting from the receipt of proceeds from the Proposed Offerings	$ 700,000
(2) Decrease resulting from the payment of underwriting discounts and commissions and other fees and expenses related to the Proposed Offerings	(30,875)
(3) Decrease resulting from the payment of nonrecurring financing fees related to the Term Loans	(3,000)
Total adjustments to cash and cash equivalents	$ 666,125

(b) Reflects deferred financing costs resulting from the payment of underwriting discounts and commissions and other fees and expenses related to the Proposed Debt Offering.

(c) Reflects the increase resulting from the receipt of proceeds from the Proposed Debt Offering.

(d) Reflects the following adjustments to stockholders' equity:

(1) Increase resulting from the receipt of proceeds from the Proposed Equity Offering	$ 400,000
(2) Decrease resulting from the payment of underwriting discounts and commissions and other fees and expenses related to the Proposed Equity Offering	(20,000)
(3) Decrease resulting from payment of nonrecurring financing fees related to the Term Loans	(3,000)
Total adjustments to stockholders' equity	$ 377,000

(e) Reflects the historical amounts from the statement of net assets for the tower operations to be contributed to the Proposed BAM JV.

(f) Reflects the following adjustments to cash and cash equivalents:

(1) Increase resulting from borrowings under a credit facility to be entered into by the Proposed BAM JV	$ 180,000
(2) Decrease resulting from distribution to minority partner	(380,000)
(3) Decrease resulting from payment of deferred financing costs for a credit facility to be entered into by the Proposed BAM JV	(4,625)
(4) Decrease resulting from payment of fees and expenses related to the Proposed BAM JV	(3,750)
Total adjustments to cash and cash equivalents	$(208,375)

(g) Reflects the increase in basis of property and equipment contributed to the Proposed BAM JV by the minority partner.

(h) Reflects the deferred financing costs for the credit facility to be entered into by the Proposed BAM JV.

(i) Reflects the borrowings under a credit facility to be entered into by the Proposed BAM JV.

(j) Reflects the 37.7% minority interest in the Proposed BAM JV.

(k) Reflects the following adjustments to stockholders' equity:

(1) Increase resulting from increase in basis of property and equipment contributed to the Proposed BAM JV by the minority partner	$ 508,923
(2) Decrease resulting from distribution to minority partner	(380,000)
(3) Decrease resulting from minority interest	(11,730)
(4) Decrease resulting from payment of fees and expenses related to the Proposed BAM JV	(3,750)
Total adjustments to stockholders' equity	$ 113,443

(l) Reflects the payment of the cash portion of the purchase price for the Proposed BellSouth Transaction.

(m) Reflects the basis of property and equipment recorded in connection with the Proposed BellSouth Transaction.

(n) Reflects the increase resulting from the issuance of common stock for a portion of the purchase price for the Proposed BellSouth Transaction.

(o) Reflects the historical amounts from the statement of net assets for the tower operations to be acquired in the Proposed Powertel Acquisition.

(p) Reflects the payment of the closing price for the Proposed Powertel Acquisition.

(q) Reflects the increase in basis of property and equipment acquired in the Proposed Powertel Acquisition.

(r) Reflects the elimination of the historical basis of the net assets acquired in the Proposed Powertel Acquisition.

The following table summarizes the adjustments for the Proposed Offerings, with increases to liabilities and stockholders' equity balances shown as negative amounts:

	Adjustment Reference			
	(a)(1),(c),(d)(1)	(a)(2),(b),(d)(2)	(a)(3),(d)(3)	Totals
Cash and cash equivalents	$ 700,000	$(30,875)	$(3,000)	$ 666,125
Deferred financing cost and other assets, net	--	10,875	--	10,875
Long-term debt, less current maturities	(300,000)	--	--	(300,000)
Stockholders' equity	(400,000)	20,000	3,000	(377,000)
	$ --	$ --	$ --	$ --

The following table summarizes the adjustments for the Proposed BAM JV, with increases to liabilities and stockholders' equity balances shown as negative amounts:

	Adjustment Reference					
	(f)(1),(i)	(f)(2),(k)(2)	(f)(3),(h)	(f)(4),(k)(4)	(g),(j),(k)(1),(k)(3)	Totals
Cash and cash equivalents	$ 180,000	$(380,000)	$(4,625)	$(3,750)	$ --	$(208,375)
Property and equipment, net	--	--	--	--	508,923	508,923
Deferred financing costs and other assets, net	--	--	4,625	--	--	4,625
Long-term debt, less current maturities	(180,000)	--	--	--	--	(180,000)
Minority interests	--	--	--	--	(11,730)	(11,730)
Stockholders' equity	--	380,000	--	3,750	(497,193)	(113,443)
	$ --	$ --	$ --	$ --	$ --	$ --

The following table summarizes the adjustments for the Proposed BellSouth Transaction, with increases to liabilities and stockholders' equity balances shown as negative amounts:

	Adjustment Reference
	(l),(m),(n)
Cash and cash equivalents	$(430,000)
Property and equipment, net	610,000
Stockholders' equity	(180,000)
	$ --

The following table summarizes the adjustments for the Proposed Powertel Acquisition, with increases to liabilities and stockholders' equity balances shown as negative amounts:

	Adjustment Reference
	(p),(q),(r)
Cash and cash equivalents	$(274,617)
Property and equipment, net	151,405
Stockholders' equity	123,212
	$ --

The following table summarizes the unaudited pro forma balance sheet for the Restricted Group. Such information is not intended as an alternative measure of financial position as determined in accordance with generally accepted accounting principles.

	As of December 31, 1998								
	Pro Forma for Proposed Offerings	Exclusion of Unrestricted Subsidiaries	Restricted Group Pro Forma for Proposed Offerings	Adjustments for Proposed BAM JV	Restricted Group Pro Forma for Proposed Offerings and Proposed BAM JV	Adjustments for Proposed BellSouth Transaction	Historical Powertel	Adjustments for Proposed Powertel Acquisition	Restricted Group Pro Forma for the Transactions
Assets:									
Current assets:									
Cash and cash equivalents	$ 962,575	$(254,665)	$ 707,910	$ --	$ 707,910	$(430,000)	$ --	$(274,617)	$ 3,293
Receivables	36,420	(18,733)	17,687	--	17,687	--	--	--	17,687
Inventories	6,599	(5,309)	1,290	--	1,290	--	--	--	1,290
Prepaid expenses and other current assets	2,647	(2,039)	608	--	608	--	2,031	--	2,639

Total current assets	1,008,241	(280,746)	727,495	--	727,495	(430,000)	2,031	(274,617)	24,909
Property and equipment, net	592,594	(427,389)	165,205	--	165,205	610,000	121,490	151,405	1,048,100
Investments in affiliates	2,258	--	2,258	--	2,258	--	--	--	2,258
Investments in Unrestricted Subsidiaries	--	744,941	744,941	197,000	941,941	--	--	--	941,941
Goodwill and other intangible assets, net	569,740	(426,011)	143,729	--	143,729	--	--	--	143,729
Deferred financing costs and other assets, net	27,397	(3,340)	24,057	--	24,057	--	--	--	24,057
	$2,200,230	$(392,545)	$1,807,685	$197,000	$2,004,685	$ 180,000	$123,521	$(123,212)	$2,184,994
Liabilities and Stockholders' Equity:									
Current liabilities:									
Accounts payable	$ 46,020	$ (34,648)	$11,372	$ --	$11,372	$ --	$ --	$ --	$ 11,372
Other current liabilities	46,867	(40,586)	6,281	--	6,281	--	309	--	6,590
Long-term debt, current maturities	--	--	--	--	--	--	--	--	--
Total current liabilities	92,887	(75,234)	17,653	--	17,653	--	309	--	17,962
Long-term debt, less current maturities	729,710	(256,111)	473,599	--	473,599	--	--	--	473,599
Other liabilities	22,823	(22,015)	808	--	808	--	--	--	808
Total liabilities	845,420	(353,360)	492,060	--	492,060	--	309	--	492,369
Minority interests	39,185	(39,185)	--	--	--	--	--	--	--
Redeemable preferred stock	201,063	--	201,063	--	201,063	--	--	--	201,063
Stockholders' equity	1,114,562	--	1,114,562	197,000	1,311,562	180,000	123,212	(123,212)	1,491,562
	$2,200,230	$(392,545)	$1,807,685	$197,000	$2,004,685	$ 180,000	$123,521	$(123,212)	$2,184,994

SELECTED FINANCIAL AND OTHER DATA OF CCIC

The selected historical consolidated financial and other data for CCIC set forth below for each of the four years in the period ended December 31, 1998, and as of December 31, 1995, 1996, 1997 and 1998, have been derived from the consolidated financial statements of CCIC, which have been audited by KPMG LLP, independent certified public accountants. The results of operations for the year ended December 31, 1998 are not comparable to the year ended December 31, 1997, and the results for the year ended December 31, 1997 are not comparable to the year ended December 31, 1996 as a result of business acquisitions consummated in 1997 and 1998. Results of operations of these acquired businesses are included in the Company's consolidated financial statements for the periods subsequent to the respective dates of acquisition. The selected historical financial and other data for the Restricted Group (as defined) are not intended as alternative measures of operating results or cash flows from operations (as determined in accordance with generally accepted accounting principles). The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CCIC" and the consolidated financial statements and the notes thereto of CCIC included elsewhere in this document.

	Years Ended December 31,			
	1995	1996	1997	1998
	(Dollars in thousands)			
Statement of Operations Data:				
Net revenues:				
Site rental and broadcast transmission	$ 4,052	$ 5,615	$ 11,010	$ 75,028
Network services and other	6	592	20,395	38,050
Total net revenues	4,058	6,207	31,405	113,078
Costs of operations:				
Site rental and broadcast transmission	1,226	1,292	2,213	26,254
Network services and other	--	8	13,137	21,564
Total costs of operations	1,226	1,300	15,350	47,818
General and administrative	729	1,678	6,824	23,571
Corporate development(a)	204	1,324	5,731	4,625
Non-cash compensation charges(b)	--	--	--	12,758
Depreciation and amortization	836	1,242	6,952	37,239
Operating income (loss)	1,063	663	(3,452)	(12,933)
Equity in earnings (losses) of unconsolidated affiliate	--	--	(1,138)	2,055
Interest and other income (expense)(c)	53	193	1,951	4,220
Interest expense and amortization of deferred financing costs	(1,137)	(1,803)	(9,254)	(29,089)
Loss before income taxes and minority interests	(21)	(947)	(11,893)	(35,747)
Provision for income taxes	--	(10)	(49)	(374)
Minority interests	--	--	--	(1,654)
Net loss	(21)	(957)	(11,942)	(37,775)
Dividends on preferred stock	--	--	(2,199)	(5,411)
Net loss after deduction of dividends on preferred stock	$ (21)	$ (957)	$ (14,141)	$ (43,186)
Loss per common share--basic and diluted	$ (0.01)	$ (0.27)	$ (2.27)	$ (1.02)
Common shares outstanding--basic and diluted (in thousands)	3,316	3,503	6,238	42,518
Other Data:				
Site data (at period end)(d):				
Towers owned	126	155	240	1,344
Towers managed	7	7	133	129
Rooftop sites managed (revenue producing)(e)	41	52	80	135
Total sites owned and managed	174	214	453	1,608
EBITDA(f)	$ 1,899	$ 1,905	$ 3,500	$ 37,064
Restricted Group EBITDA	1,899	1,905	3,500	5,799
Capital expenditures	161	890	18,035	138,759
Summary cash flow information:				
Net cash provided by (used for) operating activities	1,672	(530)	(624)	44,976
Net cash used for investing activities	(16,673)	(13,916)	(111,484)	(149,248)
Net cash provided by financing activities	15,597	21,193	159,843	345,248

Ratio of earnings to fixed charges(g)	--	--	--	--
Balance Sheet Data (at period end):				
Cash and cash equivalents	$ 596	$ 7,343	$ 55,078	$ 296,450
Property and equipment, net	16,003	26,753	81,968	592,594
Total assets	19,875	41,226	371,391	1,523,230
Total debt	11,182	22,052	156,293	429,710
Redeemable preferred stock(h)	5,175	15,550	160,749	201,063
Total stockholders' equity (deficit)	619	(210)	41,792	737,562

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(a) Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers. For the year ended December 31, 1997, such expenses include (i) nonrecurring cash bonuses of $0.9 million paid to certain executive officers in connection with the CTI Investment and (ii) a nonrecurring cash charge of $1.3 million related to the purchase by CCIC of shares of common stock from CCIC's former chief executive officer in connection with the CTI Investment. See "Certain Relationships and Related Transactions".

(b) Represents charges related to the issuance of stock options to certain employees and executives.

(c) Includes a $1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI in connection with the CTI Investment.

(d) Represents the aggregate number of sites of CCIC as of the end of each period.

(e) As of December 31, 1998, CCIC had contracts with 1,365 buildings in the United States to manage on behalf of such buildings the leasing of space for antennas on the rooftops of such buildings. A revenue producing rooftop represents a rooftop where CCIC has arranged a lease of space on such rooftop and, as such, is receiving payments in respect of its management contract. CCIC generally does not receive any payment for rooftops under management unless CCIC actually leases space on such rooftops to third parties. As of December 31, 1998, CCIC had 1,284 rooftop sites under management throughout the United States that were not revenue producing but were available for leasing to customers and, in the United Kingdom, the Company had 54 revenue producing rooftop sites that were occupied by the Company's transmitters but were not available for leasing to customers.

(f) EBITDA is defined as operating income (loss) plus depreciation and amortization and non-cash compensation charges. EBITDA is presented as additional information because management believes it to be a useful indicator of CCIC's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CCIC's measure of EBITDA may not be comparable to similarly titled measures of other companies.

(g) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes, fixed charges and equity in earnings (losses) of unconsolidated affiliate. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the years ended December 31, 1995, 1996, 1997 and 1998, earnings were insufficient to cover fixed charges by $21,000, $0.9 million, $10.8 million and $37.8 million, respectively.

(h) The 1995, 1996 and 1997 amounts represent (1) the Senior Convertible Preferred Stock privately placed by CCIC in August 1997 and October 1997, all of which has been converted into shares of common stock, and (2) the Series A Convertible Preferred Stock, the Series B Convertible Preferred Stock and the Series C Convertible Preferred Stock privately placed by CCIC in April 1995, July 1996 and February 1997, respectively, all of which has been converted into shares of common stock in connection with the consummation of the IPO. The 1998 amount represents the 12 3/4% Senior Exchangeable Preferred Stock due 2010.

The selected quarterly historical consolidated financial data for CCIC set forth below have been derived from the consolidated financial statements of CCIC.

	Three Months Ended			
	March 31	June 30	September 30	December 31
	(In thousands of dollars, except per share amounts)			
1997:				
Net revenues	$ 1,994	$ 4,771	$ 11,481	$ 13,159
Gross profit(1)	1,731	2,258	5,648	6,418
Net loss	(443)	(1,706)	(4,001)	(5,792)
Loss per common share--basic and diluted	(0.13)	(0.51)	(0.62)	(0.69)
1998:				
Net revenues	$ 11,837	$ 11,530	$ 28,894	$ 60,817
Gross profit(1)	6,244	7,550	15,835	35,631
Net loss	(6,606)	(6,426)	(17,444)	(7,299)
Loss per common share--basic and diluted	(0.79)	(0.78)	(0.33)	(0.09)

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(1) Represents net revenues less costs of operations.

SELECTED FINANCIAL AND OTHER DATA OF CTI

The selected historical financial data for CTI, which was 34.3% owned by CCIC prior to the Roll-Up, presents (i) selected historical financial data of the BBC Home Service Transmission Business prior to its acquisition by CTI (the "Predecessor") for the year ended March 31, 1996 and the eleven and two months ended February 27, 1997, (ii) selected historical consolidated financial data of CTI after such acquisition for the one month ended March 31, 1997 and for the nine months ended December 31, 1997, and (iii) selected historical consolidated financial data of CTI for the eight months ended August 31, 1998. The selected historical financial data for the year ended March 31, 1996 and the eleven months ended February 27, 1997 have been derived from the financial statements of the Predecessor, which have been audited by KPMG, Chartered Accountants. The selected financial data for the one month ended March 31, 1997 and the nine months ended December 31, 1997 have been derived from the consolidated financial statements of CTI, which have been audited by KPMG, Chartered Accountants. The selected historical financial data for the two months ended February 27, 1997 have been derived from the unaudited financial statements of the Predecessor, and the selected historical financial data for the eight months ended August 31, 1998 have been derived from the unaudited consolidated financial statements of CTI, which include all adjustments that CTI considers necessary for a fair presentation of the financial position and results of operations for that period. The results of operations for the one month ended March 31, 1997, the nine months ended December 31, 1997 and the eight months ended August 31, 1998 are not necessarily indicative of the results of operations of CTI that may be expected for the entire year. CCIC acquired a majority ownership interest in CTI upon consummation of the Roll-Up in August 1998 and, as a result, historical financial data of CTI for the year ended December 31, 1998 is not presented. This information reflects financial data for CTI as a whole, is not limited to that portion of the financial data attributable to CCIC's percentage ownership of CTI prior to the Roll-Up and is not indicative of any distributions or dividends that CCIC might receive in the future. CTI is subject to significant restrictions on its ability to make dividends and distributions to CCIC. See "Risk Factors--As a Holding Company, We Depend on Dividends from Subsidiaries to Meet Cash Requirements or Pay Dividends". The information set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations--Results of Operations--CTI" and the consolidated financial statements and the notes thereto of CTI included elsewhere in this document.

	Predecessor Company			CTI		
	Year Ended March 31, 1996	Eleven Months Ended February 27, 1997	Two Months Ended February 27, 1997	One Month Ended March 31, 1997	Nine Months Ended December 31, 1997	Eight Months Ended August 31, 1998
	(Pounds sterling in thousands)					
Statement of Operations Data:						
Net revenues.....	(Pounds)70,367	(Pounds)70,614	(Pounds)12,805	(Pounds)6,433	(Pounds)56,752	(Pounds)59,033
Operating expenses(b).....	62,582	56,612	10,108	5,188	47,976	47,821
Operating income.....	7,785	14,002	2,697	1,245	8,776	11,212
Interest and other income....	--	--	--	49	288	440
Interest expense and amortization of deferred financing costs.....	--	--	--	(969)	(12,419)	(9,507)
Income (loss) before income taxes.....	7,785	14,002	2,697	325	(3,355)	2,145
Provision for income taxes....	--	--	--	--	--	--
Net income (loss) under U.K. GAAP.....	7,785	14,002	2,697	325	(3,355)	2,145
Adjustments to convert to U.S. GAAP.....	3,707	3,993	726	78	866	1,493
Net income (loss) under U.S. GAAP.....	(Pounds)11,492	(Pounds)17,995	(Pounds)3,423	(Pounds)403	(Pounds)(2,489)	(Pounds)3,638
Other Data:						
Site data(c):						
Towers and revenue producing rooftop sites at end of period.....						

EBITDA (under U.S. GAAP)(d)...	(Pounds)20,620	(Pounds)27,040	(Pounds)5,161	(Pounds)3,064	(Pounds)25,695	(Pounds)29,244
Capital expenditures (under U.S. GAAP).....	18,079	21,810	711	748	14,361	36,304
Ratio of earnings to fixed charges(e).....						
Ratio of EBITDA to cash interest expense.....						
Summary cash flow information (under U.S. GAAP):						
Net cash provided by operating activities.....	24,311	28,146	5,161	4,871	25,555	27,226
Net cash used for investing activities.....	(17,190)	(21,811)	(711)	(52,889)	(14,668)	(36,135)
Net cash provided by (used for) financing activities.....	(7,121)	(6,335)	(4,450)	57,706	(12,423)	9,955

	CTI		
	One Month Ended March 31, 1997(a)	Nine Months Ended December 31, 1997(a)	Eight Months Ended August 31, 1998(a)
	(Dollars in thousands)		
Statement of Operations Data:			
Net revenues.....	$10,697	$94,365	$98,160
Operating expenses(b).....	8,627	79,774	79,517
Operating income.....	2,070	14,591	18,643
Interest and other income....	81	479	731
Interest expense and amortization of deferred financing costs.....	(1,611)	(20,650)	(15,808)
Income (loss) before income taxes.....	540	(5,580)	3,566
Provision for income taxes....	--	--	--
Net income (loss) under U.K. GAAP.....	540	(5,580)	3,566
Adjustments to convert to U.S. GAAP.....	130	1,440	2,483
Net income (loss) under U.S. GAAP.....	$ 670	$(4,140)	$ 6,049
Other Data:			
Site data(c):			
Towers and revenue producing rooftop sites at end of period.....		801	808
EBITDA (under U.S. GAAP)(d)...	$ 5,095	$42,726	$48,627
Capital expenditures (under U.S. GAAP).....	1,244	23,879	60,366
Ratio of earnings to fixed charges(e).....	1.44x	--	1.44x
Ratio of EBITDA to cash interest expense.....	3.58x	2.71x	3.76x
Summary cash flow information (under U.S. GAAP):			
Net cash provided by operating			

activities.....	8,099	42,493	45,271
Net cash used for investing activities.....	(87,944)	(24,390)	(60,085)
Net cash provided by (used for) financing activities.....	95,954	(20,657)	16,553

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(a) CTI publishes its consolidated financial statements in pounds sterling. For the convenience of the reader, the information set forth above contains translations of pound sterling amounts into U.S. dollars at the Noon Buying Rate on December 31, 1998 of (Pounds)1.00=1.6628. No representation is made that the pound sterling amounts have been, could have been or could be converted into U.S. dollars at the rate indicated or any other rates. On February 26, 1999, the Noon Buying Rate was (Pounds)1.00 = $1.6027.

(b) Included in operating expenses for the eight months ended August 31, 1998 are non-cash compensation charges for (Pounds)2.3 million ($3.9 million) related to the issuance of stock options to certain executives and employees.

(c) As of August 31, 1998, CTI's 54 revenue producing rooftop sites were occupied by its transmitters but were not available for leasing to customers.

(d) EBITDA is defined as operating income (loss) plus depreciation and amortization and non-cash compensation charges. EBITDA is presented as additional information because management believes it to be a useful indicator of CTI's ability to meet debt service and capital expenditure requirements. It is not, however, intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, CTI's measure of EBITDA may not be comparable to similarly titled measures of other companies.

(e) For purposes of computing the ratio of earnings to fixed charges, earnings represent income (loss) before income taxes and fixed charges. Fixed charges consist of interest expense, the interest component of operating leases and amortization of deferred financing costs. For the nine months ended December 31, 1997, earning were insufficient to cover fixed charges by (Pounds)2.5 million ($4.1 million).

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion sets forth separately the historical consolidated results of operations of CCIC and CTI and is intended to assist in understanding (1) CCIC's consolidated financial condition as of December 31, 1998 and its consolidated results of operations for each year in the three-year period ended December 31, 1998 and (2) CTI's consolidated results of operations for each twelve-month period in the two-year period ended March 31, 1998. The statements in this discussion regarding the industry outlook, the Company's expectations regarding the future performance of its businesses and the other nonhistorical statements in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the uncertainties relating to decisions on capital expenditures to be made in the future by wireless carriers and broadcasters and the risks and uncertainties described in "Risk Factors". This discussion should be read in conjunction with "Unaudited Pro Forma Condensed Consolidated Financial Statements", "Selected Financial and Other Data of CCIC", "Selected Financial and Other Data of CTI" and the consolidated financial statements and the notes thereto included elsewhere in this document. Results of operations of the acquired businesses that are wholly and majority owned are included in the Company's consolidated financial statements for the periods subsequent to the respective dates of acquisition. As such, the Company's results of operations for the year ended December 31, 1998 are not comparable to the year ended December 31, 1997, and the results for the year ended December 31, 1997 are not comparable to the year ended December 31, 1996.

Overview

The continued growth of the Company's business depends substantially on the condition of the wireless communications and broadcast industries. The Company believes that the demand for communications sites will continue to grow and expects that, due to increased competition, wireless carriers will continue to seek operating and capital efficiencies by (1) outsourcing certain network services and the build-out and operation of new and existing infrastructure and (2) co-locating antennas and transmission equipment on multiple tenant towers. In addition, wireless carriers are beginning to seek to sell their wireless communications infrastructure to, or establish joint ventures with, experienced infrastructure providers, such as the Company, that have the ability to manage networks.

Further, the Company believes that wireless carriers and broadcasters will continue to seek to outsource the operation of their towers and, eventually, their transmission networks, including the transmission of their signals. Management believes that the Company's ability to manage towers and transmission networks and its proven track record of providing end-to-end services to the wireless communications and broadcasting industries position it to capture such business.

The willingness of wireless carriers to utilize the Company's infrastructure and related services is affected by numerous factors, including consumer demand for wireless services, interest rates, cost of capital, availability of capital to wireless carriers, tax policies, willingness to co-locate equipment, local restrictions on the proliferation of towers, cost of building towers and technological changes affecting the number of communications sites needed to provide wireless communications services to a given geographic area. The Company's revenues that are derived from the provision of transmission services to the broadcasting industry will be affected by the timing of the roll-out of digital terrestrial television broadcasts in both the United Kingdom and the United States, as well as in other countries around the world, consumer demand for digital terrestrial broadcasting, interest rates, cost of capital, zoning restrictions on tall towers and the cost of building towers.

As an important part of its business strategy, the Company will seek (1) to take advantage of the operating leverage of its site rental business by increasing the antenna space leased on its owned or managed communications sites, (2) to leverage its in-house technical and operational expertise, (3) to expand its tower footprints by partnering with wireless carriers to assume ownership of their existing towers and by pursuing build-to-suit opportunities and (4) to acquire existing transmission networks globally as opportunities arise.

Results of Operations

The Company's primary sources of revenues are from (1) the rental of antenna space on towers and rooftops sites, (2) the provision of network services and (3) the provision of analog and digital broadcast transmission services.

CCIC

CCIC's primary sources of revenues are from (1) the rental of antenna space on towers and rooftop sites and (2) the provision of network services, which includes network design and site selection, site acquisition, site development and construction and antenna installation.

Site rental revenues are received primarily from wireless communications companies, including cellular, PCS, paging, specialized mobile radio/enhanced specialized mobile radio ("SMR/ESMR") and microwave operators. Site rental revenues are generally recognized on a monthly basis under lease agreements, which typically have original terms of five years (with three or four optional renewal periods of five years each). Average revenues for CCIC's managed rooftop sites are less than for the owned and managed towers because a substantial portion of the revenues from the tenants at rooftop sites is remitted to the building owner or manager.

Network services revenues consist of revenues from (1) network design and site selection, (2) site acquisition, (3) site development and construction, (4) antenna installation and (5) other services. Network services revenues are received primarily from wireless communications companies. Network services revenues are recognized under service contracts which provide for billings on either a fixed price basis or a time and materials basis. Demand for CCIC's network services fluctuates from period to period and within periods. See "Risk Factors--Variability in Demand for Network Services May Reduce the Predictability of Our Results". Consequently, the operating results of CCIC's network services businesses for any particular period may vary significantly, and should not be considered as indicative of longer-term results. CCIC also derives revenues from the ownership and operation of microwave radio and SMR networks in Puerto Rico where CCIC owns radio wave spectrum in the 2,000 MHz and 6,000 MHz range (for microwave radio) and the 800 MHz range (for SMR). These revenues are generally recognized under monthly management or service agreements.

Costs of operations for site rental primarily consist of land leases, repairs and maintenance, utilities, insurance, property taxes and monitoring costs as well as, in the case of managed sites, rental payments. For any given tower, such costs are relatively fixed over a monthly or an annual time period. As such, operating costs for owned towers do not generally increase significantly as additional customers are added. However, rental expenses at certain managed towers increase as additional customer antennas are added, resulting in higher incremental revenues but lower incremental margins than on owned towers. Costs of operations for network services consist primarily of employee compensation and related benefits costs, subcontractor services, consulting fees, and other on-site construction and materials costs. CCIC incurs these network services costs (1) to support its internal operations, including construction and maintenance of its owned towers, and (2) to maintain the employees necessary to provide end-to-end services to third parties regardless of the level of such business at any time. The Company believes that its experienced staff enables it to provide the type of end-to-end services that enhance its ability to acquire access to the infrastructure of wireless carriers and to attract significant build-to-suit contracts.

General and administrative expenses consist primarily of employee compensation and related benefits costs, advertising, professional and consulting fees, office rent and related expenses and travel costs. Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of allocated compensation, benefits and overhead costs that are not directly related to the administration or management of existing towers.

Depreciation and amortization charges relate to CCIC's property and equipment (primarily towers, construction equipment and vehicles), goodwill and other intangible assets recorded in connection with business acquisitions. Depreciation of towers and amortization of goodwill are computed with a useful life of 20 years. Amortization of other intangible assets (principally the value of existing site rental contracts at Crown) is computed with a useful life of 10 years. Depreciation of construction equipment and vehicles are generally computed with useful lives of 10 years and 5 years, respectively.

In May 1997, the Company consummated the TEA acquisition and the TeleStructures acquisition. In August 1997, the Company consummated the acquisition of Crown Communication. In August 1998, the Company consummated a share exchange with the shareholders of CTSH, pursuant to which the Company's ownership of CTSH increased from approximately 34.3% to 80%. In October 1998, CTI consummated the Millennium acquisition. Results of operations of these acquired businesses are included in the Company's consolidated financial statements for the periods subsequent to the respective dates of acquisition. As such, the Company's results of operations for the year ended December 31, 1998 are not comparable to the year ended December 31, 1997, and the results for the year ended December 31, 1997 are not comparable to the year ended December 31, 1996. See "--CTI" for a description of the revenues and operating expenses that are included in CCIC's consolidated results of operations subsequent to the consummation of the share exchange in August 1998.

The following information is derived from CCIC's historical Consolidated Statements of Operations for the periods indicated.

	Year Ended December 31, 1996		Year Ended December 31, 1997		Year Ended December 31, 1998	
	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues
	(Dollars in thousands)					
Net revenues:						
Site rental and broadcast transmission	$ 5,615	90.5%	$ 11,010	35.1%	$ 75,028	66.4%
Network services and other	592	9.5	20,395	64.9	38,050	33.6
Total net revenues	6,207	100.0	31,405	100.0	113,078	100.0
Operating expenses:						
Costs of operations:						
Site rental and broadcast transmission	1,292	23.0	2,213	20.1	26,254	35.0
Network services and other	8	1.4	13,137	64.4	21,564	56.7
Total costs of operations	1,300	21.0	15,350	48.9	47,818	42.3
General and administrative	1,678	27.0	6,824	21.7	23,571	20.8
Corporate development	1,324	21.3	5,731	18.3	4,625	4.1
Non-cash compensation charges	--	--	--	--	12,758	11.3
Depreciation and amortization	1,242	20.0	6,952	22.1	37,239	32.9
Operating income (loss)	663	10.7	(3,452)	(11.0)	(12,933)	(11.4)
Other income (expense):						
Equity in earnings (losses) of unconsolidated affiliate	--	--	(1,138)	(3.6)	2,055	1.8
Interest and other income (expense)	193	3.1	1,951	6.2	4,220	3.7
Interest expense and amortization of deferred financing costs	(1,803)	(29.0)	(9,254)	(29.5)	(29,089)	(25.7)
Loss before income taxes and minority interests	(947)	(15.2)	(11,893)	(37.9)	(35,747)	(31.6)
Provision for income taxes	(10)	(0.2)	(49)	(0.1)	(374)	(0.3)
Minority interests	--	--	--	--	(1,654)	(1.5)
Net loss	$ (957)	(15.4)%	$(11,942)	(38.0)%	$(37,775)	(33.4)%

Comparison of Years Ended December 31, 1998 and 1997

Consolidated revenues for 1998 were $113.1 million, an increase of $81.7 million from 1997. This increase was primarily attributable to (i) a $64.0 million, or 581.5%, increase in site rental and broadcast transmission revenues, of which $52.5 million was attributable to CTI and $11.5 million was attributable to the Crown operations; (ii) an $11.4 million increase in network services revenues from the Crown operations; and (iii) $5.6 million in network services revenues from CTI.

Costs of operations for 1998 were $47.8 million, an increase of $32.5 million from 1997. This increase was primarily attributable to (i) a $24.0

million increase in site rental and broadcast transmission costs, of which $20.1 million was attributable to CTI and $3.9 million was attributable to the Crown operations; (ii) a $3.8 million increase in network services costs related to the Crown operations; and (iii) $4.2 million in network services costs from CTI. Costs of operations for site rental and broadcast transmission as a percentage of site rental and broadcast transmission revenues increased to 35.0% for 1998 from 20.1% for 1997, primarily due to

(1) higher costs attributable to the CTI operations which are inherent with CTI's broadcast transmission business, and (2) higher costs for the Crown operations. Costs of operations for network services as a percentage of network services revenues decreased to 56.7% for 1998 from 64.4% for 1997, primarily due to improved margins from the Crown operations. Margins from the Crown network services operations vary from period to period, often as a result of increasingly competitive market conditions.

General and administrative expenses for 1998 were $23.6 million, an increase of $16.7 million from 1997. This increase was primarily attributable to (i) an $11.3 million increase in expenses related to the Crown operations; (ii) a $2.8 million increase in expenses at our corporate office; and (iii) $2.4 million in expenses at

CTI. General and administrative expenses as a percentage of revenues decreased for 1998 to 20.8% from 21.7% for 1997 because of lower overhead costs as a percentage of revenues for CTI, partially offset by higher overhead costs as a percentage of revenues for Crown and the increase in costs at our corporate office.

Corporate development expenses for 1998 were $4.6 million, a decrease of $1.1 million from 1997. Corporate development expenses for 1997 included nonrecurring compensation charges associated with the CTI Investment of (i) $0.9 million for certain executive bonuses and (ii) the repurchase of shares of our common stock from a member of our Board of Directors, which resulted in compensation charges of $1.3 million. Corporate development expenses for 1998 included discretionary bonuses related to the Company's performance totaling approximately $1.8 million for certain members of our management.

We have recorded non-cash compensation charges of $12.8 million related to the issuance of stock options to certain employees and executives. Such charges are expected to amount to approximately $1.6 million per year through 2002 and approximately $0.8 million in 2003. See "--Compensation Charges Related to Stock Option Grants".

Depreciation and amortization for 1998 was $37.2 million, an increase of $30.3 million from 1997. This increase was primarily attributable to (1) a $9.5 million increase in depreciation and amortization related to the property and equipment, goodwill and other intangible assets acquired in the Crown acquisition; and (2) $20.3 million of depreciation and amortization related to the property and equipment and goodwill from CTI.

The equity in earnings (losses) of unconsolidated affiliate represents our 34.3% share of CTI's net earnings (losses) for the periods from March 1997 through August 1998 (at which time the share exchange with CTI's shareholders was consummated). For the eight months ended August 31, 1998, after making appropriate adjustments to CTI's results of operations for such period to conform to generally accepted accounting principles of the United States, CTI had net revenues, operating income, interest expense (including amortization of deferred financing costs) and net income of $97.2 million, $18.6 million, $13.4 million and $6.0 million, respectively. Included in CTI's results of operations for such period are non-cash compensation charges for approximately $3.8 million related to the issuance of stock options to certain members of CTI's management.

Interest and other income for 1997 includes a $1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI. Interest income for 1998 resulted primarily from (1) the investment of excess proceeds from the sale of the 10 5/8% discount notes in November 1997; and (2) the investment of the net proceeds from the IPO in August 1998. See "--Liquidity and Capital Resources".

Interest expense and amortization of deferred financing costs for 1998 was $29.1 million, an increase of $19.8 million, or 214.3%, from 1997. This increase was primarily attributable to amortization of the original issue discount on the 10 5/8% Notes and interest on CTI's indebtedness.

Minority interests represent the minority shareholder's 20% interest in CTI's operations.

Comparison of Years Ended December 31, 1997 and 1996

Consolidated revenues for 1997 were $31.4 million, an increase of $25.2 million from 1996. This increase was primarily attributable to (1) a $5.4 million, or 96.1%, increase in site rental revenues, of which $4.2 million was attributable to the Crown operations and $0.7 million was attributable to the Puerto Rico operations; (2) $10.4 million in network services revenues from TEA; and (3) $7.2 million in network services revenues from

the Crown operations. The remainder of the increase was largely attributable to higher revenues from SMR and microwave radio services in Puerto Rico and the monthly service fees received from CTI beginning in March 1997.

Costs of operations for 1997 were $15.4 million, an increase of $14.1 million from 1996. This increase was primarily attributable to (1) $8.5 million of network services costs related to the TEA operations; (2) $3.9 million of network services costs related to the Crown operations; and (3) $0.9 million in site rental costs attributable to the Crown operations. Costs of operations for site rental as a percentage of site rental revenues decreased to 20.1% for 1997 from 23.0% for 1996 because of increased utilization of the towers located in the southwestern United States and Puerto Rico. Costs of operations for network services as a percentage of network services revenues were 64.4% for 1997, reflecting lower margins that are inherent in the network services businesses acquired in 1997.

General and administrative expenses for 1997 were $6.8 million, an increase of $5.1 million from 1996. This increase was primarily attributable to $3.0 million of expenses related to the Crown operations and $1.4 million of expenses related to the TEA operations, along with an increase in costs of $0.2 million at CCIC's corporate office. General and administrative expenses as a percentage of revenues decreased for 1997 to 21.7% from 27.0% for 1996 because of lower overhead costs as a percentage of revenues for Crown and TEA.

Corporate development expenses for 1997 were $5.7 million, an increase of $4.4 million from 1996. A substantial portion of this increase was attributable to nonrecurring compensation charges associated with the CTI Investment of (1) $0.9 million for certain executive bonuses and (2) the repurchase of shares of CCIC's common stock from a member of its Board of Directors, which resulted in compensation charges of $1.3 million. The remaining $2.2 million of the increase in corporate development expenses was attributable to a higher allocation of personnel costs, along with an overall increase in such costs, associated with an increase in acquisition and business development activities.

Depreciation and amortization for 1997 was $7.0 million, an increase of $5.7 million from 1996. This increase was primarily attributable to (1) $4.7 million of depreciation and amortization related to the property and equipment, goodwill and other intangible assets acquired in the Crown acquisition; (2) $0.5 million of depreciation and amortization related to the property and equipment and goodwill acquired in the TEA and TeleStructures acquisitions; and (3) $0.3 million resulting from twelve months of depreciation related to the property and equipment acquired in the Puerto Rico acquisition.

The equity in losses of unconsolidated affiliate of $1.1 million represents CCIC's 34.3% share of CTI's net loss for the period from March through December 1997. After making appropriate adjustments to CTI's results of operations for such period to conform to generally accepted accounting principles of the United States, CTI had net revenues, operating income, interest expense (including amortization of deferred financing costs) and net losses of $103.5 million, $16.5 million, $20.4 million and $3.3 million, respectively.

Interest and other income for 1997 includes a $1.2 million fee received in March 1997 as compensation for leading the investment consortium which provided the equity financing for CTI, the impact on earnings of which was partially offset by certain executive bonuses related to the CTI Investment and included in corporate development expenses. Interest income for 1997 resulted primarily from the investment of excess proceeds from the sale of CCIC's Series C convertible preferred stock in February 1997.

Interest expense and amortization of deferred financing costs for 1997 was $9.3 million, an increase of $7.5 million, or 413.3%, from 1996. This increase was primarily attributable to (1) commitment fees related to an unfunded interim loan facility related to the Crown acquisition and an unfunded revolving credit facility; (2) interest on notes payable to the former stockholders of Crown for a portion of the purchase price of the Crown Communication Inc.; (3) amortization of the original issue discount on the 10 5/8% discount notes; (4) interest and fees associated with borrowings under CCIC's bank credit facility which were used to finance the Crown acquisition on an interim basis; (5) interest on outstanding borrowings assumed in connection with the Crown acquisition; and (6) interest on borrowings under CCIC's bank credit facility which were used to finance the acquisition of the Puerto Rico system.

CTI

CTI's primary sources of revenues are from (1) the provision of analog and digital broadcast transmission services to the BBC and commercial broadcasters, (2) the rental of antenna space on towers and (3) the provision of network services, which includes broadcast consulting, network design and site selection, site acquisition, site development and antenna installation and site management and other services.

Broadcast transmission services revenues are received for both analog and digital transmission services. Monthly analog transmission revenues are principally received from the BBC under a contract with an initial 10-year term through March 31, 2007. Digital transmission services revenues from the BBC and ONdigital are recognized under contracts with initial terms of 12 years through November 15, 2010. Monthly revenues from these digital transmission contracts increase over time as the network rollout progresses. See "Business--U.K. Operations--Significant Contracts".

Site rental revenues are received from other broadcast transmission service providers (primarily NTL) and wireless communications companies, including all four U.K. cellular operators (Cellnet, Vodafone, One2One and Orange). As of December 31, 1998, approximately 200 companies rented space on approximately 514 of CTI's 919 towers and rooftops. Site rental revenues are generally recognized on a monthly basis under lease agreements with original terms of three to twelve years. Such lease agreements generally require annual payments in advance, and include rental rate adjustment provisions between one and three years from the commencement of the lease. Site rental revenues are expected to become an increasing portion of CTI's total U.K. revenue base, and the Company believes that the demand for site rental from communication service providers will increase in line with the expected growth of these communication services in the United Kingdom.

Network services revenues consist of (1) network design and site selection, site acquisition, site development and antenna installation (collectively, "network design and development") and (2) site management and other services. Network design and development services are provided to (1) a number of broadcasting and related organizations, both in the United Kingdom and other countries; (2) all four U.K. cellular operators; and (3) a number of other wireless communications companies, including Dolphin and Highway One. These services are usually subject to a competitive bid, although a significant proportion result from an operator coming onto an existing CTI site. Revenues from such services are recognized on either a fixed price or a time and materials basis. Site management and other services, consisting of both network monitoring and equipment maintenance, are carried out in the United Kingdom for a number of emergency service organizations. Revenues for such services are received under contracts with original terms of between three and five years. They provide for fixed prices with respect to network monitoring and variable pricing dependent on the level of equipment maintenance carried out in a given period.

Costs of operations for broadcast transmission services consist primarily of employee compensation and related benefits costs, utilities, rental payments under the Site-Sharing Agreement with NTL, circuit costs and repairs and maintenance on both transmission equipment and structures.

Site rental operating costs consist primarily of employee compensation and related benefits costs, utilities and repairs and maintenance. The majority of such costs are relatively fixed in nature, with increases in revenue from new installations on existing sites generally being achieved without a corresponding increase in costs.

Costs of operations for network services consist primarily of employee compensation and related benefits costs and on-site construction and materials costs.

General and administrative expenses consist primarily of office occupancy and related expenses, travel costs, professional and consulting fees, advertising, insurance and employee training and recruitment costs. Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives. These expenses consist primarily of external professional fees related to specific activities and allocated compensation, benefits and overhead costs that are not directly related to the administration or management of CTI's existing lines of business.

Depreciation and amortization charges relate to CTI's property and equipment (primarily towers, broadcast transmission equipment and associated buildings) and goodwill recorded in connection with the acquisition of the Home Service Transmission business from the BBC (the "BBC Home Service Transmission Business"). Depreciation of towers is computed with useful lives of 20 to 25 years; depreciation of broadcast transmission equipment is computed with a useful life of 20 years; and depreciation of buildings is computed with useful lives ranging from 20 to 50 years. Amortization of goodwill is computed with a useful life of 20 years.

The following information is derived from the Consolidated Profit and Loss Accounts of (i) CTI for periods subsequent to February 28, 1997 (the date of inception of CTI's operations) and (ii) the BBC Home Service Transmission Business for periods prior to that date. For purposes of the following discussion, CTI's results for the month ended March 31, 1997 have been combined with the results of the BBC Home Service Transmission Business for the eleven months ended February 27, 1997, and CTI's results for the nine months ended December 31, 1997 have been combined with its results for the three months ended March 31, 1998. The following discussion presents an analysis of such combined results for the twelve-month periods ended March 31, 1998 and 1997. Results for CTI are not comparable to results from the BBC Home Service Transmission Business due to differences in the carrying amounts of property and equipment and goodwill. As of December 31, 1997, CTI changed its fiscal year end for financial reporting purposes from March 31 to December 31; as such, the results for the three months ended March 31, 1998 are unaudited.

CTI uses the U.K. pound sterling as the functional currency for its operations. The following amounts have been translated to U.S. dollars using the average Noon Buying Rate for each period. The following amounts reflect certain adjustments to present the results of operations in accordance with U.S. generally accepted accounting principles ("GAAP"). For the results of the BBC Home Service Transmission Business, such adjustments affect depreciation and amortization expense as a result of differences in the carrying amounts for property and equipment; for CTI, such adjustments affect (1) operating expenses as a result of differences in the accounting for pension costs, and (2) interest expense as a result of the capitalization of interest costs in connection with constructed assets.

	Twelve Months Ended March 31, 1997		Twelve Months Ended March 31, 1998	
	Amount	Percent of Net Revenues	Amount	Percent of Net Revenues
	(Dollars in thousands)			
Net revenues:				
Site rental and broadcast transmission	$ 112,122	91.7%	$ 113,558	89.2%
Network services and other	10,090	8.3	13,731	10.8
Total net revenues	122,212	100.0	127,289	100.0
Operating expenses:				
Costs of operations:				
Site rental and broadcast transmission	61,339	54.7	53,957	47.5
Network services and other	5,912	58.6	6,075	44.2
Total cost of operations	67,251	55.0	60,032	47.1
General and administrative	7,196	5.9	8,626	6.8
Corporate development	--	--	2,303	1.8
Depreciation and amortization	17,256	14.1	37,382	29.4
Operating income	30,509	25.0	18,946	14.9
Other income (expense):				
Interest and other income	79	0.1	746	0.6
Interest expense and amortization of deferred financing costs	(1,434)	(1.2)	(24,201)	(19.0)
Income (loss) before income taxes	29,154	23.9	(4,509)	(3.5)
Provision for income taxes	--	--	--	--
Net income (loss)	$ 29,154	23.9%	$ (4,509)	(3.5)%

Comparison of Twelve Months Ended March 31, 1998 and Twelve Months Ended March 31, 1997

Consolidated revenues for the twelve months ended March 31, 1998 were $127.3 million, an increase of $5.1 million from the twelve months ended March 31, 1997. This increase was primarily attributable to (1) a $1.4 million increase in broadcast transmission services and site rental revenues and (2) a $3.6 million increase in network services and other revenues. Revenues from the BBC for the twelve months ended March 31, 1998 amounted to $79.5 million, or 62.5% of total revenues, as compared to $85.5 million, or 70.0% of total revenues, for the twelve months ended March 31, 1997. Revenues from NTL for the twelve months ended March 31, 1998 amounted to $11.8 million, or 9.2% of total revenues. Network services revenues for the twelve months ended March 31, 1998 consisted of $10.6 million from network design and development services and $3.1 million from site management and other services.

Costs of operations for the twelve months ended March 31, 1998 were $60.0 million, a decrease of $7.2 million from the twelve months ended March 31, 1997. This decrease was primarily attributable to a $7.4 million decrease in broadcast transmission services and site rental costs, partially offset by a $0.2 million increase in network services and other costs. Costs of operations as a percentage of revenues for broadcast transmission services and site rental were 47.5% for the twelve months ended March 31, 1998, as compared to 54.7% for the twelve months ended March 31, 1997. This decrease was attributable to (1) increases in site rental revenues from existing sites with little change in site operating costs; and (2) the elimination, as of February 28, 1997, of certain costs recharged to the BBC Home Service Transmission Business by the BBC. Costs of operations as a percentage of revenues for network services and other were 44.2% for the twelve months ended March 31, 1998, as compared to 58.6% for the twelve months ended March 31, 1997. This decrease was attributable to (1) a higher proportion of broadcast consulting revenues, which result in higher margins than certain other network design and development services and (2) the elimination, as of February 28, 1997, of certain costs recharged to the BBC Home Service Transmission Business by the BBC. Costs of operations for site rental and broadcast transmission for the twelve months ended March 31, 1998 includes non-cash compensation charges for $1.1 million related to the issuance of stock options to certain employees.

General and administrative expenses for the twelve months ended March 31, 1998 were $8.6 million, an increase of $1.4 million from the twelve months ended March 31, 1997. As a percentage of revenues, general and administrative expenses were 6.8% and 5.9% for the twelve months ended March 31, 1998 and 1997, respectively. This increase was attributable to costs incurred by CTI as a separate enterprise which were not directly incurred by the BBC Home Service Transmission Business as a part of the BBC.

Corporate development expenses for the twelve months ended March 31, 1998 relate primarily to costs incurred in connection with certain projects in Australasia and non-cash compensation charges for $1.8 million related to the issuance of stock options to certain executives.

Depreciation and amortization for the twelve months ended March 31, 1998 was $37.4 million, an increase of $20.1 million from the twelve months ended March 31, 1997. Monthly charges for depreciation and amortization increased for periods subsequent to February 28, 1997 due to (i) a decrease in the estimated useful lives for certain transmission and power plant equipment from 25 to 20 years; and (ii) the amortization of goodwill recorded in connection with the acquisition of the BBC Home Service Transmission Business.

Interest and other income for the twelve months ended March 31, 1998 resulted primarily from (i) the investment of excess proceeds from amounts drawn under CTI's bank credit facilities in February 1997; and (ii) the investment of cash generated from operations during the period.

Interest expense and amortization of deferred financing costs for the twelve months ended March 31, 1998 was $24.2 million. This amount was comprised of (1) $4.9 million related to amounts drawn under the CTI Credit Facility; (2) $15.6 million related to the CTI Bonds; and (3) $3.7 million for the amortization of deferred financing costs. Interest expense and amortization of deferred financing costs of $1.4 million for the twelve months ended March 31, 1997 was attributable to amounts drawn under the CTI Credit Facility. The BBC Home Service Transmission Business did not incur any financing costs as a part of the BBC prior to February 28, 1997.

Liquidity and Capital Resources

Our business strategy contemplates substantial capital expenditures (1) in connection with the expansion of our tower footprints by partnering with wireless carriers to assume ownership or control of their existing towers by pursuing build-to-suit opportunities and by pursuing other tower acquisition opportunities and (2) to acquire existing transmission networks globally as opportunities arise. Since its inception, CCIC has generally funded its activities (other than acquisitions and investments) through excess proceeds from contributions of equity capital. CCIC has financed acquisitions and investments with the proceeds from equity contributions, borrowings under our senior credit facilities, issuances of debt securities and the issuance of promissory notes to sellers. Since its inception, CTI has generally funded its activities (other than the acquisition of the BBC Home Service Transmission Business) through cash provided by operations and borrowings under CTI's credit facility. CTI financed the acquisition of the BBC Home Service Transmission Business with the proceeds from equity contributions and the issuance of CTI's 9% bonds.

For the years ended December 31, 1996, 1997 and 1998, our net cash provided by (used for) operating activities was ($0.5 million), ($0.6 million) and $45.0 million, respectively. For the years ended December 31, 1996, 1997 and 1998, our net cash provided by financing activities was $21.2 million, $159.8 million and $345.2 million, respectively. Our primary financing-related activities in 1998 included the following:

Exchangeable Preferred Stock Offering. On December 16, 1998, we privately placed 200,000 shares of our 12 3/4% Senior Exchangeable Preferred Stock due 2010, with a liquidation preference of $1,000 per share, resulting in net proceeds to us of approximately $193.0 million. We used a portion of the net proceeds of the exchangeable preferred stock offering to repay our outstanding indebtedness under CCI's senior credit facility. We intend to use the remainder of the net proceeds of the exchangeable preferred stock offering to finance a portion of our investment in the Proposed BAM JV.

Initial Public Offering. On August 18, 1998, we consummated our IPO at a price to the public of $13.00 per share. We sold 12,320,000 shares of our common stock and received proceeds of $151.0 million (after underwriting discounts of $9.1 million but before other expenses of the IPO, which totaled approximately $4.1 million). We intend to use the net proceeds from the IPO to finance a portion of our investment in the Proposed BAM JV.

Capital expenditures were $138.8 million for the twelve months ended December 31, 1998, of which $3.7 million were for CCIC, $84.9 million was for CCI and $50.2 million were for CTI. We anticipate that we will build, through the end of 1999, approximately 750 towers in the United States at a cost of approximately $175.0 million and approximately 200 towers in the United Kingdom at a cost of approximately $23.0 million. We also expect that the capital expenditure requirements related to the roll-out of digital broadcast transmission in the United Kingdom will be approximately (Pounds)40.0 million ($66.5 million).

In addition to capital expenditures in connection with build-to-suits, we expect to apply a significant amount of capital to finance the cash portion of the consideration being paid in connection with the Proposed Transactions.

In connection with the Proposed BAM JV, we will contribute, in addition to other consideration, $250.0 million in cash to the joint venture. The joint venture expects to borrow $180.0 million under a committed $250.0 million revolving credit facility, following which the joint venture will make a $380.0 million cash distribution to BAM. We have allocated the net proceeds of our IPO and a portion of the net proceeds of our 12 3/4% exchangeable preferred stock offering to finance our cash contribution to the joint venture.

In connection with the Proposed BellSouth Transaction, we will pay BellSouth, in addition to other consideration, $430.0 million in cash. We have deposited $50.0 million in an escrow account pending the first closing of the transaction, which we funded through a loan agreement we entered into on March 15, 1999. We expect to use a portion of the net proceeds of the Proposed Offerings to finance this transaction.

In connection with the Proposed Powertel Acquisition, we will pay Powertel $275.0 million in cash. We have deposited $50.0 million, which we funded through the March 15, 1999 loan agreement, in an escrow

account to be applied to the purchase price at closing. We expect to use a portion of the net proceeds of the Proposed Offerings to finance this transaction.

We expect that the consummation of the Proposed Transactions and the execution of our build-to-suit program will have a material impact on our liquidity. We expect that once integrated, these transactions will have a positive impact on liquidity, but will require some period of time to offset the initial adverse impact on liquidity. In addition, we believe that as new build to suit towers become operational and we begin to add tenants, they should result in a long-term increase in liquidity.

Our liquidity may also be materially impacted if we fail to consummate any or all of the Proposed Transactions. In the event we consummate the Proposed Offerings and subsequently fail to consummate the Proposed BAM JV, the Proposed BellSouth Transaction or the Proposed Powertel Acquisition, the proceeds of the Proposed Offerings or, in the case of the Proposed BAM JV, the proceeds of our prior 12 3/4% exchangeable preferred stock offering, would no longer be required to be allocated to finance such transaction and would be available to us as additional liquidity. If the Proposed Transaction giving rise to such additional liquidity were the Proposed BellSouth Transaction or the Proposed Powertel Acquisition, the increase in our liquidity could be somewhat offset by any portion of the escrow payments made in connection with such transactions that we may forfeit as a result of not closing such transactions. See "Risk Factors--The Proposed Transactions".

To fund the execution of the our business strategy, including the Proposed Transactions, we expect to use the net proceeds of the Proposed Offerings, the borrowings available under CCI's senior credit facility, the borrowings available under CTI's credit facility and the remaining net proceeds from our IPO and our 12 3/4% exchangeable preferred stock offering. Following consummation of the Proposed Offerings and assuming all the Proposed Transactions are consummated, we believe we will have sufficient liquidity to fund our operations and pursue our business strategy in the near term. Our business strategy, however, includes the pursuit of additional tower acquisition and build-out opportunities, and we may have additional cash needs as opportunities arise. Some of the opportunities that we are currently pursuing could require significant additional capital. In the event we do not otherwise have cash available, or borrowings under our credit facilities have otherwise been utilized, when an opportunity arises, we would be forced to seek additional debt or equity financing or to forego the opportunity. In the event we determine to seek additional debt or equity financing, there can be no assurance that any such financing will be available (on commercially acceptable terms or at all) or permitted by the terms of our existing indebtedness. To the extent we are unable to finance future capital expenditures, we will be unable to achieve our currently contemplated business strategy.

As of December 31, 1998, after giving pro forma effect to the Proposed Offerings, we would have had consolidated cash and cash equivalents of $962.6 million (including $6.5 million at CTI), consolidated long-term debt of $729.7 million, consolidated redeemable preferred stock of $201.1 million and consolidated stockholders' equity of $1,114.6 million. As of December 31, 1998, after giving pro forma effect to the Proposed Offerings and the Proposed Transactions, we would have had consolidated cash and cash equivalents of $49.6 million (including $6.5 million at CTI and $45.9 million at the Proposed BAM JV), consolidated long-term debt of $909.7 million, consolidated redeemable preferred stock of $201.1 million and consolidated stockholders' equity of $1,491.6 million.

As of March 1, 1999, CCI and its subsidiaries had unused borrowing availability under its senior credit facility of approximately $54.0 million, and CTI had unused borrowing availability under its credit facility of approximately (Pounds)24.0 million ($39.9 million). As of December 31, 1998, CCI and its subsidiaries and CTI and its subsidiaries had approximately $77.6 million and (Pounds)30.8 million ($51.2 million) of unused borrowing availability, respectively, under CCI's senior credit facility and CTI's credit facility. Upon its formation, the Proposed BAM JV will borrow $180.0 million under a committed $250.0 million credit facility. CCI's senior credit facility and CTI's credit facility require, and the Proposed BAM JV credit facility will require, that the respective borrowers maintain certain financial covenants; in addition, all three credit facilities place restrictions on the ability of the borrower and its subsidiaries to, among other things, incur debt and liens, pay dividends, make capital expenditures, undertake transactions with affiliates and make investments. These facilities also limit the ability of the borrowing subsidiaries to pay dividends to CCIC.

Prior to May 15, 2003, the interest expense on our 10 5/8% discount notes will be comprised solely of the amortization of original issue discount. Thereafter, the 10 5/8% discount notes will require annual cash interest payments of approximately $26.7 million. Prior to December 15, 2003, we do not expect to pay cash dividends on our exchangeable preferred stock or, if issued, cash interest on the exchange debentures. Thereafter, assuming all dividends or interest have been paid-in-kind, our exchangeable preferred stock or, if issued, the exchange debentures will require annual cash dividend or interest payments of approximately $47.8 million. Annual cash interest payments on the CTI Bonds are (Pounds)11.25 million ($18.7 million). In addition, CCI's senior credit facility and CTI's credit facility will require periodic interest payments on amounts borrowed thereunder. Our ability to make scheduled payments of principal of, or to pay interest on, our debt obligations, and our ability to refinance any such debt obligations (including our 10 5/8% discount notes and the CTI Bonds), will depend on our future performance, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We anticipate that we may need to refinance all or a portion of our indebtedness (including our 10 5/8% discount notes and the CTI Bonds) on or prior to its scheduled maturity. There can be no assurance that we will be able to effect any required refinancings of our indebtedness on commercially reasonable terms or at all. See "Risk Factors".

Compensation Charges Related to Stock Option Grants

During the period from April 24, 1998 through July 15, 1998, we granted options to employees and executives for the purchase of 3,236,980 shares of our common stock at an exercise price of $7.50 per share. Of such options, options for 1,810,730 shares vested upon consummation of the IPO and the remaining options for 1,426,250 shares will vest at 20% per year over five years, beginning one year from the date of grant. In addition, we have assigned our right to repurchase shares of our common stock from a stockholder (at a price of $6.26 per share) to two individuals (including a newly-elected director) with respect to 100,000 of such shares. Since the granting of these options and the assignment of these rights to repurchase shares occurred subsequent to the date of the share exchange agreement with CTI's shareholders and at prices substantially below the price to the public in the IPO, we have recorded a non-cash compensation charge related to these options and shares based upon the difference between the respective exercise and purchase prices and the price to the public in the IPO. Such compensation charge will total approximately $18.4 million, of which approximately $10.6 million was recognized upon consummation of the IPO (for such options and shares which vested upon consummation of the IPO), and the remaining $7.8 million is being recognized over five years (approximately $1.6 million per year) through the second quarter of 2003. An additional $1.6 million in non-cash compensation charges will be recognized through the third quarter of 2001 for stock options issued to certain members of CTI's management prior to the consummation of the share exchange.

Impact of Recently Issued Accounting Standards

In April 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position 98-5, Reporting on the Costs of Start-Up Activities ("SOP 98-5"). SOP 98-5 requires that costs of start-up activities be charged to expense as incurred and broadly defines such costs. We have deferred certain costs incurred in connection with potential business initiatives and new geographic markets, and SOP 98-5 will require that such deferred costs be charged to results of operations upon its adoption. SOP 98-5 is effective for fiscal years beginning after December 15, 1998. We will adopt the requirements of SOP 98-5 as of January 1, 1999. The cumulative effect of the change in accounting principle for the adoption of SOP 98-5 will result in a charge to results of operations in our financial statements for the three months ending March 31, 1999; it is currently estimated that such charge will amount to approximately $2,300,000.

In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 requires that derivative instruments be recognized as either assets or liabilities in the consolidated balance sheet based on their fair values. Changes in the fair values of such derivative instruments will be recorded either in results of operations or in other

comprehensive income, depending on the intended use of the derivative instrument. The initial application of SFAS 133 will be reported as the effect of a change in accounting principle. SFAS 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 1999. We will adopt the requirements of SFAS 133 in our financial statements for the three months ending March 31, 2000. We have not yet determined the effect that the adoption of SFAS 133 will have on our consolidated financial statements.

Year 2000 Compliance

The year 2000 problem is the result of computer programs having been written using two digits (rather than four) to define the applicable year. Any of our computer programs that have date-sensitive software may recognize a date using "00" as 1900 rather than the year 2000, or may not recognize the date at all. This could result in a system failure or miscalculations causing disruption of operations including, among other things, a temporary inability to process transactions, send invoices, or engage in similar normal business activities.

In 1997 we established a year 2000 project to ensure that the issue received appropriate priority and that necessary resources were made available. This project includes the replacement of our worldwide business computer systems with systems that use programs primarily from J.D. Edwards, Inc. The new systems are expected to make approximately 90% of our business computer systems year 2000 compliant and are in production today. Remaining business software programs, including those supplied by vendors, will be made year 2000 compliant through the year 2000 project or they will be retired. None of our other information technology projects has been delayed due to the implementation of the year 2000 project.

Our year 2000 project is divided into the following phases: (1) inventorying year 2000 items; (2) assigning priorities to identified items; (3) assessing the year 2000 compliance of items determined to be material to us; (4) repairing or replacing material items that are determined not to be year 2000 compliant; (5) testing material items; and (6) designing and implementing contingency and business continuation plans for each organization and company location. We have completed the inventory and priority assessment phases and are 90% complete with the assessing compliance phase. The remaining items include various third party assurances regarding the year 2000 status of their operations. We are now continuing with the testing phase of the year 2000 project. All critical broadcast equipment and non-information technology related equipment has been tested and is either year 2000 compliant, has been designated as year 2000 ready, or will be repaired or replaced by June 1999. A year 2000 ready designation implies the equipment or system will function without adverse effects beyond year 2000 but may not be aware of the century. All critical information technology systems have been designated year 2000 compliant or are scheduled to be retired or remediated by July 1999. The testing phase is ongoing as hardware or system software is remediated, upgraded or replaced. Testing as well as remediation is scheduled for completion in July 1999. The final phase of our year 2000 project, contingency planning, will be completed and tested to the extent possible by September 1999.

We have expended $6.9 million on the year 2000 project through December 31, 1998, of which approximately $6.8 million related to the implementation of the J.D. Edwards Systems and related hardware. Funds for the year 2000 project are provided from a separate budget of $0.6 million for all items.

The failure to correct a material year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect our results of operations, liquidity and financial condition. Due to the general uncertainty inherent in the year 2000 problem, resulting in part from the uncertainty of the year 2000 readiness of third-party suppliers and customers, we are unable to determine at this time whether the consequences of year 2000 failures will have a material impact on our results of operations, liquidity or financial condition. The year 2000 project is expected to significantly reduce our level of uncertainty about the year 2000 problem and, in particular, about the year 2000 compliance and readiness of our material business partners. We believe that, with the implementation of new business systems and completion of the project as scheduled, the possibility of significant interruptions of normal operations should be reduced.

Purpose of the Exchange Offer

In connection with the sale of the old preferred stock, we entered into the Registration Rights Agreement with the initial purchasers, pursuant to which we agreed to use our best efforts to file with the Commission a registration statement with respect to the exchange of the old preferred stock for a new series of exchangeable preferred stock with terms identical in all material respects to the terms of the old preferred stock, except that the new preferred stock have been registered under the Securities Act and are issued free of any covenant regarding registration, including the payment of additional interest upon a failure to file or have declared effective an exchange offer registration statement or to consummate the exchange offer by certain dates.

We are making the exchange offer in reliance on the position of the staff of the Commission as set forth in Exxon Capital Holdings Corp., SEC No-Action Letter (April 13, 1989), Morgan Stanley & Co. Inc., SEC No-Action Letter (June 5, 1991) and Shearman & Sterling, SEC No-Action Letter (July 2, 1993). However, we have not sought our own no-action letter, and there can be no assurance that the staff of the Commission would make a similar determination with respect to the exchange offer as in such other circumstances. Based upon these interpretations by the staff of the Commission, we believe that new preferred stock issued pursuant to this exchange offer in exchange for old preferred stock may be offered for resale, resold and otherwise transferred by a holder thereof other than (i) a broker-dealer who purchased such old preferred stock directly from us to resell pursuant to Rule 144A or any other available exemption under the Securities Act or (ii) a person that is our "affiliate" (as defined in Rule 405 of the Securities Act) without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that such new preferred stock are acquired in the ordinary course of such holder's business and that such holder is not participating, and has no arrangement or understanding with any person to participate, in the distribution of such new preferred stock. Holders of old preferred stock accepting the exchange offer will represent to us in the Letter of Transmittal that such conditions have been met. Any holder who participates in the exchange offer for the purpose of participating in a distribution of the new preferred stock may not rely on the position of the staff of the Commission as set forth in these no-action letters and would have to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any secondary resale transaction. A secondary resale transaction in the United States by a holder who is using the exchange offer to participate in the distribution of new preferred stock must be covered by a registration statement containing the selling securityholder information required by Item 507 of Regulation S-K of the Securities Act.

Each broker-dealer that receives new preferred stock for its own account pursuant to the exchange offer must acknowledge that it acquired the old preferred stock, as a result of market-making activities or other trading activities and will deliver a prospectus in connection with any resale of such new preferred stock. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new preferred stock received in exchange for old preferred stock where such old preferred stock were acquired by such broker-dealer as a result of market-making activities or other trading activities. The Letter of Transmittal states that by acknowledging and delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act. We have agreed that for a period of 180 days after the expiration date, they will make this prospectus available to broker-dealers for use in connection with any such resale. See "Plan of Distribution".

Except as aforesaid, this prospectus may not be used for an offer to resell, resale or other retransfer of new preferred stock.

The exchange offer is not being made to, nor will we accept tenders for exchange from, holders of old preferred stock in any jurisdiction in which the exchange offer or the acceptance thereof would not be in compliance with the securities or blue sky laws of such jurisdiction.

Terms of the Exchange

Upon the terms and subject to the conditions of the exchange offer, we will, unless such old preferred stock are withdrawn in accordance with the withdrawal rights specified in "Withdrawal of Tenders" below, accept any and all old preferred stock validly tendered prior to 5:00 p.m., New York City time, on the expiration date. The date of acceptance for exchange of the old preferred stock, and consummation of the exchange offer, is the exchange date, which will be the first business day following the expiration date (unless extended as described herein). We will issue, on or promptly after the exchange date, an aggregate liquidation preference of up to $200,000,000 of new preferred stock in exchange for an equal liquidation preference at maturity of outstanding old preferred stock tendered and accepted in connection with the exchange offer. The new preferred stock issued in connection with the exchange offer will be delivered on the earliest practicable date following the exchange date. Holders may tender some or all of their old preferred stock in connection with the exchange offer.

The terms of the new preferred stock are identical in all material respects to the terms of the old preferred stock, except that the new preferred stock have been registered under the Securities Act and are issued free from any covenant regarding registration, including the payment of additional interest upon a failure to file or have declared effective an exchange offer registration statement or to consummate the exchange offer by certain dates. The new preferred stock will evidence the same obligations as the old preferred stock and will be issued under and be entitled to the same benefits under the certificate of designation as the old preferred stock. As of the date of this prospectus, $200,000,000 aggregate liquidation preference of the old preferred stock is outstanding.

In connection with the issuance of the old preferred stock, we arranged for the old preferred stock originally purchased by qualified institutional buyers to be issued and transferable in book-entry form through the facilities of The Depository Trust Company ("DTC"), acting as depositary. Except as described under "Book-Entry, Delivery and Form," the new preferred stock will be issued in the form of a global note registered in the name of DTC or its nominee and each holder's interest therein will be transferable in book-entry form through DTC. See "Book-Entry, Delivery and Form."

Holders of old preferred stock do not have any appraisal or dissenters' rights in connection with the exchange offer. Old preferred stock which are not tendered for exchange or are tendered but not accepted in connection with the exchange offer will remain outstanding and be entitled to the benefits of the certificate of designations, but will not be entitled to any registration rights under the Registration Rights Agreement.

We shall be deemed to have accepted validly tendered old preferred stock when, as and if we have given oral or written notice thereof to the exchange agent. The exchange agent will act as agent for the tendering holders for the purposes of receiving the new preferred stock from us.

If any tendered old preferred stock are not accepted for exchange because of an invalid tender, the occurrence of certain other events set forth herein or otherwise, certificates for any such unaccepted old preferred stock will be returned, without expense, to the tendering holder thereof as promptly as practicable after the expiration date.

Holders who tender old preferred stock in connection with the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the Letter of Transmittal, transfer taxes with respect to the exchange of old preferred stock in connection with the exchange offer. We will pay all charges and expenses, other than certain applicable taxes described below, in connection with the exchange offer. See "--Fees and Expenses".

Expiration Date; Extensions; Amendments

The term "expiration date" shall mean 5:00 p.m., New York City time, on , 1999, unless extended by us in our sole discretion (but in no event to a date later than , 1999), in which case the term "expiration date" shall mean the latest date and time to which the exchange offer is extended.

We reserve the right, in our sole discretion (i) to delay accepting any old preferred stock, to extend the exchange offer or to terminate the exchange offer and to refuse to accept old preferred stock not previously accepted, if any of the conditions set forth below under "Conditions to the Exchange Offer" shall not have been satisfied and shall not have been waived by us (if permitted to be waived by us) and (ii) to amend the terms of the exchange offer in any manner. Any such delay in acceptance, extension, termination or amendment will be followed as promptly as practicable by oral or written notice thereof to the registered holders. If the exchange offer is amended in a manner that we determine to constitute a material change, we will promptly disclose such amendment by means of a prospectus supplement that will be distributed to the registered holders of the old preferred stock, and we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during such five to ten business day period. In no event, however, shall the expiration date be later than , 1999.

If we determine to make a public announcement of any delay, extension, amendment or termination of the exchange offer, we shall have no obligation to publish, advertise or otherwise communicate any such public announcement, other than by making a timely release to an appropriate news agency.

Conditions to the Exchange Offer

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or to exchange, any old preferred stock for any new preferred stock, and may terminate or amend the exchange offer before the acceptance of any old preferred stock for exchange, if:

(a) any action or proceeding is instituted or threatened in any court or by or before any governmental agency with respect to the exchange offer which, in our reasonable good faith judgment, would be expected to impair our ability to proceed with the exchange offer, or

(b) any law, statute, rule of regulation is adopted or enacted, or any existing law, statute, rule or regulation is interpreted by the Commission or its staff, which, in our reasonable good faith judgment, would be expected to impair our ability to proceed with the exchange offer.

If we determine in our reasonable good faith judgment that any of the foregoing conditions exist, we may (i) refuse to accept any old preferred stock and return all tendered old preferred stock to the tendering holders, (ii) extend the exchange offer and retain all old preferred stock tendered prior to the expiration of the exchange offer, subject, however, to the rights of holders who tendered such old preferred stock to withdraw their tendered old preferred stock which have not been withdrawn. If such waiver constitutes a material change to the exchange offer, we will promptly disclose such waiver by means of a prospectus supplement that will be distributed to the registered holders, and we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the waiver and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during such five to ten business days. In no event, however, shall the expiration date be a date later than , 1999.

Procedures for Tendering

To tender in connection with the exchange offer, a holder must complete, sign and date the Letter of Transmittal, or a facsimile thereof, have the signatures thereon guaranteed if required by the Letter of Transmittal and mail or otherwise deliver such Letter of Transmittal or such facsimile, together with the old preferred stock (unless such tender is being effected pursuant to the procedure for book-entry transfer described below) and any other required documents, to the exchange agent prior to 5:00 p.m., New York City time, on the expiration date.

Any financial institution that is a participant in DTC's Book-Entry Transfer Facility system may make book-entry delivery of the old preferred stock by causing DTC to transfer such old preferred stock into the exchange agent's account in accordance with DTC's procedure for such transfer. Although delivery of old preferred stock may be effected through book-entry transfer into the exchange agent's account at DTC, the Letter of Transmittal (or facsimile thereof), with any required signature guarantees and any other required documents, must, in any

case, be transmitted to and received or confirmed by the exchange agent at its addresses set forth under the caption "exchange agent," below, prior to 5:00 p.m., New York City time, on the expiration date. DELIVERY OF DOCUMENTS TO DTC IN ACCORDANCE WITH ITS PROCEDURES DOES NOT CONSTITUTE DELIVERY TO THE EXCHANGE AGENT.

The tender by a holder of old preferred stock will constitute an agreement between us and such holder in accordance with the terms and subject to the conditions set forth herein and in the Letter of Transmittal.

The method of delivery of old preferred stock and the Letter of Transmittal and all other required documents to the exchange agent is at the election and risk of the holders. Instead of delivery by mail, it is recommended that holders use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the exchange agent before the expiration date. No Letter of Transmittal of old preferred stock should be sent to us. Holders may request their respective brokers, dealers, commercial banks, trust companies or nominees to effect the tenders for such holders.

Any beneficial owner whose old preferred stock are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender should contact the registered holder promptly and instruct such registered holder to tender on such beneficial owner's behalf. If such beneficial owner wishes to tender on such owner's own behalf, such owner must, prior to completing and executing the Letter of Transmittal and delivery of such owner's old preferred stock, either make appropriate arrangements to register ownership of the old preferred stock in such owner's name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Signature on a Letter of Transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an Eligible Institution (as defined below) unless the old preferred stock tendered pursuant thereto are tendered (i) by a registered holder who has not completed the box entitled "Special Payment Instructions" or "Special Delivery Instructions" on the Letter of Transmittal, or (ii) for the account of an Eligible Institution. In the event that signatures on a Letter of Transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, such guarantee must be by a member firm of a registered national securities exchange or of the National Association of Securities Dealers, Inc., a commercial bank or trust company having an office or correspondent in the United States or an "eligible guarantor institution" within the meaning of Rule 17Ad-15 under the Exchange Act (an "Eligible Institution").

If the Letter of Transmittal is signed by a person other than the registered holder of any old preferred stock listed therein, such old preferred stock must be endorsed by such registered holder or accompanied by a properly completed bond power, in each case signed or endorsed in blank by such registered holder as such registered holder's name appears on such old preferred stock.

If the Letter of Transmittal or any old preferred stock or bond powers are signed or endorsed by trustees, executors, administrators, guardians, attorney-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and unless waived by us, evidence satisfactory to us of their authority to so act must be submitted with the Letter of Transmittal.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance and withdrawal of tendered old preferred stock will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all old preferred stock not properly tendered or any old preferred stock whose acceptance by us would, in the opinion of our U.S. counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to any particular old preferred stock either before or after the expiration date. Our interpretation of the terms and conditions of the exchange offer (including the instructions in the Letter of Transmittal) will be final and binding, on all parties. Unless waived, any defects or irregularities in connection with tenders of old preferred stock must be cured within such time as we shall determine. Although we intend to request the exchange agent to notify holders of defects or irregularities with respect to tenders of old preferred stock, neither we, the exchange agent nor any other person

shall have any duty or incur any liability for failure to give such notification. Tenders of old preferred stock will not be deemed to have been made until such defects or irregularities have been cured or waived. Any old preferred stock received by the exchange agent that are not properly tendered and as to which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the Letter of Transmittal, as soon as practicable following the expiration date.

In addition, we reserve the right, as set forth above under the caption "Conditions to the Exchange Offer", to terminate the exchange offer.

By tendering, each holder represents to us that, among other things, the new preferred stock acquired in connection with the exchange offer are being obtained in the ordinary course of business of the person receiving such new preferred stock, whether or not such person is the holder, that neither the holder nor any such other person has an arrangement or understanding with any person to participate in the distribution of such new preferred stock and that neither the holder nor any such other person is our "affiliate" (as defined in Rule 405 under the Securities Act). If the holder is a broker-dealer which will receive new preferred stock for its own account in exchange of old preferred stock, it will acknowledge that it acquired such old preferred stock as the result of market making activities or other trading activities and it will deliver a prospectus in connection with any resale of such new preferred stock. See "Plan of Distribution".

Guaranteed Delivery Procedures

Holders who wish to tender their old preferred stock and (i) whose old preferred stock are not immediately available, or (ii) who cannot deliver their old preferred stock, the Letter of Transmittal or any other required documents to the exchange agent, or cannot complete the procedure for book-entry transfer, prior to the expiration date, may effect a tender of their old preferred stock if:

(a) The tender is made through an Eligible Institution;

(b) Prior to the expiration date, the exchange agent received from such eligible institution a properly completed and duly executed Notice of Guaranteed Delivery (by facsimile transmission, mail or hand delivery) setting forth the name and address of the holder, the certificate number or numbers of such old preferred stock and the principal amount of old preferred stock tendered, stating that the tender is being made thereby and guaranteeing that, within five business days after the expiration date, the Letter of Transmittal (or facsimile thereof) together with the certificate or certificates representing the old preferred stock to be tendered in proper form for transfer (or confirmation of a book-entry transfer into the exchange agent's account at DTC of old preferred stock delivered electronically) and any other documents required by the Letter of Transmittal will be deposited by the eligible institution with the exchange agent; and

(c) Such properly completed and executed Letter of Transmittal (or facsimile thereof) as well as the certificate or certificates representing all tendered old preferred stock in proper form for transfer (or confirmation of a book-entry transfer into the exchange agent's account at DTC of old preferred stock delivered electronically) and all other documents required by the Letter of Transmittal are received by the exchange agent within five business days after the expiration date.

Withdrawal of Tenders

Except as otherwise provided herein, tenders of old preferred stock may be withdrawn at any time prior to 5:00 p.m., New York City time, on the expiration date.

To withdraw a tender of old preferred stock in connection with the exchange offer, a written facsimile transmission notice of withdrawal must be received by the exchange agent at its address set forth herein prior to 5:00 p.m., New York City time, on the expiration date. Any such notice of withdrawal must (i) specify the name of the person who deposited the old preferred stock to be withdrawn, (ii) identify the old preferred stock to be withdrawn (including the certificate number or numbers and principal amount of such old preferred stock), (iii) be signed by the depositor in the same manner as the original signature on the Letter of Transmittal by which

such old preferred stock were tendered (including any required signature guarantees) or be accompanied by documents of transfer sufficient to have the trustee register the transfer of such old preferred stock into the name of the person withdrawing the tender, and (iv) specify the name in which any such old preferred stock are to be registered, if different from that of the depositor. All questions as to the validity, form and eligibility (including time of receipt) of such withdrawal notices will be determined by us, whose determination shall be final and binding on all parties. Any old preferred stock so withdrawn will be deemed not to have been validly tendered for purposes of the exchange offer and no new preferred stock will be issued with respect thereto unless old preferred stock so withdrawn are validly re-tendered. Any old preferred stock which have been tendered but which are not accepted for exchange or which are withdrawn will be returned to the holder thereof without cost to such holder as soon as practicable after withdrawal, rejection of tender or termination of the exchange offer. Properly withdrawn old preferred stock may be retendered by following one of the procedures described above under the caption "Procedures for Tendering" at any time prior to the expiration date.

Exchange Agent

ChaseMellon Shareholder Services, L.L.C. has been appointed as exchange agent in connection with the exchange offer. Questions and requests for assistance, requests for additional copies of this prospectus or of the Letter of Transmittal should be directed to the exchange agent, at its offices at 2323 Bryan Street, Suite 2300, Dallas, Texas 75201. The exchange agent's telephone number is (214) 965-2220 and facsimile number is (214) 965-2233.

Fees and Expenses

We will not make any payment to brokers, dealers or others soliciting acceptances of the exchange offer. We will pay certain other expenses to be incurred in connection with the exchange offer, including the fees and expenses of the exchange agent, accounting and certain legal fees.

Holders who tender their old preferred stock for exchange will not be obligated to pay any transfer taxes in connection therewith. If, however, new preferred stock are to be delivered to, or are to be issued in the name of, any person other than the registered holder of the old preferred stock tendered, or if tendered old preferred stock are registered in the name of any person other than the person signing the Letter of Transmittal, or if a transfer tax is imposed for any reason other than the exchange of old preferred stock in connection with the exchange offer, then the amount of any such transfer taxes (whether imposed on the registered holder or any other persons) will be payable by the tendering holder. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the Letter of Transmittal, the amount of such transfer taxes will be billed directly to such tendered holder.

Accounting Treatment

The new preferred stock will be recorded at the same carrying value as the old preferred stock as reflected in our accounting records on the date of the exchange. Accordingly, we will not recognize any gain or loss for accounting purposes upon the consummation of the exchange offer. Any expenses of the exchange offer that we paid will be charged against our additional paid-in capital in accordance with generally accepted accounting principles.

Consequences of Failures to Properly Tender Old Preferred Stock in the Exchange

Issuance of the new preferred stock in exchange for the old preferred stock pursuant to the exchange offer will be made only after timely receipt by the exchange agent of such old preferred stock, a properly completed and duly executed Letter of Transmittal and all other required documents. Therefore, holders of the old preferred stock desiring to tender such old preferred stock in exchange for new preferred stock should allow sufficient time to ensure timely delivery. We are under no duty to give notification of defects or irregularities with respect to tenders of old preferred stock for exchange. Old preferred stock that are not tendered or that are tendered but we do not accept, will, following consummation of the exchange offer, continue to be subject to the existing

restrictions upon transfer thereof under the Securities Act and, upon consummation of the exchange offer, certain registration rights under the Registration Rights Agreement will terminate.

In the event the exchange offer is consummated, we will not be required to register the remaining old preferred stock. Remaining old preferred stock will continue to be subject to the following restrictions on transfer: (i) the remaining old preferred stock may be resold only if registered pursuant to the Securities Act, if any exemption from registration is available thereunder, or if neither such registration nor such exemption is required by law, and (ii) the remaining old preferred stock will bear a legend restricting transfer in the absence of registration or an exemption therefrom. We do not currently anticipate that it will register the remaining old preferred stock under the Securities Act. To the extent that old preferred stock are tendered and accepted in connection with the exchange offer, any trading market for remaining old preferred stock could be adversely affected.

INDUSTRY BACKGROUND

General

The Company owns, operates and manages wireless communications and broadcast transmission infrastructure, including towers and other communications sites, and also provides a full range of complementary network support services. Each of the wireless communications and broadcasting industries is currently experiencing a period of significant change.

The wireless communications industry is growing rapidly as new wireless technologies are developed and consumers become more aware of the benefits of wireless services. Wireless technologies are being used in more applications and the cost of wireless services to consumers is declining. A significant number of new competitors in the wireless communications industry have developed as additional frequency spectrum has become available for a wide range of uses, most notably Personal Communications Services ("PCS") (known as "PCN" in the United Kingdom). This competition, combined with an increasing reliance on wireless communications by consumers and businesses, has led to an increased demand for higher quality, uninterrupted service and improved coverage, which, in turn, has led to increased demand for communications sites as new carriers build out their networks and existing carriers upgrade and expand their networks to maintain their competitiveness. These trends are affecting the wireless communications industry around the world.

As the wireless communications industry has become more competitive, wireless carriers have sought operating and capital efficiencies by outsourcing certain network services and the build-out and operation of new and existing infrastructure and by co-locating transmission equipment with other carriers on multiple tenant towers. The need for co-location has also been driven by the growing trend by municipalities to slow the proliferation of towers. Further, the Company believes that there has been a fundamental shift in strategy among established wireless carriers relating to infrastructure ownership. The Company believes that in order to free up capital for the growth and management of their customer bases and expansion of their service offerings, such carriers are beginning to seek to sell their wireless communications infrastructure to, or establish joint ventures with, experienced infrastructure providers that have the ability to manage networks. The Company believes that those infrastructure providers with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure.

The television broadcasting industry is experiencing significant change because of the impending widespread deployment of digital terrestrial television broadcasting (known as "DTV" in the United States and "DTT" in the United Kingdom). In the United States, the FCC has required the four major networks (ABC, CBS, NBC and Fox) to commence DTV broadcasts in the top ten markets by May 1999 and in the top 30 markets by November 1999. In the United Kingdom, pursuant to the Broadcasting Act 1996, six digital television transmission multiplexes, which permit the holders to transmit digital television broadcasting services, have been allocated. The Company successfully began commercial operation of the DTT network from an initial 22 transmission sites on November 15, 1998. Australia, France, Germany, Japan, Spain and Sweden are expected to be the next countries to introduce digital terrestrial television, followed by other European nations and later by developing countries. Many countries are expected to start to establish digital services within the next five years. The shift to digital transmission will require network design, development and engineering services and the significant enhancement of existing broadcast transmission infrastructure, including new transmission and monitoring equipment and the modification, strengthening and construction of towers (including over 1,000 tall towers in the United States). In addition, state-run broadcast transmission networks are continuing to be privatized throughout the world.

The Company expects these trends to continue around the world in both the wireless communications and broadcasting industries. The Company believes that the next logical step in the outsourcing of infrastructure by wireless carriers and broadcasters will be the outsourcing of the operation of their towers and transmission networks, including the transmission of their signals, in much the same way as the BBC has done with its

transmission network. This outsourcing will allow carriers to realize additional operating and capital efficiencies and to focus on management of their customer bases and expansion of their service offerings. Management believes that such carriers will only entrust the transmission of their signals to those infrastructure providers, such as the Company, that have the ability to manage towers and transmission networks and a proven track record of providing end-to-end services to the wireless communications and broadcasting industries.

Development of the Tower Industry

United States. The U.S. wireless communications industry was transformed in the 1970s through the issuance of licenses by the FCC to provide high quality communications services to vehicle-mounted and hand-held portable telephones, pagers and other devices. The licensees built and began operating wireless networks that were supported by communication sites, transmission equipment and other infrastructure. In the early 1980s, the number of towers began to expand significantly with the development of more advanced wireless communications systems, particularly cellular and paging. Nevertheless, as additional towers were built by the wireless carriers, they often were built for a single purpose rather than as multiple tenant towers. Further, these towers were generally owned and maintained by carriers and were treated as corporate cost centers operated primarily for the purpose of transmitting or receiving such carriers' signals.

During the mid-to-late 1980s, a number of independent operators of towers began to emerge. These independent tower operators focused on owning and managing towers with multiple tenants by adding lessees to existing and reconstructed towers. The Company believes the majority of these operators were small business owners with a small number of local towers and few services other than site rental. In the last five years, however, several larger independent tower operators have emerged as demand for wireless services has continued to grow and as additional high frequency licenses have been awarded for new wireless services (including PCS, narrowband paging and wireless local loop), each requiring networks with extensive tower infrastructure. These independent tower operators have sought to acquire smaller operators as well as suitable clusters of towers formerly owned by carriers and broadcasters in order to establish regional and national "tower footprints". Carriers expanding or building a network in a geographic area generally seek to lease space for antennas from a tower company with a strategically located cluster of towers and other communication sites in that area in order to efficiently and effectively establish service coverage in a given market.

Today, towers are owned by a variety of companies, including wireless carriers, local and long distance telecommunications companies, broadcasting companies, independent tower operators, utilities and railroad companies. Despite the increasing demand for towers, the tower industry in the United States remains highly fragmented, with only a few independent tower operators owning a large number of towers. The pace of consolidation has begun to accelerate, however, as the larger independent operators continue to acquire small local operators and purchase towers from wireless communications companies. In addition, wireless carriers are building out new, or filling in existing, tower footprints for new and existing wireless services. Independent operators have also expanded into a number of associated network and communication site services, including the design of communication sites and networks, the selection and acquisition of tower and rooftop sites (including the resolution of zoning and permitting issues) and the construction of towers. Previously, carriers typically handled such services through in-house departments, and local nonintegrated service contractors focused on specific segments such as radio frequency engineering and site acquisition.

Broadcast towers in the United States have typically been owned and operated on a fragmented basis. Typically, each network affiliate in each major market owns and operates its own television broadcasting tower. Local stations often have co-located their transmission equipment on these towers. Radio broadcast towers have also typically been erected by each station in a given market. Both television and radio broadcast towers have generally been constructed only for a single user and would require substantial strengthening to house new digital transmission equipment or other analog transmission equipment. As a result, similar to wireless communications towers, such towers historically have been treated as corporate cost centers operated primarily for the purpose of transmitting such broadcasters' signals.

United Kingdom. The first towers in the United Kingdom were built for the BBC's MF radio services. Additional towers were built in the 1940s to transmit HF radio services around the world. In the 1950s, both the BBC and Independent Television Authority (the predecessor of the Independent Broadcasting Authority) built towers for transmission of VHF television. The BBC used some of these towers and built additional towers in the 1960s for its VHF/FM radio services. UHF television started in 1964 and is now transmitted from some 1,100 towers. These towers have been built at a relatively constant rate (compared with wireless communications towers). The majority of tall towers were built in the 1950s and 1960s. The number of smaller towers built peaked at approximately 80 per year in the 1970s, reducing to approximately 25 per year in the early 1990s. The size and structure of towers varies widely due to location, antenna requirements and wind loading. Towers built primarily for broadcast transmission are often able to carry wireless communications antennas. Those that are currently incapable of doing so can be strengthened or replaced.

Since 1982, the growth of wireless communications in the United Kingdom has led to significant expansion in the number of towers. Historically, there have been four major wireless carriers in the United Kingdom, each of which, in general, built towers for its own use, rather than as multiple tenant owners. These towers are owned and maintained by such carriers and, as in the United States, were treated as corporate cost centers operated primarily for the purpose of transmitting or receiving their signals. With the smaller geographic size of the United Kingdom, as compared to the United States, these carriers typically constructed their tower footprint to provide national coverage. Because of this nationwide build out, independent tower owners have not developed as they have in the United States. In addition to wireless communications providers, towers in the United Kingdom are owned by a variety of companies, such as telecommunications companies, utilities and railroad companies.

Today, tower owners are upgrading their networks to provide more capacity and better service to their customers, while new entrants to the wireless communications market have sought to acquire rapid access to networks that provide national coverage. With the significant costs associated with the approval process for and the construction of new towers, and the significant capital requirements associated with ownership of tower infrastructure, wireless carriers have begun to look to third party tower owners to co-locate their antennas on existing towers, to build, own and operate new towers and to acquire such carriers' portfolios of existing towers.

Characteristics of the Tower Industry

Management believes that, in addition to the favorable growth and outsourcing trends in the wireless communications and broadcasting industries and high barriers to entry as a result of regulatory and local zoning restrictions associated with new tower sites, tower operators benefit from several favorable characteristics. The ability of tower operators to provide antenna sites to customers on multiple tenant towers provides them with diversification against the specific technology, product and market risks typically faced by any individual carrier. The emergence of new technologies, carriers, products and markets may allow independent tower operators to further diversify against such risks. Additionally, tower operators face increased "Not-In-My-Backyard" ("NIMBY") sentiment by communities and municipalities, which is reducing the number of opportunities for new towers to be built and driving the trend toward co-location on multiple tenant towers.

The Company believes that independent tower operators also benefit from the contractual nature of the site rental business and the predictability and stability of monthly, recurring revenues. In addition, the site rental business has low variable costs and significant operating leverage. Towers generally are fixed cost assets with minimal variable costs associated with additional tenants. A tower operator can generally expect to experience increasing operating margins when new tenants are added to existing towers.

The site rental business typically experiences low tenant churn as a result of the high costs that would be incurred by a wireless carrier were it to relocate an antenna to another site and consequently be forced to re-engineer its network. Moving a single antenna may alter the pre-engineered maximum signal coverage, requiring a reconfigured network at significant cost to maintain the same coverage. Similarly, a television or FM broadcaster would incur significant costs were it to relocate a transmitter because, in order to avoid interruption

of its transmissions, it would be necessary for the broadcaster to install and commence operations of a second broadcast site prior to ceasing signal transmission at the first site. In addition, regulatory problems associated with licensing the location of the new antenna with the FCC, in the United States, or being licensed for the location by the Radiocommunications Agency (the "RA") in the United Kingdom, may arise if the new location is at the edge of the wireless carrier's coverage area and if there is a possible adverse impact on other carriers. Municipal approvals are becoming increasingly difficult to obtain and may also affect the carrier's decision to relocate. The costs associated with network reconfiguration and FCC, RA and municipal approval and the time required to complete these activities may not be justified by any potential savings in reduced site rental expense.

Trends in the Wireless Communications and Broadcasting Industries

The Company's existing and future business opportunities are affected by the ongoing trends within the two major industries it serves, namely the wireless communications industry and the radio and television broadcasting industry. Each of these industries is currently experiencing a period of significant change that the Company believes is creating an increasing demand for communication sites and related infrastructure and network support services.

Wireless Communications

The wireless communications industry now provides a broad range of services, including cellular, PCS, paging and SMR. The industry has benefitted in recent years from increasing demand for its services, and industry experts expect this demand to continue to increase.

The Company believes that more communication sites will be required in the future to accommodate the expected increase in demand for wireless communications services. Further, the Company sees additional opportunities with the development of higher frequency technologies (such as PCS), which have a reduced cell range as a result of signal propagation characteristics that require a more dense network of towers. In addition, network services may be required to service the network build-outs of new carriers and the network upgrades and expansion of existing carriers.

In addition to the increasing demand for wireless services and the need to develop and expand wireless communications networks, the Company believes that other trends influencing the wireless communication industry have important implications for independent tower operators. In order to speed new network deployment or expansion and generate efficiencies, carriers are increasingly co-locating transmission equipment with that of other network operators. The trend towards co-location has been furthered by the NIMBY arguments generated by local zoning/planning authorities in opposition to the proliferation of towers. Further, the number of competitors in wireless communications is increasing due to the auction of new spectrum and the deployment of new technologies. In this increasingly competitive environment, many carriers are dedicating their capital and operations primarily to those activities that directly contribute to subscriber growth, such as marketing and distribution. These carriers, therefore, have sought to reduce costs and increase efficiency through the outsourcing of infrastructure network functions such as communication site ownership, construction, operation and maintenance. Further, the Company believes that these carriers are beginning to seek to move their tower portfolios off their balance sheets through sales to, or joint ventures with, experienced tower operators who have the proven capability to provide end-to-end services to the wireless communications industry.

United States. Current emerging wireless communications systems, such as PCS and SMR, represent an immediate and sizable market for independent tower operators and network services providers as carriers build out large nationwide and regional networks. While several PCS and SMR carriers have already built limited networks in certain markets, these carriers still need to fill in "dead zones" and expand geographic coverage. The Cellular Telecommunications Industry Association ("CTIA") estimates that, as of June 1998, there were 57,674 antenna sites in the United States. The Personal Communications Industry Association ("PCIA")

estimates that the wireless communications industry will construct at least 100,000 new antenna sites over the next 10 years. As a result of advances in digital technology, SMR operators, including Nextel, have also begun to design and deploy digital mobile telecommunications networks in competition with cellular carriers. In particular response to the increased competition, cellular operators are re-engineering their networks by increasing the number of sites, locating sites within a smaller radius, filling in "dead zones" and converting from analog to digital cellular service in order to manage subscriber growth, extend geographic coverage and provide competitive services. The demand for communication sites is also being stimulated by the development of new paging applications, such as e-mail and voicemail notification and two-way paging, as well as other wireless data applications. In addition, as wireless communications networks expand and new networks are deployed, the Company anticipates that demand for microwave transmission facilities that provide "backhaul" of traffic between communications sites to or from a central switching facility will also increase.

Licenses are also being awarded, and technologies are being developed, for numerous new wireless applications that will require networks of communication sites. Future potential applications include those that will be deployed by the winners of licenses auctioned in February and March 1998 for local multi-point distribution services, including wireless local loop, wireless cable television, wireless data and wireless Internet access, as well as the forthcoming auctions for PCS and local multi-point distribution services. Radio spectrum required for these technologies has, in many cases, already been awarded and licensees have begun to build out and offer services through new wireless systems. Examples of these systems include local loop networks operated by WinStar and Teligent, wireless cable networks operated by companies such as Cellular Vision and CAI Wireless, and data networks being constructed and operated by RAM Mobile Data, MTEL and Ardis.

United Kingdom. As in the United States, the development of newer wireless communications technologies, such as PCN and digital Terrestrial Trunked Radio ("TETRA"), provides tower operators with immediate opportunities for site rental and new tower build out. The four existing national GSM/PCN carriers continue to fill in "dead zones" and add capacity to their networks. Also, the carrier that is using the TETRA standard, which is similar to GSM and has been adopted throughout Europe, is deploying a network across the United Kingdom. The United Kingdom's newly-licensed wireless local loop operators have the potential to be important site rental customers. Wireless local loop operators provide telephony services that are comparable to the range and quality of services delivered over the fixed wire networks. This technology is being rapidly deployed as a low-cost alternative to fixed networks. To date, a total of seven spectrum licenses have been awarded to companies planning to deploy wireless loop systems. In addition, the deployment of a new national digital PMR system (using the TETRA standard) for the use of the U.K. emergency services and the announced licensing in early 1999 by the U.K. Government of UMTS (Universal Mobile Telecommunications Service) networks, which will be the third generation of cellular, should create additional demand for antenna space and tower sites.

Radio and Television Broadcasting

General. There are currently three main transmission delivery methods for television and radio broadcasts: terrestrial, direct-to-home ("DTH") satellite and cable. Terrestrial technology, the most common delivery method in the United States and many other countries including the United Kingdom, relies on signal transmission by wireless telegraphy from a network of terrestrial transmitters for direct reception by viewers or listeners through an aerial system. Satellite signals are transmitted to satellites that then beam the signal over a target area (satellite footprint) for reception by a customer's satellite dish. A satellite customer must either purchase or rent a dish and a receiver/decoder and pay subscription fees to the relevant provider. A cable television customer typically rents a receiver/decoder and pays a subscription fee to receive services that are distributed to the home through co-axial or fiber optic cable.

Until the 1990s, all three delivery methods used analog technology, which remains the most widespread technology in use today. In the early 1990s, digital technology was developed for radio and television broadcasting and has begun to be introduced for the transmission of radio and television signals. Digital transmission is now possible by terrestrial, satellite and cable methods.

Digital technology allows a number of signals to be compressed and interleaved, using a technical process called "multiplexing", before the combined signal is transmitted within a single frequency channel. This process makes the signal more robust, allowing the use of parts of the spectrum unavailable to analog. A greater quantity of audio-visual information can be transmitted with the same amount of frequency spectrum allowing higher resolution or multiple channels to be broadcast. At the point of reception, the compression and interleaving are decoded and individual signals recovered.

Some of the principal advantages of digital compared to analog transmission include: (1) greater number, choice and flexibility of broadcasting services offered; (2) scope for greater interactivity on the part of viewers and listeners; (3) greater capacity for pay-television (subscription and pay-per-view) as well as free-to-air services; and (4) enhanced picture quality and sound. The development and timing of implementation of digital transmission technology to the general public is a function of several factors, including technological advancement, cost of equipment and conversion process, quality improvement of visual and sound transmission and demand for terrestrial bandwidth. The transition to digital transmission will involve additional costs to viewers and program and transmission service providers. Viewers will require additional equipment such as set-top boxes or digital televisions. Program providers have begun to re-equip their studios and production facilities with digital technology.

United States. Prior to the introduction of digital transmission, the U.S. broadcasting industry had generally been a mature one in terms of demand for transmission tower capacity, although even then opportunities existed for independent tower operators to purchase transmission networks, manage them on behalf of broadcasters under long-term contracts and lease space on broadcasting towers to wireless carriers.

The FCC-mandated introduction of digital television broadcasting will provide new opportunities for independent tower operators. The conversion of broadcasting systems from analog to digital technology will require a substantial number of new towers to be constructed to accommodate the new systems and analog equipment displaced from existing towers. Even with DTV transmissions, television station owners will continue to broadcast the existing analog signals for a number of years. Broadcasters that own their own tower infrastructure may elect to remove third-party tenants from their towers to make room for their own DTV equipment. These displaced tenants, and tower owners that are unable to remove existing third party tenants from their towers, will require new towers to accommodate their transmission equipment. The National Association of Broadcasters projects that by the year 2010 approximately 1,400 tall towers will be required to be built, strengthened or modified to support DTV, with 200 towers required in the top 50 markets within the next five years. Further, because of the need for broadcasters to purchase new transmission equipment to deploy DTV, they will have fewer resources to devote to the build out of new tower infrastructure. The Company believes that these circumstances, along with the relative scarcity of suitable sites and prevalent NIMBY attitudes, will allow experienced tower operators to build and operate multiple tenant broadcast towers to transmit DTV signals. These towers will also be attractive sites for the distribution of FM radio broadcasts.

United Kingdom. The broadcasting industry in the United Kingdom has generally been a mature one in terms of demand for transmission tower capacity. Existing towers provide almost universal coverage for analog transmission, which remains the primary mode of transmission for television and radio programs in the United Kingdom. Most of the BBC's radio services, three Independent National Radio services and many local services are broadcast by analog terrestrial means. Some radio services are also available by satellite and cable for reception on fixed installations, but not portable or mobile sets.

Digital television services in the United Kingdom were launched in 1998 from terrestrial transmitters (DTT) and satellite (DST). The Broadcasting Act of 1996 sets out a framework for the licensing of digital terrestrial multiplexes and an industry interest group has been established to coordinate the establishment of digital television in the United Kingdom. The British Government has allocated six multiplexes for DTT: two and one-half of these multiplexes were reserved for the BBC, ITV, Channel 4, S4C and Channel 5, three were awarded to ONdigital (which is a joint venture of Carlton Communications PLC and Granada Group PLC) and the other

one-half was awarded to S4C Digital Network. The Company has been awarded the digital transmission contract for the four multiplexes held by the BBC and ONdigital, while NTL has been awarded the digital transmission contract for the other two multiplexes.

Build-out of digital terrestrial transmission equipment in the United Kingdom is being based on existing analog terrestrial infrastructure, including transmission sites and towers. In the initial phase of the rollout of digital terrestrial transmission equipment, 81 analog transmission sites and towers will be upgraded with new transmitters and associated systems required to support DTT. Digital broadcasts from these sites are expected to reach approximately 90% of the U.K. population. It is expected that additional sites will continue to be upgraded until the "vast majority" of viewers can receive digital broadcasts.

While no formal timetable has been set for the discontinuation of analog terrestrial television broadcasting, the British Government has announced its intention to review, by 2002, the timing of analog "switch-off". When analog television transmission ceases, large amounts of frequency spectrum will be released. New uses for this spectrum have not yet been defined but applications are likely to include other digital broadcasting applications and mobile communications. The spectrum is inherently suitable for terrestrial transmission, so it is likely that existing towers will be used to provide many of the new services.

In September 1995, the BBC launched the United Kingdom's first digital radio service, which is now broadcast to approximately 60% of the U.K. population from 29 transmission sites. Independent Local Radio licenses for additional digital radio multiplexes are expected to be issued by the end of 1999.

To date, existing broadcast towers have been used as transmission sites for the BBC's digital radio service, and it is anticipated that existing towers also will be used for the independent services, often sharing the antennas used for the BBC's digital radio service. While digital radio has the advantage of using a single frequency network, which enables expanded geographic coverage as compared with the multiple frequency networks used for analog radio, to replicate the coverage of analog radio it will be necessary to broadcast digital radio from more sites than at present. Although detailed planning has not yet begun, it is expected that existing towers will provide the necessary sites. As with DTT, the Company believes that ownership of key broadcasting sites across the United Kingdom will allow an experienced operator to provide the infrastructure necessary to accommodate the growth in digital radio at minimum cost.

We are a leading owner and operator of wireless communications and broadcast transmission infrastructure. After giving effect to the completion of the Proposed Transactions, as of December 31, 1998, we owned or managed 6,105 towers, including 4,419 towers in the United States and Puerto Rico and 1,686 towers in the United Kingdom. Our customers currently include many of the world's major wireless communications and broadcast companies, including BAM, BellSouth, AT&T Wireless, Nextel and the BBC.

Our strategy is to use our leading domestic and international position to capture the growing consolidation and build-out opportunities created by:

- the outsourcing of towers by major wireless carriers;
- the need for existing wireless carriers to expand coverage and improve capacity;
- the additional demand for towers created by new entrants into the wireless communications industry;
- the privatization of state-run broadcast transmission networks; and
- the introduction of new digital broadcast transmission technology and wireless technologies.

Our two main businesses are leasing antenna space on wireless and broadcast multi-tenant towers and operating broadcast transmission networks. We also provide complementary services to our customers, including network design, radio frequency engineering, site acquisition, site development and construction, antenna installation and network management and maintenance. We believe that our end-to-end service capabilities are a key competitive advantage in forming strategic partnerships to acquire large wireless and broadcast tower portfolios and in winning tower construction mandates.

Our primary business in the United States is the leasing of antenna space to wireless operators under long-term contracts. After completion of the proposed transactions we describe in this prospectus, we will have tower clusters in 26 of the 50 largest U.S. metropolitan areas, including 23 metropolitan areas east of the Mississippi river. We believe that by owning and managing large tower clusters we are able to offer customers the ability to fulfill rapidly and efficiently their network expansion plans across particular markets or regions. Our acquisition strategy has been focused on adding tower clusters. For example, we have entered into agreements with BAM and BellSouth that will allow us to control and operate substantially all the towers in their 850 MHz networks in the eastern, southwestern and midwestern United States.

Our primary business in the United Kingdom is the operation of television and radio broadcast transmission networks. Our towers provide broadcast coverage to 99% of the population and substantially all of the major metropolitan markets. In 1997, we acquired the BBC's national broadcast transmission infrastructure and network services. Following the acquisition of the BBC's tower infrastructure, we were awarded long-term contracts to provide the BBC and other broadcasters analog and digital transmission services. We also lease antenna space to wireless operators in the United Kingdom on the towers we acquired from the BBC and from various wireless carriers. We believe that these broadcast towers are uniquely situated in locations that wireless carriers seeking to lease antenna space find particularly desirable.

We believe our towers are attractive to a diverse range of wireless communications industries, including PCS, cellular, ESMR, SMR, paging, and fixed microwave, as well as radio and television broadcasting. In the United States our major customers include AT&T Wireless, Aerial, BAM, BellSouth, Motorola, Nextel, PageNet and Sprint PCS. In the United Kingdom our major customers include the BBC, Cellnet, Dolphin, NTL, ONdigital, One2One, Orange, Virgin Radio and Vodafone.

We have embarked on a major construction program for our customers to enhance our tower footprint. In 1998, we constructed 231 towers at an aggregate cost of approximately $46.0 million, and had begun construction of an additional 72 towers as of December 31, 1998. In 1999, we plan to construct between 800 and 1,100 towers at an estimated aggregate cost between $150.0 million and $200.0 million for wireless carriers such as BAM, BellSouth and Nextel. The actual number of towers built may be outside that range depending on

acquisition opportunities and potential build-to-suit contracts from large wireless carriers. In addition, we were selected to build and operate the world's first digital terrestrial television system in the United Kingdom based on our broadcast engineering expertise.

Growth Strategy

Our objective is to become the premier global provider of wireless communications and broadcast transmission infrastructure and related services. Our experience in establishing and expanding our existing tower footprints, our experience in owning and operating both analog and digital transmission networks, our significant relationships with wireless carriers and broadcasters and our ability to offer customers our in-house technical and operational expertise, uniquely position us to capitalize on global growth opportunities. The key elements of our business strategy are to:

- Maximize Utilization of Tower Capacity. We are seeking to take advantage of the substantial operating leverage of our site rental business by increasing the number of antenna leases on our owned and managed communications sites. We believe that many of our towers have significant capacity available for additional antenna space rental and that increased utilization of our tower capacity can be achieved at low incremental cost. For example, prior to our purchase of the BBC's broadcast transmission network in 1997, the rental of available antenna capacity on the BBC's premier tower sites was not actively marketed to third parties. We believe there is substantial demand for such capacity. In addition, we believe that the extra capacity on our tower footprints in the United States and the United Kingdom will be highly desirable to new entrants into the wireless communications industry. Such carriers are able to launch service quickly and relatively inexpensively by designing the deployment of their networks based on our attractive existing tower footprints. Further, we intend to selectively build and acquire additional towers to improve the coverage of our existing tower footprints to further increase their attractiveness. We intend to use targeted sales and marketing techniques to increase utilization of and investment return on our existing, newly constructed and acquired towers.

- Leverage Expertise of U.S. and U.K. Personnel to Capture Global Growth Strategy. We are seeking to leverage the skills of our personnel in the United States and the United Kingdom. We believe that our ability to manage networks, including the transmission of signals, will be an important competitive advantage in our pursuit of global growth opportunities, as evidenced by the BBC, One2One, BAM, BellSouth and Powertel transactions. With our wireless communications and broadcast transmission network design and radio frequency engineering expertise, we are well positioned (1) to partner with major wireless carriers to assume ownership of their existing towers, (2) to provide build-to-suit towers for wireless carriers and broadcasters and (3) to acquire existing broadcast transmission networks that are being privatized around the world.

- Partner with Wireless Carriers to Assume Ownership of their Existing Towers. In addition to the proposed joint venture with BAM and the transaction with BellSouth, we are continuing to seek to partner with other major wireless carriers to assume ownership of their existing towers directly or through joint ventures or control their towers through contractual arrangements. We believe the primary criteria of such carriers in selecting a company to own and operate their wireless communications infrastructure will be the company's perceived capability to maintain the integrity of their networks, including their transmission signals. Therefore, we believe that those companies with a proven track record of providing end-to-end services will be best positioned to successfully acquire access to such wireless communications infrastructure. We believe that similar opportunities will arise globally as the wireless communications industry further expands.

- Provide Build-to-Suit Towers for Wireless Carriers and Broadcasters. As wireless carriers continue to expand and fill-in their service areas, they will require additional communications sites and will have to build new towers where co-location is not available. Similarly, the introduction of digital terrestrial television broadcasting in the United States will require the construction of new broadcast towers to accommodate new digital transmission equipment and analog transmission

equipment displaced from existing towers. We are aggressively pursuing these build-to-suit opportunities, leveraging on our ability to offer end-to-end services.

- Acquire Existing Broadcast Transmission Networks. In 1997, CTI successfully acquired the privatized domestic broadcast transmission network of the BBC. In addition, we are implementing the roll-out of digital television transmission services throughout the United Kingdom. As a result of this experience, we are well positioned to acquire other state-owned analog and digital broadcast transmission networks globally when opportunities arise. These state-owned broadcast transmission networks typically enjoy premier sites giving an acquirer the ability to offer unused antenna capacity to new and existing radio and television broadcasters and wireless carriers, as well as to install new technologies such as digital terrestrial transmission services. In addition, our experience in broadcast transmission services allows us to consider, when attractive opportunities arise, acquiring wireless transmission networks as well as the acquisition of associated wireless communications infrastructure. We are currently pursuing international acquisition and privatization opportunities, including a bid in connection with the state-run auction of Australia's National Transmission Network.

- Continue to Decentralize Management Functions. In order to better manage our tower lease-up efforts and build-out programs, and in anticipation of the continued growth of our tower footprints throughout the United States, we have begun and plan to continue decentralizing some management and operational functions. To that end, in addition to our Pittsburgh operating headquarters and regional office, we have opened and staffed five regional offices, including Houston, Louisville, Phoenix, Albany and Puerto Rico. Upon consummation of the Proposed Transactions we plan to open 10 additional regional offices, five in connection with the Proposed BAM JV, three in connection with the Proposed BellSouth Transaction and two in connection with the Proposed Powertel Acquisition. The principal responsibilities of these offices are to manage the leasing of tower space on a regional basis through a dedicated local sales force, to maintain the towers already located in the region and to implement our build-to-suit commitments in the area. We believe that by moving a significant amount of our operating personnel to regional offices we will be better able to strengthen our relationship with regional carriers, serve our customers more effectively and identify additional build-to-suit opportunities with local and regional carriers.

The Company

CCIC is a holding company that conducts all of its business through its subsidiaries. CCIC's two principal operating subsidiaries are CCI, through which it conducts its U.S. operations, and CTI, through which it conducts its U.K. operations. The following table indicates, as of December 31, 1998, after giving pro forma effect to the Proposed Transactions, the geographic concentration of our 6,105 owned and managed towers and 132 revenue producing rooftop sites:

U.S. Towers and Rooftop Sites

	CCI	BAM JV	BellSouth	Powertel	Total	% of U.S. Total	% of Company Total
Towers:							
Florida	3	--	434	76	513	11.4%	8.2%
Georgia	--	21	341	151	513	11.4	8.2
Alabama	--	9	179	188	376	8.4	6.0
Pennsylvania	219	212(a)	--	--	326	7.2	5.2
Tennessee	1	1	202	113	317	7.0	5.1
Louisiana	51	13	162	--	226	5.0	3.6
Mississippi	21	8	125	62	216	4.8	3.5
Texas	167	43	--	--	210	4.7	3.4
South Carolina	12	161	10	19	202	4.5	3.2
Kentucky	--	--	191	--	191	4.2	3.1
Indiana	--	--	183	--	183	4.1	2.9
North Carolina	11	137	20	--	168	3.2	2.7
Arizona	12	152	--	--	164	3.6	2.6
New Jersey	1	142	--	--	143	3.2	2.3
New York	--	119	--	--	119	2.6	1.9
Maryland	--	108	--	--	108	2.4	1.7
Massachusetts	--	81	--	--	81	1.8	1.3
New Mexico	34	36	--	--	70	1.6	1.1
Virginia	5	57	--	--	62	1.4	1.0
Connecticut	--	39	--	--	39	*	*
Ohio	26	--	--	--	26	*	*
Delaware	--	24	--	--	24	*	*
New Hampshire	--	23	--	--	23	*	*
West Virginia	17	13(b)	--	--	18	*	*
Puerto Rico	14	--	--	--	14	*	*
Rhode Island	--	13	--	--	13	*	*
All Others	15	15	3	41	74	1.6	1.2
Rooftops(d)	78	--	--	--	78	1.7	1.3
Total	687	1,427(c)	1,850	650	4,497	100.0%	72.1%

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(a) Includes 105 towers we currently manage.

(b) Includes 12 towers we currently manage.

(c) Includes 117 towers we currently manage.

(d) We manage an additional 1,286 rooftop sites throughout the United States that do not currently produce revenue but are available for leasing to our customers.

* Less than 1%.

U.K. Towers and Rooftop Sites

	CTI	One2One	Total	% of U.K. Total	% of Company Total
Towers:					
England	492	767	1,259	72.4%	20.1%
Wales	134	39	173	9.9	2.8
Scotland	151	15	166	9.5	2.7
Northern Ireland	88	--	88	5.1	1.4
Rooftops	54	--	54	3.1	*
Total	919	821	1,740	100.0%	27.9%

U.S. Operations

Overview

Our primary business focus in the United States is the leasing of antenna space on multiple tenant towers and rooftops to a variety of wireless carriers under long-term lease contracts. Supporting our competitive position in the site rental business, we maintain in-house expertise in, and offer our customers, infrastructure and network support services that include network design and communication site selection, site acquisition, site development and construction and antenna installation.

We lease antenna space to our customers on our owned and managed towers. We generally receive fees for installing customers' equipment and antennas on a tower and also receive monthly rental payments from customers payable under site rental leases that generally range in length from three to five years. Our U.S. customers include such companies as AT&T Wireless, Aerial Communications, AirTouch Cellular, Arch Communications, Bell Atlantic Mobile, BellSouth Mobility, Cellular One, Federal Express, Lucent Technologies, Motorola, Nextel, Nokia, PageNet, Skytel, Sprint PCS and TSR Wireless, as well as private network operators and various federal and local government agencies, such as the FBI, the IRS and the U.S. Postal Service.

At December 31, 1998, without giving effect to the Proposed Transactions, we owned or managed 609 towers and 78 rooftop sites in the United States and Puerto Rico. These towers and rooftop sites are located in western Pennsylvania (primarily in and around the greater Pittsburgh area), in the southwestern United States (primarily in western Texas), across Puerto Rico and along I-95 in North Carolina and South Carolina.

Upon completion of the Proposed BAM JV, the joint venture will control and operate approximately 1,427 towers. These towers represent substantially all the towers in BAM's 850 MHz wireless network in the eastern and southwestern United States and provide coverage of 11 of the top 50 U.S. metropolitan areas including New York, Philadelphia, Boston, Washington D.C. and Phoenix. A substantial majority of these towers are over 100 feet tall and can accommodate multiple tenants.

After consummation of the Proposed BellSouth Transaction, we will control and operate 1,850 towers. These towers represent substantially all the towers in BellSouth's 850 MHz wireless network in the southeastern and midwestern United States and provide coverage of 12 of the top 50 U.S. metropolitan areas, including Miami, Atlanta, Tampa, Nashville and Indianapolis. A substantial majority of these towers are over 100 feet tall and can accommodate multiple tenants.

Upon completion of the Proposed Powertel Acquisition, we will own and operate an additional 650 towers. These towers represent substantially all of Powertel's owned towers in its 1.9 GHz wireless network in the southeastern and midwestern United States. Approximately 90% of these towers are clustered in seven southeastern states providing coverage of such metropolitan areas as Atlanta, Birmingham, Jacksonville, Memphis and Louisville, and a number of major connecting highway corridors in the southeast. These towers are complementary to BellSouth's 850 MHz foot print in the Southeast and have minimal coverage overlap. Substantially all of these towers are over 100 feet tall, were built within the last three years and can such accommodate multiple tenants.

We are actively seeking to enter into arrangements with other major wireless carriers and independent tower operators to acquire additional tower footprints. We believe that, like BAM, BellSouth and Powertel, other wireless carriers will seek to enter into contractual arrangements with independent tower carriers, such as us, for the ownership or control of their tower footprints.

We also plan to leverage CCI's network design expertise to construct new towers. We plan to build towers in areas where carriers' signals fail to transmit in their coverage area. The areas, commonly known as "dead zones", are attractive tower locations. When population density and perceived demand are such that we believe the economics of constructing such towers are justified, we build towers that can accommodate multiple tenants. The multiple tenant design of these towers obviates the need for expensive and time consuming modifications to upgrade undersized towers, saving critical capital and time for carriers facing time-to-market constraints. The towers are also designed to easily add additional customers, and the equipment shelters are built to accommodate another floor for new equipment and air conditioning units when additional capacity is needed. The tower site is zoned for multiple carriers at the time the tower is constructed to allow new carriers to quickly utilize the site. In addition, the towers, equipment shelters and site compounds are engineered to protect and maintain the structural integrity of the site.

Our existing build-to-suit contracts include an agreement with Nextel, under which we have already constructed 67 sites and have an option to construct up to 96 additional sites. In connection with the Proposed BAM JV, BAM and the joint venture will enter into a master build-to-suit agreement pursuant to which the joint venture will build and own the next 500 towers to be built for BAM's wireless communications business over the next five years. Further, we have agreed to enter into a build-to-suit agreement with BellSouth, as part of the Proposed BellSouth Transaction, to construct at least 500 towers on behalf of BellSouth in the region covered by that transaction over the next five years. See "The Proposed Transactions--The Proposed BAM JV--Build to Suit Agreement" and "--The Proposed BellSouth Transaction--Build to Suit Agreement".

Site Rental

In the United States, we rent antenna space on our owned and managed towers and rooftops to a variety of carriers operating cellular, PCS, SMR, ESMR, paging and other networks.

Tower Site Rental. We lease space to our customers on our owned and managed towers. We generally receive fees for installing customers' equipment and antennas on a tower (as provided in our network services programs) and also receive monthly rental payments from customers payable under site leases. In the United States, the majority of our outstanding customer leases, and the new leases typically entered into by us, have original terms of five years (with three or four optional renewal periods of five years each) and provide for annual price increases based on the Consumer Price Index.

We also provide a range of site maintenance services in order to support and enhance our site rental business. We believe that by offering services such as antenna, base station and tower maintenance and security monitoring, we are able to offer quality services to retain our existing customers and attract future customers to our communication sites. We were the first site management company in the United States selected by a major wireless communications company to exclusively manage its tower network and market the network to other carriers for co-location.

The following table describes, without giving effect to the Proposed Transactions, our top ten revenue producing towers in the United States and Puerto Rico:

Name	Location	Height (ft)	Number of Tenant Leases	December 1998 Monthly Revenue
Crane	Pennsylvania	450	99	$67,372
Bluebell	Pennsylvania	300	110	54,555
Monroeville	Pennsylvania	500	63	39,315
Lexington	Kentucky	500	89	38,644
Sandia Crest	New Mexico	140	16	26,984
Greensburg	Pennsylvania	375	40	26,932
Cranberry	Pennsylvania	400	44	26,455
Cerro de Punta	Puerto Rico	220	37	24,988
Beaver	Pennsylvania	500	43	25,360
El Yunque	Puerto Rico	200	34	23,500
Total			575	$354,105

We have existing master lease agreements with AT&T Wireless, Aerial Communications, BAM, Nextel and Sprint PCS, among others, which provide certain terms (including economic terms) that govern new leases entered into by such parties during the term of their master lease agreements, including the lease of space on towers in the Pittsburgh major trading area ("Pittsburgh MTA"), which includes greater Pittsburgh and parts of Ohio, West Virginia and western Pennsylvania. Each of the Aerial Communications and Sprint PCS agreements has a 10-year master lease term through December 2006, with one 10-year and one five-year renewal period. Rents are adjusted periodically based on the cumulative Consumer Price Index. Nextel's master lease agreement with the Company has a 10-year master lease term through October 2006, with two 10-year renewal options. We have also entered into an independent contractor agreement with Nextel. The BAM agreement has a 25-year master lease term through December 2020.

We have significant site rental opportunities arising out of our existing agreements with BAM and Nextel. In our existing lease agreement with BAM, we have exclusive leasing rights for 117 existing towers and we currently have sublessees on 58 of these towers in the greater Pittsburgh area. The lease agreement provides that CCI may sublet space on any of these towers to another carrier subject to certain approval rights of BAM. To date, BAM has never failed to approve a sublease proposed by CCI. If the Proposed BAM JV is formed, it is expected that these 117 towers will be among the 1,427 towers to be contributed to the joint venture by BAM. Because we would maintain the right to put sublessees on those 117 towers, revenue resulting from the addition of new tenants on those towers would continue to be realized by us rather than the joint venture. In connection with the Nextel Agreement, as of December 31, 1998, we have the option to own and operate up to 96 additional towers.

We will also enter into master lease agreements and have significant site rental opportunities in connection with the Proposed Transactions. In connection with the Proposed BAM JV we will enter into a global lease under which BAM will lease antenna space on the towers transferred to the joint venture, as well as the towers built pursuant to the build-to-suit agreement. In connection with the Proposed BellSouth Transaction, we will be paid a monthly site maintenance fee from BellSouth for its use of space on the towers we control. We will also enter into a master lease agreement with the sellers in the Proposed Powertel Acquisition pursuant to which the sellers will rent space on the acquired towers. In each of the Proposed Transactions, we will be permitted to lease additional space on the towers to third parties. See "The Proposed Transactions".

Rooftop Site Rental. We are a leading rooftop site management company in the United States. Through our subsidiary, Spectrum, we develop new sources of revenue for building owners by effectively managing all

technical aspects of rooftop telecommunications, including two-way radio systems, microwave facilities, fiber optics, wireless cable, paging, rooftop infrastructure services and optimization of equipment location. We also handle billing and collections and all calls and questions regarding the site, totally relieving the building's management of this responsibility. In addition to the technical aspects of site management, we provide operational support for both wireless carriers looking to build out their wireless networks, and building owners seeking to out source their site rental activities. We generally enter into management agreements with building owners and receive a percentage of the revenues generated from the tenant license agreements.

Network Services

We design, build and operate our own communication sites. Through CCI, we have developed an in-house expertise in certain value-added services that we offer to the wireless communications and broadcasting industries. Because we view CCI as a turn-key provider with "end-to-end" design, construction and operating expertise, we offer our customers the flexibility of choosing between the provision of a full ready-to-operate network infrastructure or any of the component services involved therein. Such services include network design and site selection, site acquisition, site development and construction and antenna installation.

Network Design and Site Selection. We have extensive experience in network design and engineering and site selection. While we maintain sophisticated network design services primarily to support the location and construction of Company-owned multiple tenant towers, we do from time to time provide network design and site selection services to carriers and other customers on a consulting contract basis. Our network design and site selection services provide our customers with relevant information, including recommendations regarding location and height of towers, appropriate types of antennas, transmission power and frequency selection and related fixed network considerations. In 1998, we provided network design services primarily for our own footprints and also for certain customers, including Triton Communications, Nextel, Aerial Communications and Sprint PCS. These customers were typically charged on a time and materials basis.

To capitalize on the growing concerns over tower proliferation, we have developed a program called "Network Solutions" through which we will attempt to form strategic alliances with local governments to create a single communications network in their communities. To date our efforts have focused on western Pennsylvania, where we have formed alliances with three municipalities. These alliances are intended to accommodate wireless carriers and local public safety, emergency services and municipal services groups as part of an effort to minimize tower proliferation. By promoting towers designed for co-location, these alliances will reduce the number of towers in communities while serving the needs of wireless carriers and wireless customers.

Site Acquisition. In the United States, we are engaged in site acquisition services for our own purposes and for third parties. Based on data generated in the network design and site selection process, a "search ring", generally of a one-mile radius, is issued to the site acquisition department for verification of possible land purchase or lease deals within the search ring. Within each search ring, Geographic Information Systems ("GIS") specialists select the most suitable sites, based on demographics, traffic patterns and signal characteristics. Once a site is selected and the terms of an option to purchase or lease the site are completed, a survey is prepared and the resulting site plan is created. The plan is then submitted to the local zoning/planning board for approval. If the site is approved, our construction department takes over the process of constructing the site.

We have provided site acquisition services to several customers, including AT&T Wireless, Aerial Communications, AirTouch Cellular, BAM, BellSouth, GTE Mobilnet, Nextel, Omnipoint, Pagemart, Sprint PCS and Teligent. These customers engage us for such site acquisition services on either a fixed price contract or a time and materials basis.

Site Development and Construction and Antenna Installation. We have provided site development and construction and antenna installation services to the U.S. communications industry for over 18 years. We have extensive experience in the development and construction of tower sites and the installation of antenna,

microwave dishes and electrical and telecommunications lines. Our site development and construction services include clearing sites, laying foundations and electrical and telecommunications lines, and constructing equipment shelters and towers. We have designed and built and presently maintain tower sites for a number of our wireless communications customers and a substantial part of our own tower network. We can provide cost-effective and timely completion of construction projects in part because our site development personnel are cross-trained in all areas of site development, construction and antenna installation. A varied inventory of heavy construction equipment and materials are maintained by us at our 45-acre equipment storage and handling facility in Pittsburgh, which is used as a staging area for projects in major cities in the eastern region of the United States. We generally set prices for each site development or construction service separately. Customers are billed for these services on a fixed price or time and materials basis and we may negotiate fees on individual sites or for groups of sites. We have the capability and expertise to install antenna systems for our paging, cellular, PCS, SMR, ESMR, microwave and broadcasting customers. As this service is performed, we use our technical expertise to ensure that there is no interference with other tenants. We typically bill for our antenna installation services on a fixed price basis.

Our construction management capabilities reflect Crown's extensive experience in the construction of networks and towers. For example, Crown was instrumental in launching networks for Sprint PCS, Nextel and Aerial Communications in the Pittsburgh MTA. In addition, Crown supplied these carriers with all project management and engineering services which included antenna design and interference analyses.

In 1998, we provided site development and construction and antenna installation services to approximately 33 customers in the United States, including AT&T Wireless, BAM, Nextel and Sprint PCS.

Broadcast Site Rental and Services

We also provide site rental and related services to customers in the broadcasting industry in the United States. The launch of DTV in the United States will require significant expansion and modification of the existing broadcast infrastructure. Because of the significant cost involved in the construction or modification of tall towers, along with the large capital expenditures broadcasters will incur in acquiring digital broadcast equipment, we believe that the television broadcasting industry, which has historically been opposed to co-location and third party ownership of broadcast infrastructure, will seek to outsource tower ownership due to cost constraints. See "Industry Background".

Our objective is to become a leader in the build out of the approximately 200 tall towers expected to be built in the United States over the next five years. We believe that our experience in providing digital transmission services in the United Kingdom will make us an attractive provider of broadcast services to the major networks and their affiliates. In addition, we will seek to partner with broadcasters and major station ownership groups that own property zoned for tall towers, but that lack sufficient resources and expertise to build a tower. We will then attempt to co-locate on the tower the transmitters of commercial broadcast television stations and high powered FM radio stations in that market as well as wireless carriers.

Electronic news gathering ("ENG") systems benefit from the towers and services offered by the Company. The ENG trucks, often in the form of local television station news vans with telescoping antennas on their roofs, send live news transmission back to the studio from the scene of an important event. Typically, these vans cannot transmit signals beyond about 25 miles. In addition, if they are shielded from the television transmitter site, they cannot make the connection even at close range. We have developed an ENG repeater system that can be used on many of our towers in western Pennsylvania and expect to develop similar systems in other markets in which we have or develop tower footprints. This system allows the ENG van to send a signal to one of our local towers where the signal is retransmitted back to the television transmitter site. The retransmission of the signal from our

tower to the various television transmitter sites is done via a microwave link. We charge the station for the ENG receiver system at the top of our tower and also charge them for the microwave dish they place on our tower. Our ENG customers are affiliates of the NBC, ABC, CBS and Fox networks.

We also have employees with considerable direct construction experience and market knowledge in the U.S. broadcasting industry, having worked with numerous television networks around the United States, and a number of other local broadcasting companies. We have installed master FM and television systems on buildings across the country. We have supervised the construction and operation of the largest master FM antenna facility in the United States and have engineered and installed two 2,000 foot broadcast towers with master FM antennas. We believe that this experience may help us negotiate favorable construction contracts for both tower and rooftop sites, and to gain an expertise in the complex issues surrounding electronic compatibility and RF engineering.

Significant Contracts

We have many agreements with telecommunications providers in the United States, including leases, site management contracts and independent contractor agreements. We currently have important contracts with, among others, BAM, Nextel and BellSouth. While these agreements currently are important to us, our most significant contracts in the U.S. will result from consummation of the Proposed Transactions. In addition, we are party to a contract with the State of New York, which we believe to be the first of its kind, to manage all State-owned real estate for wireless communications purposes for the next 20 years. This contract includes the rights to more than 16,000 structures and rooftops, tens of thousands of miles of rights-of-way and millions of acres of State-owned land.

Customers

In both our site rental and network services businesses, we work with a number of customers in a variety of businesses including cellular, PCS, ESMR, paging and broadcasting. We work primarily with large national carriers such as BAM, BellSouth, Sprint PCS, Nextel and AT&T Wireless. For the year ended December 31, 1998, no customer in the United States accounted for more than 10.0% of CCI's revenues, other than Nextel, which accounted for approximately 12.5% of CCI's consolidated revenues. Nextel revenues are expected to grow as we build out Nextel interstate corridor sites.

Industry	Selected Customers
Cellular	AT&T Wireless, BAM
PCS	Sprint PCS, Western Wireless, Powertel
Broadcasting	Hearst Argyle Television, Trinity Broadcasting
SMR/ESMR	Nextel, SMR Direct
Governmental Agencies	FBI, INS, Puerto Rico Police
Private Industrial Users	IBM, Phillips Petroleum
Data	Ardis, RAM Mobile Data
Paging	AirTouch, PageNet, TSR Wireless
Utilities	Equitable Resources, Nevada Power
Other	WinStar, Teligent

Sales and Marketing

Our sales and marketing personnel, located in our regional offices, target carriers expanding their networks, entering new markets, bringing new technologies to market and requiring maintenance or add-on business. All types of wireless carriers are targeted including broadcast, cellular, paging, PCS, microwave and two-way radio. We are also interested in attracting 9-1-1, federal, state, and local government agencies, as well as utility and transportation companies to locate on existing sites. Our objective is to pre-sell capacity on our towers by promoting sites prior to construction. Rental space on existing towers is also aggressively marketed and sold.

We utilize numerous public and proprietary databases to develop detailed target marketing programs directed at auction block license awardees, existing tenants and specific market groups. Mailings focus on regional build outs, new sites and services. The use of databases, such as those with information on sites, demographic data, licenses and deployment status, coupled with measured coverage data and RF coverage

prediction software, allows our sales and marketing personnel to target specific carriers' needs for specific sites. To foster productive relationships with our major existing tenants and potential tenants, we have formed a team of account relationship managers. These managers work to develop build-to-suit, site leasing services and site management opportunities, as well as ensure that customers' emerging needs are translated into new site products and services.

The marketing department maintains our visibility within the wireless communications industry through regular advertising and public relations efforts including actively participating in trade shows and generating regular press releases, newsletters and targeted mailings (including promotional flyers). Our promotional activities range from advertisements and site listings in industry publications to maintaining a presence at national trade shows. Potential clients are referred to our Web site, which contains Company information as well as site listings. In addition, our sites are listed on the Cell Site Express Web site. This Web site enables potential tenants to locate existing structures by latitude, longitude or address. Clients can easily contact us via e-mail through the Web site or Cell Site Express. Our network services capabilities are marketed in conjunction with our tower footprints.

To follow up on targeted mailings and to cold-call on potential clients, we have established a telemarketing department. Telemarketers field inbound and outbound calls and forward leads to local sales representatives or relationship managers for closure. Local sales representatives are stationed in each cluster to develop and foster close business relationships with decision-makers in each customer organization. Sales professionals work with marketing specialists to develop sales presentations targeting specific client demands.

In addition to a dedicated, full-time sales and marketing staff, a number of senior managers spend a significant portion of their efforts on sales and marketing activities. These managers call on existing and prospective customers and also seek greater visibility in the industry through speaking engagements and articles in national publications. Furthermore, many of these managers have been recognized as industry experts, are regularly quoted in articles and are called on to testify at local hearings and to draft local zoning ordinances.

Public and community relations efforts include coordinating community events, such as working with amateur radio clubs to supply emergency and disaster recovery communications, charitable event sponsorship, and promoting charitable donations through press releases.

Competition

In the United States, we compete with other independent tower owners, some of which also provide site rental and network services; wireless carriers, which own and operate their own tower networks; service companies that provide engineering and site acquisition services; and other potential competitors, such as utilities, outdoor advertisers and broadcasters, some of which have already entered the tower industry. Wireless carriers that own and operate their own tower networks generally are substantially larger and have greater financial resources than us. We believe that tower location, capacity, price, quality of service and density within a geographic market historically have been and will continue to be the most significant competitive factors affecting tower rental companies. We also compete for acquisition and new tower construction opportunities with wireless carriers, site developers and other independent tower operating companies and believe that competition for tower site acquisitions will increase and that additional competitors will enter the tower market, some of which may have greater financial resources than us.

The following is a list of the independent tower companies that we compete with in the United States: American Tower Corporation, Pinnacle Towers, SpectraSite, SBA Communications, WesTower, Unisite, LCC International and Lodestar Communications.

The following companies are primarily competitors for our rooftop site management activities in the United States: AAT, APEX, Commsite International, JJS Leasing, Inc., Motorola, Signal One, Subcarrier Communications, Tower Resources Management and Unisite.

We believe that the majority of our competitors in the site acquisition business operate within local market areas exclusively, while a small minority of firms appear to offer their services nationally, including SBA Communications Corporation, Whalen & Company and Gearon & Company (a subsidiary of American Tower Corporation). We offer our services nationwide and we believe we are currently one of the largest providers of site development services to the U.S. and international markets. The market includes participants from a variety of market segments offering individual, or combinations of, competing services. The field of competitors includes site acquisition consultants, zoning consultants, real estate firms, right-of-way consulting firms, construction companies, tower owners/managers, radio frequency engineering consultants, telecommunications equipment vendors (which provide turnkey site development services through multiple subcontractors) and carriers' internal staff. We believe that carriers base their decisions on site development services on certain criteria, including a company's experience, track record, local reputation, price and time for completion of a project. We believe that we compete favorably in these areas.

U.K. Operations

Overview

We own and operate, through our 80% interest in CTI, one of the world's most established television and radio transmission networks and are expanding our leasing of antenna space on our towers to a variety of wireless carriers. We provide transmission services for four of the six digital terrestrial television services in the U.K., two BBC analogue television services, six national BBC radio services (including the first digital audio broadcast service in the United Kingdom), 37 local BBC radio stations and two national commercial radio services through our network of transmitters, which reach 99.4% of the U.K. population. These transmitters are located on approximately 1,300 towers, more than half of which we own and the balance of which are licensed to us under a site-sharing agreement (the "Site-Sharing Agreement") with NTL, our principal competitor in the United Kingdom. We have also secured long-term contracts to provide digital television transmission services to the BBC and ONdigital. See "--Significant Contracts". In addition to providing transmission services, we also lease antenna space on our transmission infrastructure to various communications service providers and provide telecommunications network installation and maintenance services and engineering consulting services.

Our core revenue generating activity in the United Kingdom is the analog terrestrial transmission of radio and television programs broadcast by the BBC. CTI's business, which was formerly owned by the BBC, was privatized under the Broadcasting Act 1996 and sold to CTI in February 1997. At the time the BBC Home Service Transmission Business was acquired, CTI entered into a 10-year transmission contract with the BBC for the provision of terrestrial analog television and analog and digital radio transmission services in the United Kingdom. In the twelve months ended December 31, 1998, approximately 60.6% of CTI's consolidated revenues were derived from the provision of services to the BBC.

At December 31, 1998, we owned, leased or licensed 861 transmission sites on which we operated 865 towers, including the 102 towers we acquired in the Millennium acquisition. In addition, as of December 31, 1998 we were constructing eight new towers on existing sites and had 112 site acquisition projects in process for new tower sites. We have 54 revenue producing rooftop sites that are occupied by our transmitters but are not available for leasing to our customers. Our sites are located throughout England, Wales, Scotland and Northern Ireland.

We expect to significantly expand our existing tower footprints in the United Kingdom by building and acquiring additional towers. We believe our existing tower network encompasses many of the most desirable tower locations in the United Kingdom for wireless communications. However, due to the shorter range over which communications signals carry (especially newer technologies such as PCN) as compared to broadcast signals, wireless communications providers require a denser footprint of towers to cover a given area. Therefore, in order to increase the attractiveness of our tower footprints to wireless communications providers, we will seek to build or acquire new communications towers. Using our team of over 300 engineers with state-of-the-art network design and radio frequency engineering expertise, we locate sites and design towers that will be

attractive to multiple tenants. We seek to leverage such expertise by entering into build-to-suit contracts with various carriers, such as BT, Cable & Wireless Communications, Cellnet, Dolphin, Energis, Highway One, One2One, Orange and Scottish Telecom, thereby securing an anchor tenant for a site before incurring capital expenditures for the site build-out. As of December 31, 1998, we were building eight towers that we will own. In addition, we expect to make strategic acquisitions of existing communications sites (primarily those owned by wireless communications operators) in order to expand our infrastructure and to further leverage our site management experience.

On March 5, 1999, we entered into an agreement with One2One pursuant to which CTI has agreed to manage, develop and, at its option, acquire 821 towers. These towers represent substantially all the towers in One2One's nationwide 900 MHz wireless network in the United Kingdom. These towers will allow CTI to market a nationwide network of towers to third generation wireless carriers in the United Kingdom following the completion of the pending auction of such licenses by the U.K. government.

We believe that we generally have significant capacity on our towers in the United Kingdom. Although approximately 133 of our towers are poles with limited capacity, we typically will be able to build new towers that will support multiple tenants on these sites (subject to the applicable planning process). We intend to upgrade these limited capacity sites where we believe we can achieve appropriate returns to merit the necessary capital expenditure. For example, in connection with a contract with Vodafone, we are upgrading 68 of these sites with limited capacity. See "--Significant Contracts--Vodafone". Approximately 59 of our sites are used for Medium Frequency ("MF") broadcast transmissions. At this frequency, the entire tower is used as the transmitting antenna and is therefore electrically "live". Such towers are therefore unsuitable for supporting other tenant's communications equipment. However, MF sites generally have substantial ground area available for the construction of new multiple tenant towers.

Transmission Business

Analog. For the twelve months ended December 31, 1998, CTI generated approximately 52.8% of its revenues from the provision of analog broadcast transmission services to the BBC. Pursuant to the BBC Analog Transmission Contract, we provide terrestrial transmission services for the BBC's analog television and radio programs and certain other related services (including BBC digital radio) for an initial 10-year term through March 31, 2007. See "--Significant Contracts". For the twelve months ended December 31, 1998, the BBC Analog Transmission Contract generated revenues of approximately (Pounds)49.4 million ($82.1 million) for us.

In addition to the BBC Analog Transmission Contract, we have separate contracts to provide maintenance and transmission services for two national radio stations, Virgin Radio and Talk Radio. These contracts are for periods of eight years commencing from, respectively, March 31, 1993 and February 4, 1995.

We own all of the transmission equipment used for broadcasting the BBC's domestic radio and television programs, whether located on one of CTI's sites or on an NTL or other third-party site. As of December 31, 1998, CTI had 3,465 transmitters, of which 2,196 were for television broadcasting and 1,269 were for radio.

A few of our most powerful television transmitters together cover the majority of the U.K. population. The coverage achieved by the less powerful transmitters is relatively low, but is important to the BBC's ambition of attaining universal coverage in the United Kingdom. This is illustrated by the following analysis of the population coverage of our analog television transmitters:

Number of sites (ranked by coverage)	Combined population coverage
1 (Crystal Palace)	21%
top 16	79
top 26	86
top 51	92
all	99.4

All of our U.K. transmitters are capable of unmanned operation and are maintained by mobile maintenance teams from 27 bases located across the United Kingdom. Access to the sites is strictly controlled for operational and security reasons, and buildings at 140 of the sites are protected by security alarms connected to CTI's Technical Operations Centre at Warwick. The Site-Sharing Agreement provides us with reciprocal access rights to NTL's broadcast transmission sites on which we have equipment.

Certain of our transmitters that serve large populations or important geographic areas have been designated as priority transmitters. These transmitters have duplicated equipment so that a single failure will not result in total loss of service but will merely result in an output-power reduction that does not significantly degrade the service to most viewers and listeners.

Digital. We have entered into contracts with the holders (including the BBC) of four of the six DTT multiplexes allocated by the U.K. government to design, build and operate their digital transmission networks. In connection with the implementation of DTT, new transmission infrastructure will be required. We have committed to invest approximately (Pounds)100.0 million ($170.0 million) for the build out of new infrastructure to support DTT over the next two years, (Pounds)55.3 million ($92.0 million) of which we had already invested by December 31, 1998. By the year 2000, 81 transmission sites will need to be upgraded with new transmitters and associated systems to support DTT. Of these sites, 49 are owned by us with the remainder owned by NTL. An arrangement similar to that of the Site-Sharing Agreement is being negotiated to govern the particular issues arising out of the sharing of digital transmission sites between NTL and us.

We successfully began commercial operation of the DTT networks from an initial 22 transmission sites on November 15, 1998. This launch marks the first stage of the project to introduce the digital broadcast system that will eventually replace conventional analog television services in the United Kingdom. As the network size expands during 1999, the number of viewers who are able to receive the service will increase significantly. We have accepted an invitation from the U.K. television regulator, the Independent Television Commission (ITC), to play a major role in planning further DTT network extensions to be built in the year 2000 and beyond.

We are currently the sole provider of transmission services for digital radio broadcasts in the United Kingdom. In September 1995, the BBC launched its initial DAB scheme over our transmission network, and this service is now broadcast to approximately 60% of the U.K. population. A license for an independent national digital radio network was awarded to the Digital One consortium during 1998 and it is expected that this service will commence during 1999. We are in negotiations to provide accommodation and access to masts and antennas at 24 transmission sites to support the launch of Digital One. In addition, local digital radio licenses will be awarded during 1999. We believe we are well positioned to become the transmission service provider to the winners of such licenses.

Site Rental

The BBC transmission network provides a valuable initial footprint for the creation of wireless communications networks. As of December 31, 1998, approximately 200 companies rented antenna space on approximately 405 of CTI's 919 towers and rooftops. These site rental agreements have normally been for three to 12 years and are generally subject to rent reviews every three years. Site sharing customers are generally charged annually in advance, according to rate cards that are based on the antenna size and position on the tower. Our largest site rental customer in the United Kingdom is NTL under the Site-Sharing Agreement. This agreement generated approximately (Pounds)592,000 ($984,400) of site rental revenue in December 1998.

We also provide a range of site maintenance services in order to support and enhance our U.K. site rental business. We believe that by offering services such as antenna, base station and tower maintenance and monitoring, we are able to offer quality services to retain our existing customers and attract future customers to our communications sites. We complement our U.K. transmission experience with our site management experience in the United States to provide customers with a top-of-the-line package of service and technical support.

The following table describes our top ten revenue producing towers in the United Kingdom:

Name	Location	Height(ft)	Number of Tenant Leases	CTI's December 1998 Monthly Revenue	
Brookmans Park	S.E. England	147	19	(Pounds) 25,026	$ 41,613
Bow Brickhill	S.E. England	197	13	17,479	29,064
Mendip	S.W. England	924	19	16,534	27,493
Hannington	S. England	440	15	12,267	20,398
Crystal Palace	London	653	14	11,638	19,352
Wrotham	S. England	379	14	11,385	18,931
Waltham	C. England	954	10	10,750	17,875
Redruth	S.W. England	500	18	10,523	17,498
Heathfield	S. England	443	15	10,296	17,120
Oxford	C. England	507	14	9,973	16,583
Total			151	(Pounds)135,871	$225,927

Other than NTL, CTI's largest (by revenue) site rental customers consist mainly of wireless carriers such as Cellnet, One2One, Orange and Vodafone. Revenues from these non-BBC sources are expected to become an increasing portion of CTI's total U.K. revenue base, as the acquired BBC Home Service Transmission Business is no longer constrained by governmental restrictions on the BBC's commercial activities. We believe that the demand for site rental from communication service providers will increase in line with the expected growth of these communication services in the United Kingdom.

We have master lease agreements with all of the major U.K. telecommunications site users including BT, Cable & Wireless Communications, Cellnet, Dolphin, Energis, Highway One, One2One, Orange, Scottish Telecom and Vodafone. These agreements typically specify the terms and conditions (including pricing and volume discount plans) under which these customers have access to all sites within our U.K. portfolio. Customers make orders for specific sites using the standard terms included in the master lease agreements. As of December 31, 1998, there were approximately 400 applications in process for installations at existing sites under such agreements.

Network Services

CTI provides broadcast and telecommunications engineering services to various customers in the United Kingdom. We retained all the BBC Home Service Transmission Business employees upon CTI's acquisition. Accordingly, we have engineering and technical staff of the caliber and experience necessary not only to meet the requirements of our current customer base, but also to meet the challenges of developing digital technology. Within the United Kingdom, CTI has worked with several telecommunications operations on design and build projects as they roll-out their networks. CTI has had success in bidding for broadcast consulting contracts, including, over the last four years, in Thailand, Taiwan, Poland and Sri Lanka.

With the expertise of our engineers and technical staff, we are a turn-key provider to the wireless communications and broadcast industries. We can provide customers with a ready-to-operate network infrastructure or any of the component services involved therein. Such services include network design and site selection, site acquisition, site development and antenna installation.

Network Design and Site Selection. We have extensive experience in network design and engineering and site selection. While we maintain sophisticated network design services primarily to support the location and construction of multiple tenant towers that we own, from time to time we do provide network design and site selection services to carriers and other customers on a consulting contract basis. Our network design and site selection services provide our customers with relevant information including recommendations regarding location and height of towers, appropriate types of antennas, transmission power and frequency selection and related fixed network considerations.

Site Acquisition. In the United Kingdom, we are involved in site acquisition services for our own purposes and for third parties. We recognize that the site acquisition phase often carries the highest risk for a project. To ensure the greatest possible likelihood of success and timely acquisition, we combine a desktop survey of potential barriers to development with a physical site search that includes initial design analyses, CDM assessments and, where necessary, line-of-sight surveys. We leverage off our experience in site acquisition and co-location when meeting with local planning authorities.

Site Development and Antenna Installation. We use a combination of external and internal resources for site construction. Our engineers are experienced in both construction techniques and construction management, ensuring an efficient and simple construction phase. Selected civil contractors are managed by CTI staff for the ground works phase. Specialist erection companies, with whom we have a long association, are used for tower installation. Final antenna installation is undertaken by our own experienced teams.

Site Management and Other Services. We also provide complete site management, preventive maintenance, fault repair and system management services to the Scottish Ambulance Service. We also maintain a mobile radio system for the Greater Manchester Police and provide maintenance and repair services for transmission equipment and site infrastructure.

Significant Contracts

CTI's principal analog broadcast transmission contract is the BBC Analog Transmission Contract. CTI also has entered into two digital television transmission contracts, the BBC Digital Transmission Contract and the ONdigital Digital Transmission Contract (as defined). CTI also provides facilities to NTL (in its capacity as a broadcast transmission provider to non-CTI customers) under the Site-Sharing Agreement. CTI also has long-term service agreements with broadcast customers such as Virgin Radio and Talk Radio. In addition, CTI has several agreements with telecommunications providers, including leases, site management contracts and independent contractor agreements. CTI has entered into contracts to design and build infrastructure for customers such as Cellnet, One2One, Orange, Scottish Telecom and Vodafone.

BBC Analog Transmission Contract

CTI entered into a 10-year transmission contract with the BBC for the provision of terrestrial analog television and analog and digital radio transmission services in the United Kingdom at the time the BBC Home Service Transmission Business was acquired, which contract was subsequently amended on July 16, 1998 (the "BBC Analog Transmission Contract") to incorporate a small number of minor modifications requested by the BBC. The BBC Analog Transmission Contract provides for charges of approximately (Pounds)46.5 million ($77.3 million) to be payable by the BBC to CTI for the year ended March 31, 1998 and each year thereafter to the termination date, adjusted annually at the inflation rate less 1%. In addition, for the duration of the contract an annual payment of (Pounds)300,000 ($498,840) is payable by the BBC for additional broadcast-related services. At the BBC's request, since October 1997, the number of television broadcast hours has been increased to 24 hours per day for the BBC's two national television services, which has added over (Pounds)500,000 ($831,400) annually to the payments made by the BBC to the Company.

The BBC Analog Transmission Contract also provides for CTI to be liable to the BBC for "service credits" (i.e., rebates of its charges) in the event that certain standards of service are not attained as a result of what the contract characterizes as "Accountable Faults" or the failure to meet certain "response times" in relation to making repairs at certain key sites. We believe that CTI is well-equipped to meet the BBC's service requirements by reason of the collective experience its existing management gained while working with the BBC. Following completion of three formal six-month performance reviews, CTI achieved a 100% "clean sheet" performance, incurring no service credit penalties.

The initial term of the BBC Analog Transmission Contract ends on March 31, 2007. Thereafter, the BBC Analog Transmission Contract may be terminated with 12 months' prior notice by either of the parties, expiring

on March 31 in any contract year, from and including March 31, 2007. It may also be terminated earlier (i) by mutual agreement between CTI and the BBC, (ii) by one party upon the bankruptcy or insolvency of the other party within the meaning of section 123 of the Insolvency Act 1986, (iii) upon certain force majeure events with respect to the contract as a whole or with respect to any site (in which case the termination will relate to that site only), (iv) by the non-defaulting party upon a material breach by the other party and (v) upon the occurrence of certain change of control events (as defined in the BBC Analog Transmission Contract).

BBC Commitment Agreement

On February 28, 1997, in connection with the acquisition of the BBC Home Service Transmission Business, the Company, TdF, TeleDiffusion de France S.A., which is the parent company of TdF and DFI ("TdF Parent"), and the BBC entered into the BBC Commitment Agreement (the "BBC Commitment Agreement"), whereby we and TdF agreed (i) not to dispose of any shares in CTSH or any interest in such shares (or enter into any agreement to do so) until February 28, 2000; and (ii) to maintain various minimum indirect ownership interests in CTI and CTSH for periods ranging from three to five years commencing February 28, 1997. These provisions restrict our ability and the ability of TdF to sell, transfer or otherwise dispose of their respective CTSH shares (and, indirectly, their CTI shares). The restrictions do not apply to disposals of which the BBC has been notified in advance and to which the BBC has given its prior written consent, which, subject to certain exceptions, consent shall not be unreasonably withheld or delayed. The BBC has consented to waive the above restrictions (i) to enable the Company and TdF to enter into the Governance Agreement and the CTSH Shareholders' Agreement and (ii) to allow the exercise of rights under such agreements and (iii) to permit the roll-up of CTI immediately prior to the IPO.

The BBC Commitment Agreement also required TdF Parent and us to enter into a services agreements with CTI. The original services agreement entered into by TdF Parent and CTI on February 28, 1997 (pursuant to which TdF makes available certain technical consultants, executives and engineers to CTI) was amended on August 21, 1998 to extend the original minimum term of services provided from three years to seven years, commencing February 28, 1997, thereafter terminable on 12-month's prior notice given by CTI to TdF after February 28, 2003. See "The Roll-Up--Roll-Up Arrangements--CTI Series Agreement".

ONdigital Digital Transmission Contract

In 1997, the Independent Television Commission awarded ONdigital three of the five available commercial digital terrestrial television multiplexes for new program services. We bid for and won the 12 year contract from ONdigital to build and operate its digital television transmission network (the "ONdigital Digital Transmission Contract"). The contract provides for approximately (Pounds)20.0 million ($34.0 million) of revenue per year from 2001 to 2008, with lesser amounts payable before and after these years and with service credits repayable for performance below agreed thresholds.

BBC Digital Transmission Contract

In 1998, we bid for and won the 12 year contract from the BBC to build and operate its digital terrestrial television transmission network (the "BBC Digital Transmission Contract"). This contract provides for approximately (Pounds)10.5 million ($17.8 million) of revenue per year (assuming the BBC commits to the full DTT roll-out contemplated by the BBC Digital Transmission Contract) during the 12 year period, with service credits repayable for performance below agreed thresholds. There is a termination provision during the three-month period following the fifth anniversary of our commencement of digital terrestrial transmission services for the BBC exercisable by the BBC but only if the BBC's Board of Governors determines, in its sole discretion, that DTT in the United Kingdom does not have sufficient viewership to justify continued DTT broadcasts. Under this provision, the BBC will pay us a termination fee in cash that substantially recovers the Company's capital investment in the network, and any residual ongoing operating costs and liabilities. Like the BBC Analog Transmission Contract, the contract is terminable upon the occurrence of certain change of control events (as defined in the BBC Digital Transmission Contract).

BT Digital Distribution Contract

Under the BBC Digital Transmission Contract and the ONdigital Digital Transmission Contract, in addition to providing digital terrestrial transmission services, CTI has agreed to provide for the distribution of the BBC's and ONdigital's broadcast signals from their respective television studios to CTI's transmission network. Consequently, in May 1998, CTI entered into a 12 year distribution contract (the "BT Digital Distribution Contract") with British Telecommunications plc ("BT") (with provisions for extending the term), in which BT has agreed to provide fully duplicated, fiber-based, digital distribution services, with penalties for late delivery and service credits for failure to deliver 99.99% availability.

Site-Sharing Agreement

In order to optimize service coverage and enable viewers to receive all analog UHF television services using one receiving antenna, the BBC, as the predecessor to CTI, and NTL made arrangements to share all UHF television sites. This arrangement was introduced in the 1960s when UHF television broadcasting began in the United Kingdom. In addition to service coverage advantages, the arrangement also minimizes costs and avoids the difficulties of obtaining additional sites.

Under the Site-Sharing Agreement, the party that is the owner, lessee or licensee of each site is defined as the "Station Owner". The other party (the "Sharer") is entitled to request a license to use certain facilities at that site. The Site-Sharing Agreement and each site license provide for the Station Owner to be paid a commercial license fee in accordance with the Site-Sharing Agreement ratecard and for the Sharer to be responsible, in normal circumstances, for the costs of accommodation and equipment used exclusively by it. The Site-Sharing Agreement may be terminated with five years' prior notice by either of the parties and expires on December 31, 2005 or on any tenth anniversary of that date. It may also be terminated (i) following a material breach by either party which, if remediable, is not remedied within 30 days of notice of such breach by the non-breaching party, (ii) on the bankruptcy or insolvency of either party and (iii) if either party ceases to carry on a broadcast transmission business or function.

Negotiations are in progress between NTL and us to amend the Site-Sharing Agreement to account for the build-out of digital transmission sites and equipment, a new rate card related to site sharing fees for new digital facilities and revised operating and maintenance procedures related to digital equipment.

Vodafone

On April 16, 1998, under Vodafone's master lease agreement with us, Vodafone agreed to locate antennas on 122 of our existing communication sites in the United Kingdom. The first 39 sites had been completed by the end of December 1998. This included 4 sites at which a new tower had been constructed to replace an existing structure of limited capacity. The remaining sites are expected to be completed by end of July 1999 and will include the construction of a further 60 replacement towers. After their upgrade, these sites will be able to accommodate additional tenants.

Customers

For the twelve months ended December 31, 1998, the BBC accounted for approximately 60.6% of CTI's consolidated revenues. This percentage has decreased from 64.6% for the twelve months ended March 31, 1998 and is expected to continue to decline as CTI continues to expand its site rental business. CTI provides all four U.K. PCN/cellular operators (Cellnet, One2One, Orange and Vodafone) with infrastructure services and also provides fixed telecommunications operators, such as BT, Cable & Wireless Communications, Energis and Scottish Telecom, with microwave links and backhaul infrastructure. The following is a list of some of CTI's leading site rental customers by industry segment.

Industry	Selected Customers
Broadcasting	BBC, NTL, Virgin Radio, Talk Radio, XFM
PMR/TETRA	National Band 3, Dolphin
PCN	Orange, One2One
Data	RAM Mobile Data, Cognito
Paging	Hutchinson, Page One
Governmental Agencies	Ministry of Defense
Cellular	Vodafone, Cellnet
Public Telecommunications	BT, Cable & Wireless Communications
Other	Aerial Sites, Health Authorities
Utilities	Welsh Water, Southern Electric

Sales and Marketing

We have 20 sales and marketing personnel in the United Kingdom who identify new revenue-generating opportunities, develop and maintain key account relationships, and tailor service offering to meet the needs of specific customers. An excellent relationship has been maintained with the BBC, and successful new relationships have been developed with many of the major broadcast and wireless carriers in the United Kingdom. We have begun to actively cross-sell our products and services so that, for example, site rental customers are also offered build-to-suit services.

Competition

NTL, the privatized engineering division of the IBA and now a subsidiary of NTL Inc. (formerly International CableTel Inc.), is CTI's primary competition in the terrestrial broadcast transmission market in the United Kingdom. NTL provides analog transmission services to ITV, Channels 4 and 5, and S4C. It also has been awarded the transmission contract for the new DTT multiplex service from Digital 3 & 4 Limited, and a similar contract for the DTT service for SDN (CTI has been awarded similar contracts for the BBC and ONdigital--serving a total of four multiplexes compared with NTL's two). Since its creation in 1991, NTL has diversified from its core television broadcasting business using its transmission infrastructure to enter into the radio transmission and telecommunications sectors.

Although CTI and NTL are direct competitors, they have reciprocal rights to the use of each others' sites for broadcast transmission usage in order to enable each of them to achieve the necessary country-wide coverage. This relationship is formalized by the Site-Sharing Agreement entered into in 1991, the time at which NTL was privatized.

NTL also offers site rental on approximately 1,000 of its sites (some of which are managed on behalf of third parties). Like CTI, NTL offers a full range of site-related services to its customers, including installation and maintenance. CTI believes its towers to be at least as well situated as NTL's and that it will be able to expand its own third-party site-sharing penetration. CTI also believes that its penetration of this market has to date lagged behind NTL only because of the governmental restrictions on the commercial activities of CTI's business prior to its privatization.

All four U.K. mobile operators own site infrastructure and lease space to other users. Their openness to sharing with direct competitors varies by operator. Cellnet and Vodafone have agreed to cut site costs by jointly developing and acquiring sites in the Scottish Highlands. BT and Cable & Wireless Communications are both major site sharing customers but also compete by leasing their own sites to third parties. BT's position in the market is even larger when considered in combination with its interest in Cellnet.

Several other companies compete in the market for site rental. These include British Gas, Racal Network Systems, Aerial Sites Plc, Relcom Aerial Services and the Royal Automobile Club. Some companies own sites initially developed for their own networks, while others are developing sites specifically to exploit this market.

CTI faces competition from a large number of companies in the provision of network services. The companies include NTL, specialty consultants and equipment manufacturers such as Nortel and Ericsson.

Properties

In the United States, the Company's interests in its tower sites are comprised of a variety of fee interests, leasehold interests created by long-term lease agreements, private easements and easements, licenses or rights-of-way granted by government entities. In rural areas, a tower site typically consists of a three- to five-acre tract, which supports towers, equipment shelters and guy wires to stabilize the structure. Less then 3,000 square feet are required for a self-supporting tower structure of the kind typically used in metropolitan areas. The Company's land leases generally have five- or ten-year terms and frequently contain one or more renewal options. Some land leases provide "trade-out" arrangements whereby the Company allows the landlord to use tower space in lieu of paying all or part of the land rent. As of December 31, 1998, the Company had approximately 384 land leases. Pursuant to the Senior Credit Facility, the Company's senior lenders have liens on a substantial number of the Company's land leases and other property interests in the United States.

In the United Kingdom, tower sites range from less than 400 square feet for a small rural TV booster station to over 50 acres for a high-power radio station. As in the United States, the site accommodates the towers, equipment buildings or cabins and, where necessary, guy wires to support the structure. Land is either owned freehold, which is usual for the larger sites, or is held on long-term leases that generally have terms of 21 years or more.

Legal Proceedings

We are occasionally involved in legal proceedings that arise in the ordinary course of business. Most of these proceedings are appeals by landowners of zoning and variance approvals of local zoning boards. While the outcome of these proceedings cannot be predicted with certainty, management does not expect any pending matters to have a material adverse effect on our financial condition or results of operations. We are currently in discussions with the Department of Labor (the "DOL") to settle an investigation the DOL has conducted into employment practices put into place prior to our acquisition of CCI. Upon notification by the DOL of its investigation, the practices were ceased. We anticipate the settlement to be approximately $200,000.

Employees

At March 1, 1999, we employed 928 people worldwide. Other than in the United Kingdom, we are not a party to any collective bargaining agreements. In the United Kingdom, we are party to a collective bargaining agreement with the Broadcast, Entertainment, Cinematographic and Technicians Union. This agreement establishes bargaining procedures relating to the terms and conditions of employment for all of CTI's non-management staff. We have not experienced any strikes or work stoppages, and management believes that our employee relations are satisfactory.

Regulatory Matters

United States

Federal Regulations. Both the FCC and FAA regulate towers used for wireless communications transmitters and receivers. Such regulations control the siting and marking of towers and may, depending on the characteristics of particular towers, require registration of tower facilities. Wireless communications devices operating on towers are separately regulated and independently licensed based upon the particular frequency used.

The FCC, in conjunction with the FAA, has developed standards to consider proposals for new or modified antenna structures. These standards mandate that the FCC and the FAA consider the height of proposed antenna structures, the relationship of the structure to existing natural or man-made obstructions and the proximity of the antenna structures to runways and airports. Proposals to construct or to modify existing antenna structures above certain heights are reviewed by the FAA to ensure the structure will not present a hazard to aviation. The FAA may condition its issuance of a no-hazard determination upon compliance with specified lighting and/or marking requirements. The FCC will not license the operation of wireless telecommunications devices on towers unless the tower is in compliance with the FAA's rules and is registered with the FCC, if necessary. The FCC will not register a tower unless it has been cleared by the FAA. The FCC may also enforce special lighting and painting requirements. Owners of wireless transmissions towers may have an obligation to maintain painting and lighting to conform to FAA and FCC standards. Tower owners may also bear the responsibility of notifying the FAA of any tower lighting outage. The Company generally indemnifies its customers against any failure to comply with applicable regulatory standards. Failure to comply with the applicable requirements may lead to civil penalties.

The 1996 Telecom Act limits certain state and local zoning authorities' jurisdiction over the construction, modification and placement of towers. The new law prohibits any action that would (i) discriminate between different providers of personal wireless services or (ii) prohibit or have the effect of prohibiting the provision of personal wireless service. Finally, the 1996 Telecom Act requires the federal government to help licensees for wireless communications services gain access to preferred sites for their facilities. This may require that federal agencies and departments work directly with licensees to make federal property available for tower facilities.

Local Regulations. Local regulations include city and other local ordinances, zoning restrictions and restrictive covenants imposed by community developers. These regulations vary greatly, but typically require tower owners to obtain approval from local officials or community standards organizations prior to tower construction. Local zoning authorities generally have been hostile to construction of new transmission towers in their communities because of the height and visibility of the towers.

Licenses Under the Communications Act of 1934. We hold, through certain of our subsidiaries, licenses for radio transmission facilities granted by the FCC, including licenses for common carrier microwave and commercial mobile radio services ("CMRS"), including SMR and paging facilities, as well as private mobile radio services ("PMRS") including industrial/business radio facilities, which are subject to additional regulation by the FCC. We are required to obtain the FCC's approval prior to the transfer of control of any of our FCC licenses. Consummation of the IPO and the Roll-Up would have resulted in a transfer of control of us under the FCC's rules and policies if, after such transactions, over 50% of our voting stock would have been owned by new stockholders.

We, as the parent company of the licensees of common carrier and CMRS facilities, are also subject to Section 310(b)(4) of the Communications Act of 1934, as amended, which would limit us to a maximum of 25% foreign ownership absent a ruling from the FCC that foreign ownership in excess of 25% is in the public interest. In light of the World Trade Organization Agreement on Basic Telecommunications Services ("WTO Agreement"), which took effect on February 5, 1998, the FCC has determined that such investments are generally in the public interest if made by individuals and entities from WTO-member nations. We are over 25% foreign owned by companies headquartered in France, the United Kingdom and New Zealand. See "Principal

and Selling Stockholders". Each of these nations is a signatory to the WTO Agreement. The FCC has granted approval of up to 49.9% foreign ownership of us, at least 25% of which will be from WTO-member nations.

United Kingdom

Telecommunications systems and equipment used for the transmission of signals over radio frequencies have to be licensed in the United Kingdom. These licenses are issued on behalf of the British Government by the Secretary of State for Trade and Industry under the Telecommunications Act 1984 and the Wireless Telegraphy Acts 1949, 1968 and 1998. CTI has a number of such licenses under which it runs the telecommunications distribution and transmission systems which are necessary for the provision of its transmission services. CTI's operations are subject to comprehensive regulation under the laws of the United Kingdom.

Licenses under the Telecommunications Act 1984

CTI has the following three licenses under the Telecommunications Act 1984:

Transmission License. The Transmission License is a renewable license to run telecommunications systems for the transmission via wireless telegraphy of broadcasting services. This license is for a period of at least twenty-five years from January 23, 1997, and is CTI's principal license. Its main provisions include:

(i) a price control condition covering the provision of all analog radio and television transmission services to the BBC under the BBC Analog Transmission Agreement (for an initial price of approximately (Pounds)44 million for regulated elements of the services provided by CTI under the BBC Analog Transmission Agreement in the year ended March 31, 1997, subject to an increase cap which is 1% below the rate of increase in the Retail Price Index over the previous calendar year). The current price control condition applies until March 31, 2006;

(ii) a change of control provision which requires notification of acquisitions of interest in CTI of more than 20% by a public telecommunications operator or any Channel 3 or Channel 5 licensee, which acquisitions entitle the Secretary of State to revoke the license;

(iii) a site sharing requirement requiring CTI to provide space on its towers to analog and digital broadcast transmission operators and including a power for the Director General of Telecommunications ("OFTEL"), as the regulator, to determine prices if there is failure between the site owner and the prospective site sharer to agree to a price;

(iv) a fair trading provision enabling OFTEL to act against anti-competitive behavior by the licensee; and

(v) a prohibition on undue preference or discrimination in the provision of the services it is required to provide third parties under the Transmission License.

OFTEL has made a determination with respect to a complaint made by Classic FM and NTL in respect of certain charges, imposed previously by the BBC under the Site-Sharing Agreement with NTL for the use by Classic FM of BBC radio antennas and passed on to Classic FM by NTL. OFTEL's position is that the Site-Sharing Agreement did not cover charges for new services to customers such as Classic FM, thereby enabling OFTEL to intervene and determine the appropriate rate under the "Applicable Rate" mechanism in CTI's Transmission License. This procedure could result in the fees NTL pays to CTI for site sharing facilities for Classic FM, currently calculated under the Site-Sharing Agreement, being determined at a reduced rate and otherwise not being covered by the terms of any existing contract which could lead to a diminution of CTI's income of approximately (Pounds)300,000 per annum (equivalent to approximately 0.4% of revenues and 1.0% of EBITDA for the fiscal year ended March 31, 1997). CTI has applied for leave to obtain a judicial review of this decision. In addition, CTI has made a provision of approximately (Pounds)1.9 million relating to any rate adjustment imposed by OFTEL with respect to previous charges for Classic FM under the Site-Sharing Agreement.

CTI is discussing with OFTEL certain amendments to CTI's Telecommunications Act Transmission License to ensure that the price control condition accommodates the provision by CTI of additional contractually agreed upon services to the BBC in return for additional agreed upon payments. See "Risk Factors--Regulatory Compliance and Approval".

The Secretary of State has designated the Transmission License a public telecommunications operator ("PTO") license in order to reserve to himself certain emergency powers for the protection of national security. The PTO designation is, however, limited to this objective. CTI does not have a full domestic PTO license and does not require one for its current activities. The Department of Trade and Industry has, nevertheless, indicated that it would be willing to issue CTI such a license. As a result CTI would gain wider powers to provide services to third parties including public switched voice telephony and satellite uplink and would grant CTI powers to build out its network over public property (so-called "code powers").

General Telecom License. The General Telecom License is a general license to run telecommunications systems and authorizes CTI to run all the necessary telecommunications systems to convey messages to its transmitter sites (e.g., via leased circuits or using its own microwave links). The license does not cover the provision of public switched telephony networks (which would require a PTO license as described above).

Satellite License. The Satellite License is a license to run telecommunications systems for the provision of satellite telecommunication services and allows the conveyance via satellite of messages, including data and radio broadcasting. The license excludes television broadcasting direct to the home via satellite although distribution via satellite of television broadcasting services which are to be transmitted terrestrially is permitted.

Licenses under the Wireless Telegraphy Acts 1949, 1968 and 1998

CTI has a number of licenses under the Wireless Telegraphy Acts 1949, 1968 and 1998, authorizing the use of radio equipment for the provision of certain services over allocated radio frequencies including:

(i) a Broadcasting Services License in relation to the transmission services provided to the BBC, Virgin Radio and Talk Radio;

(ii) a Fixed Point-to-Point Radio Links License;

(iii) two DAB Test and Development Licenses; and

(iv) DTT Test & Development Licenses.

All the existing licenses under the Wireless Telegraphy Acts 1949, 1968 and 1998 have to be renewed annually with the payment of a significant fee. The BBC, Virgin Radio and Talk Radio have each contracted to pay their portion of these fees. ONdigital is obligated under the ONdigital Digital Transmission Contract to pay most of their portion of these fees.

Environmental Matters

Our operations are subject to foreign, federal, state and local laws and regulations relating to the management, use, storage, disposal, emission, and remediation of, and exposure to, hazardous and nonhazardous substances, materials and wastes ("Environmental Laws"). As an owner and operator of real property, we are subject to certain Environmental Laws that impose strict, joint and several liability for the cleanup of on-site or off-site contamination relating to existing or historical operations, and also could be subject to personal injury or property damage claims relating to such contamination. We are potentially subject to cleanup liabilities in both the United States and the United Kingdom.

We are also subject to regulations and guidelines that impose a variety of operational requirements relating to RF emissions. The potential connection between RF emissions and certain negative health effects, including some forms of cancer, has been the subject of substantial study by the scientific community in recent years. To date, the results of these studies have been inconclusive. Although we have not been subject to any claims

relating to RF emissions, we have established operating procedures designed to reduce employee exposures to RF emissions and are presently evaluating certain of our towers and transmission equipment in the United States and the United Kingdom to determine whether RF emission reductions are possible.

In addition, we are subject to licensing, registration and related requirements concerning tower siting, construction and operation. In the United States, the FCC's decision to license a proposed tower may be subject to environmental review pursuant to the National Environmental Policy Act of 1969 ("NEPA"), which requires federal agencies to evaluate the environmental impacts of their decisions under certain circumstances. The FCC regulations implementing NEPA place responsibility on each applicant to investigate any potential environmental effects of a proposed operation and to disclose any significant effects on the environment in an environmental assessment prior to commencing construction. In the event the FCC determines that a proposed tower would have a significant environmental impact, the FCC would be required to prepare an environmental impact statement. This process could significantly delay or prevent the registration or construction of a particular tower, or make tower construction more costly. In certain jurisdictions, local laws or regulations may impose similar requirements.

We believe that we are in substantial compliance with all applicable Environmental Laws. Nevertheless, there can be no assurance that the costs of compliance with existing or future Environmental Laws will not have a material adverse effect on our business, results of operations, or financial condition.

Proposed BAM JV

On December 8, 1998, BAM, certain of the Transferring Partnerships, the Company and CCA Investment Corp., our wholly owned indirect subsidiary ("CCAIC"), entered into the Formation Agreement to form the Proposed BAM JV to own and operate a significant majority of BAM's towers. We will own approximately 62.3% of the Proposed BAM JV and BAM and certain of its affiliates will own the remaining 37.7% along with a 0.001% interest in the joint venture's operating subsidiary. For financial reporting purposes, we intend to consolidate the Proposed BAM JV's results of operations and financial condition with our own.

We will manage the day-to-day operations of the Proposed BAM JV. The Proposed BAM JV will actively seek to add additional tenants to its towers in order to increase its revenues. The Proposed BAM JV will also construct and own new towers that are needed by BAM's wireless communications business. See "--Build-to-Suit Agreement" and "--Global Lease". The Proposed BAM JV will have regional offices that will be staffed primarily with our employees to perform marketing, billing, operations and maintenance functions.

Although the Proposed BAM JV is expected to be formed during the first quarter of 1999, the Formation Agreement is subject to a number of significant conditions. There can be no assurance that the Proposed BAM JV will be formed on the terms described in this document or at all.

The following descriptions of the agreements related to the Proposed BAM JV are summaries of the material portions of those agreements. These descriptions are qualified in their entirety by reference to the complete texts of the agreements, each of which is available as set forth under the heading "Available Information".

Formation Agreement

Formation of the Proposed BAM JV. Pursuant to the Formation Agreement, CCAIC will contribute $250.0 million in cash and approximately 15.6 million shares of our common stock (valued at $197.0 million) to the Proposed BAM JV. BAM and the Transferring Partnerships will transfer approximately 1,427 towers along with related assets and liabilities to the Proposed BAM JV. The Proposed BAM JV expects to borrow $180.0 million under a committed $250.0 million revolving credit facility. The joint venture will make a $380.0 million cash distribution to BAM.

Concurrently with the formation of the joint venture, BAM and the Proposed BAM JV will enter into a master Build-to-Suit Agreement, a Global Lease and a transitional services agreement and we will enter into a services agreement with the Proposed BAM JV.

Terms and Conditions. In connection with its contribution of assets and liabilities to the Proposed BAM JV, BAM is making certain representations and warranties to the Proposed BAM JV concerning the contributed assets and liabilities. In general, the Proposed BAM JV will have until June 30, 2000, to raise any claims for indemnification for breaches of the representations and warranties by BAM. However, BAM's indemnification obligations are subject to a number of significant limitations including a per occurrence deductible of $25,000, an aggregate deductible of $7.5 million and an absolute cap of $195.0 million.

The formation of the Proposed BAM JV is subject to a number of significant conditions. These conditions include:

- accuracy of the representations and warranties of BAM and us;
- receipt of bank financing by the Proposed BAM JV;
- receipt of certain third party consents required for the transfer of the tower assets to the Proposed BAM JV;
- receipt of regulatory approvals;

- absence of litigation;
- receipt of certain environmental studies; and
- absence of any material adverse effect with respect to our business, assets, operations, conditions (financial or otherwise) or prospects and of our subsidiaries taken as a whole.

There can be no assurance that these conditions will be satisfied or waived. If they are not satisfied or waived, the Proposed BAM JV may not be formed on the terms described in this document or at all. See "Risk Factors--The Proposed BAM JV May Not Occur".

Build-to-Suit Agreement

In connection with the formation of the Proposed BAM JV, BAM and the Proposed BAM JV will enter into the Build-to-Suit Agreement. Pursuant to the Build-to-Suit Agreement and subject to certain conditions, BAM and the Proposed BAM JV have agreed that (i) the next 500 towers to be built for BAM's wireless communications business will be constructed and owned by the Proposed BAM JV and (ii) immediately thereafter the Proposed BAM JV will have a right of first refusal to construct the next 200 additional towers to be built for BAM. BAM is required to submit these 700 site proposals to the Proposed BAM JV during the five-year period following the formation of the joint venture; however, the five-year period will be extended for additional one-year periods, until 700 site proposals are submitted to the Proposed BAM JV. The Proposed BAM JV will be required to build towers in the general vicinity of the locations proposed by BAM. Upon completion of a tower, it will become subject to the Global Lease (as discussed below). Space not leased by BAM or its affiliates on each tower is available for lease by the Proposed BAM JV to third parties.

The Build-to-Suit Agreement sets out various time periods for BAM to identify its tower needs within certain search areas, and for the Proposed BAM JV to locate sites and to thereafter complete site acquisition and development work, including permitting and construction.

Global Lease

In connection with the formation of the Proposed BAM JV, BAM and the Proposed BAM JV will enter into the Global Lease. All of the approximately 1,427 towers to be acquired by the Proposed BAM JV from BAM and the Transferring Partnerships pursuant to the Formation Agreement, and all towers constructed by the Proposed BAM JV pursuant to the Build-to-Suit Agreement, will be governed by the Global Lease. The average monthly rent paid by BAM on each of the 1,427 towers contributed to the Proposed BAM JV by BAM will be approximately $1,850. Minimum monthly rents on the towers built pursuant to the Build-to-Suit Agreement will range from $1,250 to $1,833 depending on the region in which the tower is located. These rents may increase based on the amount of BAM's equipment to be installed at a site. Rents are subject to annual increase based on the consumer price index, subject to certain adjustments. For all sites, the initial lease term is ten years. BAM has the right to extend any lease for three additional five-year terms and one additional term of four years and eleven months. Each lease will automatically renew for an option term unless BAM notifies the Proposed BAM JV at least six months before the then current term expires. Space not leased by BAM or its affiliates on each tower is available for lease by the Proposed BAM JV to third parties.

Operating Agreements

In connection with the formation of the Proposed BAM JV, BAM and CCAIC will enter into limited liability company operating agreements that will establish and govern the limited liability companies comprising the Proposed BAM JV.

Governance. The business and affairs of the Proposed BAM JV will be managed by its managers under the supervision of a board of representatives. Each manager will be selected by CCAIC. Members of the board of representatives will be selected by each of BAM and CCAIC in proportion to their ownership interests in the Proposed BAM JV. The board of representatives initially will have six members, with two selected by BAM and

four selected by CCAIC. So long as BAM maintains at least a 5.0% interest in the Proposed BAM JV, it will maintain the right to designate at least one member of the board of representatives.

The managers will operate the Proposed BAM JV on a day-to-day basis. In general, the managers will have the power and authority to take all necessary or appropriate actions to conduct the Proposed BAM JV's business in accordance with its then current business plan. Actions requiring the approval of the board of representatives generally will be authorized upon the affirmative vote of a majority of the members of the board of representatives. However, the following actions will require the mutual consent of BAM and CCAIC, either by written consent or by the approval of representatives of each of BAM and CCAIC at a meeting of the board of representatives:

- engaging in any business other than owning, acquiring, constructing, leasing and operating communications towers in the United States;
- taking any voluntary action that would cause the Proposed BAM JV to be insolvent or voluntarily entering into a bankruptcy proceeding;
- incurring any debt other than the Proposed BAM JV Credit Facility and ordinary course trade payables;
- incurring any liens;
- issuing any additional equity interests in the Proposed BAM JV;
- becoming liable with respect to contingent obligations such as guarantees or the obligation to make take-or-pay or similar payments;
- failing to preserve the Proposed BAM JV's existence under Delaware law or its qualification to do business in each jurisdiction in which such qualification is necessary or desirable;
- mergers or consolidations;
- sales of assets outside the ordinary course;
- entry into contracts with affiliates except in the ordinary course and on an arm's-length basis;
- any dividends or distributions; provided, if the Proposed BAM JV has been dissolved and the Proposed BAM JV Credit Facility has been repaid in full, BAM's consent will not be required;
- the determination of the methodology to be used in calculating payments under the management agreement and the services agreement pursuant to which the Company will manage and provide services to the Proposed BAM JV;
- approval of the business plan;
- entry into contracts that (1) restrict the business activities of the Proposed BAM JV in any geographic area, (2) contain exclusivity provisions, (3) are inconsistent with any of the agreements entered into in connection with the formation of the Proposed BAM JV or (4) provide for the purchase or sale of goods or services involving an amount in excess of $10.0 million per year; and
- exercising any voting rights with respect to the shares of common stock of the Company held by the Proposed BAM JV; provided, if BAM and CCAIC do not agree as to how the shares should be voted, the shares will be voted pro rata with all shares of common stock of the Company voted on the matter.

Restrictions on Transfers of Interests; Rights of First Refusal; Tag-Along Rights. Except for transfers to wholly owned affiliates, neither BAM nor CCAIC may transfer its interest in the Proposed BAM JV to a third party unless it first offers its interest to the other on terms and conditions, including price, no less favorable than the terms and conditions on which it proposes to sell its interest to the third party. In addition, if BAM or CCAIC wishes to transfer its interest in the Proposed BAM JV to a third party, the other party will have the right to require the third party, as a condition to the sale, to purchase a pro rata portion of its interest in the Proposed BAM JV on the same terms and conditions, including price. BAM may only transfer its 0.001% interest in the operating subsidiary of the Proposed BAM JV to its wholly owned affiliates or in connection with a merger or consolidation transaction to which BAM or Bell Atlantic Corporation is a party.

Dissolution of the Proposed BAM JV. We have agreed with BAM that upon a dissolution of the Proposed BAM JV, in satisfaction of our respective interests in the Proposed BAM JV, we would receive all the assets and liabilities of the Proposed BAM JV other than the approximately 15.6 million shares of our common stock held by the Proposed BAM JV and BAM would receive all of the shares of our common stock held by the Proposed BAM JV and a payment from us, equal to 14.0% of the fair market value of the assets and liabilities of the joint venture (other than our common stock), to be made in cash or our common stock (at our election). BAM would continue to retain its 0.001% interest in the joint venture's operating subsidiary. For so long as it retains such interest, the operations formerly included in the Proposed BAM JV would remain subject to the operating restrictions set forth under "--Governance". A dissolution of the Proposed BAM JV may be triggered (1) by BAM at any time following the third anniversary of the formation of the Proposed BAM JV and (2) by us at any time following the fourth anniversary of its formation; however, if the we trigger the dissolution prior to the seventh anniversary, we may be required to make additional cash payments to BAM.

Transitional Services Agreement; Services Agreement

In connection with the formation of the Proposed BAM JV, BAM and the Proposed BAM JV are expected to enter into a transitional services agreement pursuant to which BAM will provide the Proposed BAM JV with services necessary to ensure a smooth transition of the business to the Proposed BAM JV. In addition, we and the Proposed BAM JV are expected to enter into the services agreement pursuant to which we will provide the Proposed BAM JV with certain services.

Proposed BellSouth Transaction

On March 5, 1999, we entered into the Letter Agreement with BellSouth Mobility Inc., BellSouth Telecommunications Inc. and certain of its affiliates. Subject to approval by BellSouth's Board of Directors, the Letter Agreement sets forth the terms of our agreement under which BellSouth will sell to us, in a taxable sale pursuant to a master sublease agreement, their 1,850 wireless communications towers for $610.0 million, consisting of $430.0 million in cash and approximately 9.1 million shares of our common stock (valued at $180.0 million), subject to adjustments. The aggregate consideration will be subject to increase if BellSouth transfers more than 1,850 towers to us in connection with the transaction.

We will be responsible for managing, maintaining and leasing the available space on BellSouth's wireless communications towers located throughout Indiana, Kentucky, Louisiana, Mississippi, Alabama, Arkansas, Florida, Georgia and Tennessee. While we will have complete responsibility for the towers, and their monitoring and maintenance, BellSouth will continue to fully own its communications components including switching equipment, shelters and cell site facilities. BellSouth will pay a fee of $1,200 per month per site to us for its services on existing and build-to-suit towers.

The transaction is expected to close in a series of closings, beginning in the second quarter of 1999, and is expected to be fully closed no later than eight months thereafter. In connection with our entering into the Letter Agreement we have placed $50.0 million in an escrow account which will be returned to us at the first stage of the multi-stage closing. There can be no assurance, however, that the Proposed BellSouth Transaction will be consummated on the terms described in this document or at all. See "Risk Factors--We May Not Consummate the Proposed Transactions."

The following description of the agreements related to the Proposed BellSouth Transaction are summaries of the material portions of those agreements. These descriptions are qualified in their entirety by reference to the complete text of the agreements, each of which is available as set forth under the heading "Available Information".

Letter Agreement

General. Pursuant to the Letter Agreement, a newly formed subsidiary of ours, that we call CCSI, will receive rights to lease, sublease, design, develop, contract, operate, market and manage approximately 1,850 tower sites owned by BellSouth Mobility Inc., BellSouth Telecommunications Inc. and certain of BellSouth's

affiliates, or to be constructed on behalf of BellSouth, in Indiana, Kentucky, Louisiana, Mississippi, Alabama, Arkansas, Florida, Georgia and Tennessee, which we call the Territory, in exchange for aggregate consideration of $610.0 million, consisting of $430.0 million in cash and approximately 9.1 million shares of our common stock (valued at $180.0 million), subject to adjustments.

The terms and conditions of the sublease of the 1,850 sites by BellSouth to CCSI are set forth in an agreement, which we call the Sublease, to be entered into between BellSouth and CCSI and us. Further, we have agreed to enter into a site management agreement, which we call the Site Management Agreement, pursuant to which we will agree to provide certain management services on sites which are not part of the 1,850 towers contemplated by the Sublease, because of restrictions on transfer, and which will be designated by BellSouth. The Letter Agreement further contemplates a build-to-suit agreement to be entered into by BellSouth and CCSI pursuant to which CCSI will develop and construct at least 500 towers in the Territory over a period of five years, which period will be extended for an additional two-year period in the event CCSI has not completed at least 500 tower builds within the initial five-year time period.

The Letter Agreement provides that the transaction will require further documentation including the preparation, acceptance and delivery of a definitive agreement to sublease, which we call the Agreement to Sublease, the terms of which have not yet been fully negotiated.

Consideration. Pursuant to the Letter Agreement, we will pay to BellSouth the sum of $324,324.32 for each site leased or subleased to CCSI pursuant to the Sublease. In the event that subleases covering the full 1,850 towers are transferred to CCSI as contemplated by the Letter Agreement, the aggregate consideration payable to BellSouth will consist of $430.0 million in cash and $180.0 million in our common stock; provided, however, that we will retain the option to increase the cash portion of the aggregate consideration by up to $30.0 million and decrease the equity portion to not less than $150.0 million. Such option must be exercised by us prior to the first closing. The number of shares of our common stock included in the consideration will be approximately 9.1 million shares and was determined using the average closing price of our common stock on the 30 trading days immediately preceding March 5, 1999, which we call the Initial Share Price. While the Letter Agreement contemplates the sublease by BellSouth of approximately 1,850 sites to CCSI, in the event that additional sites are subleased to CCSI, the consideration paid for the next 250 sites will be payable in cash only. If CCSI subleases more than 2,100 sites from BellSouth in connection with the Sublease, consideration for any additional towers will be payable in shares of our common stock.

The Letter Agreement further provides that if the average closing price of our common stock during the 30 day period immediately preceding the first anniversary of the final closing which we call the Subsequent Share Price is less than the Initial Share Price, then we will, at our option, (1) pay BellSouth cash in an amount, which we call the Make-up Amount, equal to (x) the difference between the Initial Share Price and the Subsequent Share Price multiplied by (y) the number of shares issued as part of the consideration less (z) the gross proceeds from all sales of such shares prior to the first anniversary of the final closing or (2) issue to BellSouth the number of shares of our common stock equal to the Make-up Amount divided by the Subsequent Share Price; in each case not to exceed $50.0 million in cash or $75.0 million in common stock.

Pursuant to the Letter Agreement, the consideration will be subject to adjustment based on the amount we are required to pay in calendar year 1999 for ground rent on sites contemplated by the Letter Agreement. If a post-closing audit demonstrates that the amount we are required to pay, in aggregate, for such ground rents exceeds $11.4 million, BellSouth will be required to pay to CCSI an amount equal to a certain multiple of the amount by which the rents exceed $11.4 million, not to exceed $45.0 million.

Escrow Payment. In connection with the signing of the Letter Agreement, we deposited the amount of $50.0 million into an escrow account which we call the BellSouth Escrow Payment. Upon approval of the Proposed BellSouth Transaction by BellSouth's Board of Directors, BellSouth will be entitled to receive the BellSouth Escrow Payment in full in the event that:

- we and BellSouth fail to execute the Agreement to Sublease within 90 days of the date of the Letter Agreement (and BellSouth has negotiated the operative documents in good faith) or

- the Agreement to Sublease is executed but the initial closing fails to occur as a result of any breach of the Agreement to Sublease by us or CCSI or any failure of us or CCSI to satisfy the closing conditions set forth in the Agreement to Sublease.

Upon consummation of the first closing, the BellSouth Escrow Payment will be returned to us. Further, if BellSouth's Board of Directors fails to approve the Proposed BellSouth Transaction within the applicable time period, the BellSouth Escrow Payment will be returned to us. BellSouth has agreed to seek the approval of its Board of Directors as soon as practicable, but no later than April 26, 1999.

In the event that BellSouth's Board of Directors does not approve the Proposed BellSouth Transaction within 90 days of the Letter Agreement, and if at any time within one year following expiration or termination of the Letter Agreement BellSouth transfers, sells, assigns, leases, subleases or otherwise disposes of all or substantially all of the tower assets contemplated by the Letter Agreement, BellSouth will be required to pay to us an amount equal to the greater of (i) $15.0 million or (ii) one-half of the amount by which the total consideration received by BellSouth pursuant to such transfer, sale, assignment, lease or sublease exceeds the total consideration that would have been paid to BellSouth by us pursuant to the Letter Agreement.

Closings. In connection with the Letter Agreement, we and BellSouth have agreed that the sublease of the sites pursuant to the Sublease will be consummated in a series of closings not to exceed a period of eight months and will include a minimum number of sites to be included in each closing, the first of which is expected to take place on May 31, 1999. BellSouth has agreed to use all commercially reasonable efforts to sublease approximately 250 sites at each closing, grouped so as to be located in contiguous regions, until all sites have been subleased prior to or at the final closing. The sites to be included on the initial closing date will be located in Kentucky and Indiana.

Termination Right. The Letter Agreement provides that in the event that any one of the closings contemplated by the Proposed BellSouth Transaction is not consummated due to our or TowerCo's failure to comply with all conditions, covenants and representations required of them, in addition to any other remedies BellSouth may have at equity or law, BellSouth will have the right to require us to pay to BellSouth a termination fee of $50.0 million which we call the Termination Fee, to terminate all agreements between the parties, and at BellSouth's option, to rescind all prior closings. If BellSouth elects to rescind the prior closings, payment of the Termination Fee shall be made by netting it against the amounts previously paid to BellSouth at the previous closings, and BellSouth shall return to us any amount which is in excess of the Termination Fee.

Sublease

Pursuant to the Letter Agreement, the parties fully and completely agreed upon the terms of the Sublease.

General. Pursuant to the terms of the Sublease, BellSouth has agreed to grant a lease to CCSI, pursuant to which CCSI will lease (or sublease) the land, tower and improvements which we call the Subleased Property at each site other than certain space reserved by BellSouth and space utilized by third parties under existing subleases. BellSouth has agreed to lease to CCSI all its sites in the Territory except where it is legally prohibited from doing so and except for sites that are specifically excluded from the Sublease. BellSouth expects that the number of sites available for sublease will be approximately 1,850. The sites constructed pursuant to the Build to Suit Agreement, as described below, will also be made part of and subject to the Sublease.

Pursuant to the Sublease, CCSI will be entitled to use the Subleased Property of each site for constructing, installing, operating, managing, maintaining and marketing the tower and improvements on each site, including leasing space to third party tenants. BellSouth has agreed to pay CCSI a site maintenance charge of $1,200 per month per site, subject to an increase of five percent (5%) per year for the first ten (10) years following the

applicable commencement date of the sublease on such site. If, after the tenth anniversary following each commencement date, the then current site maintenance charge is below the market rate, then such site maintenance charge will automatically be increased on such anniversary and each anniversary thereafter by the consumer price index ("CPI"). If the then site maintenance charge is above the market rate, then such site maintenance charge will be automatically reset at ninety percent (90%) of such agreed upon market rate and will increase on each following anniversary by the then current annual market rate of increase for comparable properties. CCSI has agreed to pay as rent to BellSouth the ground rents relating to each site that is leased by BellSouth, and rent of $1.00 per year for sites that are owned by BellSouth. In addition, CCSI has agreed to sublease available space to any party to existing colocation agreements with BellSouth; provided that CCSI will receive all rents and other economic benefits from the parties to such colocation agreements.

Term. The term of the Sublease will be one hundred (100) years for sites owned by BellSouth and, for sites leased by BellSouth, one day less than the term of the underlying ground lease. CCSI will be responsible for negotiating and obtaining extensions or renewals of the ground leases. In addition, if CCSI is able to acquire a fee simple interest in a site, CCSI has agreed to transfer such fee simple interest to BellSouth for $1.00, in which event CCSI will pay no ground rent as of the date fee simple title vests in BellSouth.

Reserved Space. Under the Sublease, BellSouth has reserved space which we call the Reserved Space on each site. The Reserved Space generally relates to the portion of the site, including space on the tower, in use by BellSouth and its affiliates. In certain circumstances and subject to certain conditions described in the Sublease, BellSouth has the right to increase the number of antennas on its reserved space to twelve (12), without increasing the related site maintenance payment, on up to one hundred twenty (120) towers. BellSouth also has the right to substitute the Reserved Space for other available space on the tower, as well as a right of first refusal and right of substitution as to available space which CCSI intends to sublease to any third party.

If BellSouth ceases using its Reserved Space on a site and elects to assign, sublet or otherwise transfer the interest in the Reserved Space on such site, CCSI will have the right to, at any time, acquire BellSouth's interest in the applicable Reserved Space by paying to BellSouth consideration of (1) $5,000 (subject to increase based on the CPI) plus (2) a grant to BellSouth of the right to receive up to thirty-five percent (35%) of all gross revenues payable to CCSI in respect of such Reserved Space.

BellSouth will have the right to put to CCSI its rights in its Reserved Space with respect to a site, and thereby add such space to the Sublease; provided that the number of sites subject to such a put right may not exceed the greater of one and one half percent (1 1/2%) or thirty (30) of the total sites. In such event, BellSouth will assign to CCSI all its rights in the Reserved Space on that site and will thereafter no longer be responsible for the related site maintenance charge.

Withdrawal Right. After the tenth anniversary of the first closing, BellSouth will have the right, subject to certain notice requirements, to withdraw its rights on any site. In such case, BellSouth will assign to CCSI all its rights, including the ground lease and any Reserved Space, with respect to any withdrawn site and shall no longer be responsible for the related site maintenance charge.

Termination. The Sublease may be terminated by each party in the event of certain breaches by the other party, including the failure to timely make required payments under the Sublease, breaches of covenants and other agreements in the Sublease, breaches of representations and warranties and insolvency. In the case of BellSouth's right to terminate, BellSouth may terminate the Sublease as to an applicable site following a breach (and failure to cure) relating to that particular site. BellSouth may terminate the entire Sublease upon the occurrence of unwaived defaults by CCSI in respect of more than fifty (50) sites during any consecutive five-year period.

Build to Suit Agreement

In connection with the Letter Agreement, BellSouth agreed to enter into the Build to Suit Agreement with us and CCSI pursuant to which CCSI will develop and construct all towers built in the Territory on behalf

of BellSouth for a period of five years. If CCSI has not constructed at least 500 towers over the five year period following the signing of the Build to Suit Agreement, the term of the Build to Suit Agreement will be extended for up to an additional two years until such time as CCSI has constructed 500 towers. BellSouth will be required, pursuant to the Build to Suit Agreement, to submit to CCSI all proposals to develop and construct tower sites within the Territory until CCSI has completed construction of 500 towers. CCSI will be required to develop and construct tower sites in locations that satisfy BellSouth's engineering requirements. Upon substantial completion of a tower site, the site will become subject to and part of the Sublease. The Build to Suit Agreement will provide that space not reserved by BellSouth on each tower will be available for lease by CCSI to third parties.

Site Maintenance Agreement

In connection with the Agreement to Sublease, the parties will enter into a Site Maintenance Agreement whereby CCSI will perform certain identified services at those sites in the Territory which are not leased or subleased to CCSI pursuant to the Sublease and which sites are designated by BellSouth for inclusion in the Site Maintenance Agreement. Pursuant to the Letter Agreement, we and BellSouth have agreed that BellSouth will pay to us a site maintenance fee of $333.00 per site per month, increased annually by the CPI, for sites designated under the Site Maintenance Agreement. Further, the parties have agreed that the total number of sites to be covered by the Site Management Agreement will not exceed 100 sites.

Site Marketing Agreement

On March 25, 1998, we and BellSouth entered into the Site Marketing Agreement pursuant to which we market BellSouth's sites located in Kentucky. In connection with the Letter Agreement, we agreed to renew the Site Marketing Agreement, the term of which ended on February 15, 1999, and to extend the scope of the agreement to include the entire Territory.

Registration Rights Agreement

As a condition to the Letter Agreement, we have agreed to enter into a registration rights agreement whereby we will grant to BellSouth certain demand and piggyback registration rights in respect of shares of our common stock we pay to BellSouth as consideration for the Proposed BellSouth Transaction.

Proposed Powertel Acquisition

On March 15, 1999, we and CCP Inc., our wholly owned indirect subsidiary, entered into the Asset Purchase Agreement with Powertel, Inc. and five of its subsidiaries, which we refer to collectively as Powertel, pursuant to which the parties agreed that we would purchase from Powertel approximately 650 towers and related assets and liabilities.

We will pay to Powertel aggregate consideration of $275.0 million, which we refer to below as the Purchase Price, (subject to adjustment based on the amount of towers actually tendered to us at closing) for the 650 towers. At closing, Powertel will pay us a credit against the purchase price in an aggregate amount of $383,000.00, which we call the Purchase Price Credit, as consideration for our acceptance of certain towers containing site leases which may require revenue received from Powertel or its affiliates to be shared with the site lessors. We call the Purchase Price less the Purchase Price Credit, the Closing Price. Pursuant to the Asset Purchase Agreement, we have placed $50.0 million in escrow to be applied to the Closing Price. In the event that Powertel has fulfilled all conditions precedent to closing and we are unable or unwilling to deliver the balance of the Closing Price, Powertel will receive up to the full $50.0 million as liquidated damages. See"--Asset Purchase Agreement", "--Escrow Agreement" and "Risk Factors--We May Not Consummate the Proposed Transactions".

Pursuant to the Asset Purchase Agreement, at closing Powertel will assign and we will assume five master site agreements, which we call the Master Site Agreements, pursuant to which Powertel or its affiliates will agree

to pay us monthly rent of $1,800 per tower for continued use of space Powertel occupies on the towers. This per tower amount is subject to increase on each fifth anniversary of the agreement and as Powertel adds equipment to these towers.

Although the Proposed Powertel Acquisition is expected to be consummated on or before June 4, 1999, the Asset Purchase Agreement is subject to a number of significant conditions. There can be no assurance that the Proposed Powertel Acquisition will be consummated on the terms described in this document or at all. See "Risk Factors--We May Not Consummated the Proposed Transactions".

The following descriptions of the agreements related to the Proposed Powertel Acquisition are summaries of the material portions of those agreements. These descriptions are qualified in their entirety by reference to the complete text of the agreements, each of which is available as set forth under the heading "Available Information".

Asset Purchase Agreement

Purchase Price. Pursuant to the Asset Purchase Agreement, we will pay the Closing Price in cash on or before June 4, 1999, which we refer to as the Closing Date, to Powertel for Powertel's tower structures, rights to tower sites, related assets and rights under applicable governmental permits. The purchase price is subject to adjustment up or down based on the actual number of sites tendered at closing. The Asset Purchase Agreement provides that sites considered defective or incomplete, which we call "Rejected Sites", will not be tendered at closing, and consequently, the purchase price will be reduced by an amount equal to $423,077 for each Rejected Site.

Terms and Conditions. In connection with the Proposed Powertel Acquisition, we and Powertel are making certain representations and warranties which must be true on the Closing Date in order for the transaction to be consummated. Other conditions which must be satisfied on the Closing Date include:

- compliance by us and Powertel with the Asset Purchase Agreement;
- absence of litigation;
- receipt of regulatory approvals; and
- absence of any material adverse effect with respect to the Powertel assets and assumed liabilities.

In addition, pursuant to the Asset Purchase Agreement, we have deposited $50.0 million in cash, which we refer to as the Escrow Deposit, with SunTrust Bank Atlanta, which we refer to as the Escrow Agent. At closing, the Escrow Deposit will be delivered to Powertel and credited against the Closing Price. However, we have agreed that the Escrow Deposit will be forfeited to Powertel in the event that we are unable to receive adequate financing to consummate the acquisition and thus are unable to close the acquisition in a timely manner. As a condition to the Asset Purchase Agreement, we have agreed to use our reasonable best efforts to have a registration statement relating to such financing declared effective as expeditiously as possible. Further, upon the occurrence of certain events, we are required to provide Powertel with adequate written assurance that we have at least one alternative financing source, which in Powertel's sole judgment provides it assurance that we will have on hand a minimum of an additional $225.0 million in cash to apply to the Purchase Price at closing. We refer to this as a Financing Assurance. Such Financing Assurance must be received by Powertel within five days of the occurrence of certain events including:

- our failure to file the registration statement before March 19, 1999;
- the withdrawal or abandonment of the registration statement or the decision not to proceed with the offerings;
- our failure to commence presentations to institutional investors by May 15, 1999 or, after commencement of such presentations, termination or abandonment of such presentations and failure to proceed to pricing of the offerings.

In the event we are required to provide Powertel with a Financing Assurance, Powertel will have five days to accept or reject it. If Powertel rejects the Financing Assurance, we will have ten days from receipt of the rejection to deliver the $225.0 million balance of the Closing Price to the Escrow Agent, who will deliver the entire Closing Price to Powertel at closing. However, if we are unable or unwilling to deliver the additional sum into escrow, Powertel will have the right to unilaterally terminate the Asset Purchase Agreement, and receive, as its sole remedy, from the Escrow Deposit liquidated damages in the amount of $10.0 million on or prior to May 15, 1999 or $25.0 million after May 15, 1999 but prior to June 4, 1999. If on June 4, 1999, Powertel has fulfilled all of its obligations and conditions precedent to closing in all material respects and has not defaulted or breached its obligations under the Asset Purchase Agreement, and we have failed to deliver the additional sum into escrow or are otherwise unable or unwilling to deliver the Purchase Price, Powertel will receive as liquidated damages the entire amount of the Escrow Deposit.

Master Site Agreement

On the Closing Date, the parties to the Asset Purchase Agreement and certain of Powertel's affiliates will enter into Master Site Agreements governing all towers acquired pursuant to the Asset Purchase Agreement. Pursuant to the Master Site Agreements, Powertel or certain affiliates will agree to continue to lease the space it currently occupies on the towers to be acquired by us. The monthly rent paid by Powertel for each tower will be $1,800. Such monthly payment is subject to increase based on an agreed upon schedule if and when Powertel adds equipment to a site. Nonetheless, the monthly rent, including additional rents related to the addition of certain equipment, shall be increased on each fifth anniversary of the agreement up to an amount that is 115% of the rent paid during the preceding five year period. The Master Site Agreements provide that space not occupied by Powertel on the acquired towers can be leased to third parties at our sole option.

Pursuant to the Master Site Agreements, the term of each tower lease will be ten years. Powertel has the right to extend any site lease for up to three additional five year periods. Each site lease will automatically renew for an option term unless Powertel notifies us of its intent not to renew at least 180 days prior to the end of the then current term.

Proposed One2One Transaction

On March 5, 1999, we entered into an agreement, which we call the Framework Agreement, with One2One, pursuant to which CTI has agreed to manage, develop and, at its option, acquire up to 821 towers. These towers represent substantially all the towers in One2One's 1800 MHz nationwide wireless network in the United Kingdom. Approximately one-half of these 821 towers can accommodate additional tenants. We expect to upgrade or replace the other towers as demand for space on such towers arises. We believe that the cost of upgrading or replacing any single tower will not exceed $40,000.

CTI will be responsible for managing and leasing available space on the towers, and will receive all the income from any such third party leases. The term of the management arrangements will be for up to 25 years. During the three-year period following the closing, CTI will have the right, at its option, to acquire for (Pounds)1.00 per site One2One's interest in the 821 towers, to the extent such interests can be assigned. One2One has also agreed to include as part of the Framework Agreement, including CTI's right to acquire sites during the three-year period, any new One2One towers constructed during the term of the agreement.

Framework Agreement

Terms and Conditions. The 821 existing towers will be managed by CTI pursuant to a management contract with an initial term of 10 years, which is extendable at CTI's option for an additional 15 years. CTI will also assume all liabilities in connection with the 821 existing towers. During the three-year period following the closing, which we call the Option Period, One2One will assign to CTI, at CTI's option, One2One's interest in the sites on which the 821 existing towers are located. For sites where the underlying ground lease is not assignable, the management contract will continue in effect. CTI also has the right during the Option Period to assume ownership of any new One2One towers which are built by or for One2One during the Option Period.

Consideration. As consideration for the Framework Agreement, One2One will receive varying rent-free periods of site use depending on the type of tower site as follows:

- The 821 existing towers. One2One will enter into a 25 year site sharing agreement with CTI permitting One2One to continue to occupy the 821 existing towers. This agreement will be rent-free until March 2007 (with a retroactive adjustment to April 1998). After the expiration of this initial period, One2One will pay to CTI an annually indexed rental fee (based on (Pounds)3,750.0 per site index adjusted from 1999) plus a further additional compensatory payment to CTI in the event that CTI is chosen as the contractor with respect to fewer than 250 new One2One sites. See "-- One2One ADC Contract".

- New One2One sites. One2One will also enter into 25 year site sharing agreements with CTI to occupy all new One2One towers and pay CTI an annually indexed rental fee (based on (Pounds)4,000.0 per site index adjusted from 1999) after an initial rent-free period of fifteen years.

- 166 CTI towers currently under lease by One2One. One2One currently occupies 166 CTI sites under a master lease agreement. This master lease will be modified to allow One2One to occupy these sites rent-free from April 1998 until March 2000.

The Framework Agreement is conditional upon the approvals of both One2One and CTI's board of directors and senior creditors.

One2One ADC Contract

In connection with the Framework Agreement, CTI entered into a separate contract with One2One, which we refer to as the ADC Contract, under which CTI will provide acquisition, design and construction services for up to 250 new One2One sites. If One2One requests CTI's services with respect to all 250 sites, CTI will be paid aggregate fees in excess of (Pounds)7.0 million. CTI also believes that some of the new sites will be new builds, which are known as greenfield sites, under the Framework Agreement, and thus CTI will be eligible to assume ownership of these greenfield sites following their construction, pursuant to the terms of the Framework Contract.

At the same time we file this amendment to our exchange offer, we are filing a Registration Statement on Form S-1 in connection with a concurrent public underwritten offering of $475,000,000 of our Common Stock, $.01 par value, and $300,000,000 of our % Senior Discount Notes due 2011.

We expect to use the proceeds of the Proposed Offerings to repay indebtedness incurred to finance a portion of the Proposed BellSouth Transaction and the Proposed Powertel Acquisition, to finance the balance of the Proposed BellSouth Transaction and the Proposed Powertel Acquisition and for general corporate purposes.

We cannot guarantee, however, that the Proposed Offerings will be consummated on the terms contained in the S-1 Registration Statement or at all. See "Risk Factors--We May Not Consummate the Proposed Transactions or the Proposed Offerings".

Directors and Executive Officers

The following table sets forth certain information, as of March 1, 1999, with respect to persons who serve as directors or executive officers and other key personnel of the Company:

Name	Age	Positions with the Company
Ted B. Miller, Jr.	47	Chief Executive Officer and Vice Chairman of the Board of Directors
David L. Ivy	52	President and Director
Charles C. Green, III	52	Executive Vice President and Chief Financial Officer
John L. Gwyn	50	Executive Vice President
E. Blake Hawk	49	Executive Vice President and General Counsel
Wesley D. Cunningham	39	Senior Vice President, Corporate Controller and Chief Accounting Officer
Edward W. Wallander	41	Senior Vice President and Chief Information Officer
John P. Kelly	41	President and Chief Operating Officer of CCI
Alan Rees	55	Chief Operating Officer and Director of CTSH
George E. Reese	48	Chief Financial Officer, Secretary and Director of CTSH
Michel Azibert	43	Director
Bruno Chetaille	44	Director
Robert A. Crown	44	Director
Carl Ferenbach	56	Chairman of the Board of Directors
Randall A. Hack	51	Director
Robert F. McKenzie	55	Director
William A. Murphy	31	Director
Jeffrey H. Schutz	47	Director

Pursuant to the Certificate of Incorporation and By-laws of the Company, the Board of Directors, other than those directors who may be elected by holders of any series of Preferred Stock or holders of the Class A Common Stock, are classified into three classes of directors, denoted as Class I, Class II and Class III. Messrs. Ferenbach, Schutz and McKenzie are Class I directors. Messrs. Crown, Murphy and Ivy are Class II directors, and Messrs. Hack and Miller are Class III directors. The terms of Class I, Class II and Class III directors expire at the annual meetings of stockholders to be held in 1999, 2000 and 2001, respectively. See "Description of Capital Stock--Certificate of Incorporation and By-laws--Classified Board of Directors and Related Provisions". Messrs. Azibert and Chetaille were elected to the Board of Directors by the holders of the Class A common stock upon consummation of the Roll-Up.

Ted B. Miller, Jr. has been the Chief Executive Officer since November 1996, Vice Chairman of the Board of Directors since August 1997 and a director of the Company since 1995. Mr. Miller co-founded CTC in 1994. He was the President of the Company and CTC from November 1996 to August 1997. Mr. Miller has been the Managing Director, Chief Executive Officer of CTI since February 1997 and has served as Chairman of the Board of CTI since August 1998. In 1986, Mr. Miller founded Interstate Realty Corporation ("Interstate"), a real estate development and consulting company, and has been its President and Chief Executive Officer since inception. Mr. Miller is a director and/or an officer of each wholly owned subsidiary of the Company.

David L. Ivy has been the President of the Company since August 1997, and was elected as a director of the Company in June 1997. From October 1996 to August 1997, he served as Executive Vice President and Chief Financial Officer of the Company. Since 1995, he has been the President of DLI, Inc., a real estate consulting company. From 1993 to 1995, Mr. Ivy was a senior executive with, and later the President and Chief Operating Officer of, J. E. Robert Companies, where he managed a joint venture with Goldman, Sachs & Co. that was established to acquire distressed assets from financial institutions. From 1987 to 1993, Mr. Ivy served as Chairman of the Board of Directors of Interstate. Mr. Ivy is a director of each wholly owned subsidiary of the Company.

Charles C. Green, III has been an Executive Vice President and Chief Financial Officer of the Company since September 1997. Mr. Green was the President and Chief Operating Officer of Torch Energy Advisors Incorporated ("Torch"), a major energy asset management and outsourcing company, from 1993 to 1995, and Vice Chairman of the Board of Directors and Chief Investment Officer from 1995 to 1996. From 1992 to September 1997, he was an officer, and later the Executive Vice President and Chief Financial Officer, of Bellwether Exploration Company, an oil and gas exploration and production company and an affiliate of Torch. From 1982 to 1992, Mr. Green was President, Chief Operating Officer and Chief Financial Officer of Treptow Development Company, a real estate development company. Mr. Green currently serves on the Board of Directors of Teletouch Communications, Inc. He has been a Chartered Financial Analyst since 1974. Mr. Green is a director and/or officer of each wholly owned subsidiary of the Company.

John L. Gwyn has been an Executive Vice President of the Company since August 1997. From February to August 1997, Mr. Gwyn served as Senior Vice President of the Company and CTC. From 1994 to February 1997, Mr. Gwyn was a Vice President and Director of Commercial Real Estate Asset Management of Archon Group, L.P., a real estate asset management company and a wholly owned subsidiary of Goldman, Sachs & Co. From 1989 to 1993, he was a Senior Vice President of The Robert C. Wilson Company, a mortgage banking company.

E. Blake Hawk has been Executive Vice President and General Counsel since February 1999. Mr. Hawk was an attorney with Brown, Parker & Leahy, LLP in Houston, Texas from 1980 to 1999 and became a partner with the firm in 1986. Mr. Hawk has been board certified in tax law by the Texas Board of Legal Specialization since 1984 and has been a Certified Public Accountant since 1976.

Wesley D. Cunningham has been a Senior Vice President of the Company since March 1999 and Chief Accounting Officer of the Company since April 1998. He has been the Corporate Controller of the Company since February 1997. Mr. Cunningham was the Assistant Corporate Controller of Drilex International Inc., an oil field services company, from 1996 to January 1997. From 1990 to 1996, he was the Manager of Financial Reporting of Maxxam Inc., an aluminum, forest products and real estate company. He has been a Certified Public Accountant since 1984. Mr. Cunningham is an officer of each wholly owned subsidiary of the Company.

Edward W. Wallander has been Senior Vice President and Chief Information Officer of the Company since April 1998. From August 1990 to April 1998, Mr. Wallander worked for PNC Bank in various capacities including Senior Vice President and Chief Operating Officer of PNC Brokerage Corp. Prior to PNC Bank, Mr. Wallander was a commercial real estate lender for Mellon Bank, N.A. and a Certified Public Accountant for Ernst & Young, L.L.P.

John Kelly has been the President of CCI since December 1998. From January 1990 to July 1998, Mr. Kelly was the President and Chief Operating Officer of Atlantic Cellular Company L.P. ("Atlantic Cellular"). From December 1995 to July 1998, Mr. Kelly was also President and Chief Operating Officer of Hawaiian Wireless, Inc., an affiliate of Atlantic Cellular. Mr. Kelly has served on the board of directors of the Cellular Association of California as well as the Vermont Telecommunications Application Center.

Alan Rees has been the Chief Operating Officer of CTSH and each of its wholly owned subsidiaries since February 1997. He was elected as a director of CTSH and each of its wholly owned subsidiaries in May 1997. From 1994 to 1997, Mr. Rees served as the General Manager of Transmission for the broadcast transmission division of the BBC.

George E. Reese has been the Chief Financial Officer and Secretary of CTSH and each of its wholly owned subsidiaries since February 1997. He was elected as a director of CTSH and each of its wholly owned subsidiaries in May 1997. Since April 1995, Mr. Reese has served as President of Reese Ventures, Inc., an international investment consulting firm, which he established in 1995. From 1972 to 1995, Mr. Reese was employed by Ernst & Young, L.L.P. where he was named Partner In Charge of the Houston office's energy department and was appointed Managing Partner of the firm's operations in the former Soviet Union. Mr. Reese

was a founder of the Council on Foreign Investment in Russia and was a founding member of the American Chamber of Commerce in Russia.

Michel Azibert has been a director of the Company since August 1998. Mr. Azibert has been International Director of TdF Parent since 1989 and Chief Executive Officer of TdF since 1994. Mr. Azibert took an active role in the preparation of the Media Law enacted in France in 1986. Pursuant to the Governance Agreement, Mr. Azibert was elected as one of the two directors elected by the holders of the Class A Common Stock.

Bruno Chetaille has been as a director of the Company since August 1998. Mr. Chetaille has been Chairman and Chief Executive Officer of TdF Parent since 1992. Prior to 1992, Mr. Chetaille was a technical advisor to the President of the French Republic for four years. Pursuant to the Governance Agreement, Mr. Chetaille was elected as one of the two directors elected by the holders of the Class A Common Stock.

Robert A. Crown founded Crown Communications in 1980 and was President from its inception until December 1998. Mr. Crown is Chairman of the Board of Crown Communication Inc. and was elected as a director of the Company in August 1997. Mr. Crown has been responsible for the initial construction in Pittsburgh of the Cellular One system, as well as a substantial portion of the Bell Atlantic Mobile system in Pittsburgh. He also negotiated one of the first complete end-to-end build-outs for Nextel for the Pittsburgh MTA. Pursuant to the Stockholders Agreement, Mr. Crown was the nominee of the Crown Parties for election as a director of the Company. Mr. Crown is a director of CCI and each of its wholly owned subsidiaries.

Carl Ferenbach was elected as the Chairman of the Board of Directors of the Company in April 1997. Since its founding in 1986, Mr. Ferenbach has been a Managing Director of Berkshire Partners LLC, a private equity investment firm that manages five investment funds with approximately $1.6 billion of capital. Mr. Ferenbach has also served as: a Managing Director of Berkshire Investors LLC ("Berkshire Investors") since its formation in 1996; a Managing Director of Third Berkshire Managers LLC ("Third Berkshire Managers"), the general partner of Third Berkshire Associates Limited Partnership ("Third Berkshire Associates"), the general partner of Berkshire Fund III, A Limited Partnership (Berkshire Fund III), since its formation in 1997 (and was previously an individual general partner of Berkshire Fund III since its formation in 1992); and a Managing Director of Fourth Berkshire Associates LLC ("Fourth Berkshire Associates") the general partner of Berkshire Fund IV, Limited Partnership ("Berkshire Fund IV, collectively with Berkshire Fund III and Berkshire Investors, the "Berkshire Group") since formation in 1996. In addition, Mr. Ferenbach currently serves on the Board of Directors of Wisconsin Central Transportation Corporation, Tranz Rail Limited, English, Welsh & Scottish Railway Limited, Australian Transport Network Limited and U.S. Can Corporation. Pursuant to the Stockholders Agreement, Mr. Ferenbach was the nominee of Berkshire Group for election as a director of the Company.

Randall A. Hack was elected as a director of the Company in February 1997. Since January 1995, Mr. Hack has been a member of Nassau Capital L.L.C., an investment management firm. From 1990 to 1994, he was the President and Chief Executive Officer of Princeton University Investment Company, which manages the endowment for Princeton University. Mr. Hack also serves on the Board of Directors of several private companies. Pursuant to the Stockholders Agreement, Mr. Hack was the nominee of Nassau Group for election as a director of the Company.

Robert F. McKenzie was elected as a director of the Company in 1996. From 1990 to 1994, Mr. McKenzie was the Chief Operating Officer and a director of OneComm, Inc., a mobile communications provider that he helped found in 1990. From 1980 to 1990, he held general management positions with Northern Telecom, Inc. and was responsible for the marketing and support of its Meridian Telephone Systems and Distributed Communications networks to businesses throughout the western United States. Mr. McKenzie also serves on the Board of Directors of Centennial Communications Corporation.

William A. Murphy has been a director of the Company since August 1998. Mr. Murphy has been a Director of Mergers & Acquisitions at Salomon Smith Barney since 1997. From 1990 to 1997, Mr. Murphy held various positions in Mergers & Acquisitions with Salomon Smith Barney.

Jeffrey H. Schutz was elected as a director of the Company in 1995. Mr. Schutz has been a General Partner of Centennial Fund IV and Centennial Fund V, each a venture capital investing fund, since 1994 and 1996, respectively. Mr. Schutz also serves on the Board of Directors of Preferred Networks, Inc. and several other private companies. Pursuant to the Stockholders Agreement, Mr. Schutz was the nominee of Centennial Group for election as a director of the Company.

Board Committees

The Company's Board of Directors has an Executive Committee, a Compensation Committee, a Finance and Audit Committee and a Nominating and Corporate Governance Committee. The Executive Committee, composed of Messrs. Azibert, Crown, Ferenbach, Hack, Miller and Schutz, acts in lieu of the full Board in emergencies or in cases where immediate and necessary action is required and the full Board cannot be assembled. The Compensation Committee, composed of Messrs. Ferenbach, McKenzie and Schutz, establishes salaries, incentives and other forms of compensation for executive officers and administers incentive compensation and benefit plans provided for employees. The Finance and Audit Committee, composed of Messrs. Hack, McKenzie and Murphy, reviews the Company's audit policies and oversees the engagement of the Company's independent auditors, as well as developing financing strategies for the Company and approving outside suppliers to implement these strategies. The Nominating and Corporate Governance Committee, composed of Messrs. Azibert, Ferenbach, McKenzie and Miller, is responsible for nominating new Board members and for an annual review of Board performance. Pursuant to the Stockholders Agreement, the holders of the Class A Common Stock have the right to appoint at least one member to each of the Executive and Nominating and Corporate Governance Committees.

Directors' Compensation and Arrangements

All non-management directors of the Company receive compensation for their service as directors ($15,000 and options for 5,000 shares of common stock per year), and are reimbursed for expenses incidental to attendance at such meetings. In September 1997, CCIC's Board of Directors approved a fee of $150,000 per annum to the Berkshire Group (half of which is to be paid by CTI) for general consulting services and for the services of Mr. Ferenbach as Chairman of the Board. In addition, Mr. McKenzie received approximately $10,000 in 1996 for specific consulting assignments requested by the Chief Executive Officer. Messrs. Ferenbach and Schutz are indemnified by the respective entities which they represent on CCIC's Board of Directors.

Executive Compensation

The following table sets forth the cash and non-cash compensation paid by or incurred on behalf of the Company to its Chief Executive Officer and the four other executive officers (collectively, the "named executive officers") for each of the three years ended December 31, 1998.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	Number of Securities Underlying Options/ SARs (#)(a)	All Other Compen-sation ($)
Ted B. Miller, Jr.....	1998	$325,000	$300,000	3,013,000	$ --
Chief Executive Officer and	1997	281,575	626,250	625,000	--
Vice Chairman of the Board of Directors	1996	152,600	75,000	--	--
David L. Ivy.....	1998	$225,000	$150,000	1,455,000	$ --
President and Director	1997	200,000	300,000	250,000	--
	1996	37,500(b)	--	175,000	35,000(c)
Charles C. Green, III	1998	$235,000	$ 56,250	940,000	$ --
Executive Vice President and	1997	75,000(d)	--	250,000	--
Chief Financial Officer	1996	--	--	--	--
John L. Gwyn.....	1998	$185,000	$131,250	250,000	$ --
Executive Vice President	1997	160,424(e)	--	225,000	--
	1996	--	--	--	--
Alan Rees.....	1998	$225,722(f)	$ --	718,307	$ --
Chief Operating Officer and	1997	225,722	84,646	--	--
Director of CTSH	1996	--	--	--	--

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(a) All awards are for options to purchase the number of shares of common stock indicated.

(b) Mr. Ivy began working for CCIC on October 1, 1996, at an annual salary of $150,000.

(c) Mr. Ivy worked as a consultant to CCIC from May 1996 to September 1996 before joining the Company as an employee in October 1996.

(d) Mr. Green began working for CCIC on September 1, 1997, at an annual salary of $225,000.

(e) Mr. Gwyn began working for CCIC on February 3, 1997, at an annual salary of $175,000.

(f) Mr. Rees began working for CTSH on February 28, 1997 at an annual salary of $225,722.

Option/SAR Grants In Last Fiscal Year

	Individual Grants				Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Term(a)	
Name	Number of Securities Underlying Options/ SARs Granted (#)	% of Total Options/ SARs Granted to Employees in Fiscal Year	Exercise or Base Price ($/Sh)	Expiration Date	5% ($)	10% ($)
Ted B. Miller, Jr.....	700,000	5.2%	$ 2.31	1/23/08		
	328,000	2.4	7.50	1/28/08		
	210,000	1.6	5.78	4/23/08		
	140,000	1.0	2.31	4/23/08		
	1,035,000	7.7	13.00	7/1/08		
	600,000	4.5	7.50	7/1/08		
David L. Ivy.....	280,000	2.1%	$ 2.31	1/23/08		
	225,000	1.6	7.50	1/28/08		
	70,000	0.5	2.31	4/24/08		
	545,000	0.4	13.00	7/1/08		
	335,000	0.2	7.50	7/1/08		
Charles C. Green, III...	75,000	0.5%	$ 7.50	1/28/08		
	350,000	2.5	7.50	7/1/08		
	515,000	3.8	13.00	7/1/08		
John L. Gwyn.....	40,000	0.3%	$ 7.50	1/28/08		
	175,000	1.3	13.00	7/1/08		
	35,000	.2	7.50	7/1/08		
Alan Rees.....	116,666	0.9%	$ 2.31	1/30/08		
	116,666	0.9	3.00	1/30/08		
	116,667	0.9	3.90	1/30/08		
	28,308	0.2	0.00	5/19/08		
	90,000	0.7	7.50	7/1/08		
	250,000	1.9	13.00	7/1/08		

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(a) The potential realizable value assumes a per-share market price at the time of the grant to be approximately equal to the exercise price with an assumed rate of appreciation of 5% and 10%, respectively, compounded annually for 10 years.

The following table details the December 31, 1998 year end estimated value of each named executive officer's unexercised stock options. All unexercised options are to purchase the number of shares of common stock indicated.

Aggregated Option/SAR Exercises In Last Fiscal Year

And Year-End Option/SAR Values

Name	Shares Acquired on Exercise (#)	Value Realized ($)	Number of Securities Underlying Unexercised Options/ SARs at Year-End(#) Exercisable (E)/ Unexercisable (U)(a)	Value of Unexercised In-the-Money Options/ SARs at Year-End ($) Exercisable (E)/ Unexercisable (U)(b)
Ted B. Miller, Jr.....	--	--	2,868,000(E) 1,115,000(U)	$ (E) (U)
David L. Ivy.....	--	--	1,275,000(E) 605,000(U)	(E) (U)
Charles C. Green, III...	--	--	675,000(E) 515,000(U)	(E) (U)
John L. Gwyn.....	--	--	170,500(E) 304,500(U)	(E) (U)
Alan Rees.....	--	--	118,308(E) 599,999(U)	(E) (U)

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(a) The estimated value of exercised in-the-money stock options held at the end of 1998 assumes a per-share fair market value of $ and per-share exercise prices of $.40, $2.40, $4.20 and as applicable.

Severance Agreements

The Company has entered into severance agreements (the "Severance Agreements") with Messrs. Miller, Ivy, Green, Gwyn, Rees, Reese and Hawk (the "Executives"). Pursuant to the Severance Agreements, the Company is required to provide severance benefits to the Executives if they are terminated by the Company without Cause (as defined in the Severance Agreements) or the Executives terminate with Good Reason (as defined in the Severance Agreements) (collectively, a "Qualifying Termination"). The Severance Agreements provide for enhanced severance benefits if the Executives incur a Qualifying Termination within the two-year period following a Change in Control (as defined in the Severance Agreements) of the Company (the "Change in Control Period"). Upon a Qualifying Termination that does not occur during the Change in Control Period, an eligible Executive is entitled to (i) a lump sum payment equal to two times the sum of his base salary and annual bonus, (ii) continued coverage under specified welfare benefit programs for two years and (iii) immediate vesting of any outstanding options and restricted stock awards. Upon a Qualifying Termination during the Change in Control Period, an eligible Executive is entitled to (i) receive a lump sum payment equal to three times the sum of his base salary and annual bonus, (ii) continued coverage under specified welfare benefit programs for three years and (iii) immediate vesting of any outstanding options and restricted stock awards.

Crown Arrangements

The Company and Mr. Crown have entered into a Memorandum of Understanding and a related Services Agreement. Pursuant to the Services Agreement, Mr. Crown has agreed to continue to serve in a consulting capacity to (and as Chairman of) CCI for a two-year period expiring on December 9, 2000, and the Company has agreed, for such two-year period, to pay Mr. Crown cash compensation of $300,000 annually, along with certain executive perquisites. At the end of such two-year period, the Company will pay Mr. Crown a severance benefit of $300,000. At the time of entering to the Memorandum of Understanding, the Company also agreed to vest all of Mr. Crown's existing stock options; to immediately grant Mr. Crown options to purchase 50,000

shares of common stock at $7.50 per share; and, upon the closing of the IPO, to grant Mr. Crown options to purchase 625,000 shares of common stock at the price to public in the IPO ($13.00 per share).

Stock Option Plans

1995 Stock Option Plan

The Company has adopted the 1995 Stock Option Plan, which was reamended on July 1, 1998 (the "1995 Stock Option Plan"). The purpose of the 1995 Stock Option Plan is to advance the interests of the Company by providing additional incentives and motivations which help the Company to attract, retain and motivate employees, directors and consultants. The description set forth below summarizes the general terms of the 1995 Stock Option Plan and the options granted pursuant to the 1995 Stock Option Plan.

Pursuant to the 1995 Stock Option Plan, the Company can grant options to purchase up to 18,000,000 shares of common stock. Options granted under the 1995 Stock Option Plan may either be incentive stock options ("ISOs") under Section 422 of the Code or nonqualified stock options. The price at which a share of common stock may be purchased upon exercise of an option granted under the 1995 Stock Option Plan will be determined by the Board of Directors and, in the case of nonqualified stock options, may be less than the fair market value of the common stock on the date that the option is granted. The exercise price may be paid in cash, in shares of common stock (valued at fair market value at the date of exercise), in option rights (valued at the excess of the fair market value of the common stock at the date of exercise over the exercise price) or by a combination of such means of payment, as may be determined by the Board.

Employees, directors or consultants of the Company (including its subsidiaries and affiliates) are eligible to receive options under the 1995 Stock Option Plan (although only certain employees are eligible to receive ISOs). The 1995 Stock Option Plan is administered by the Board and the Board is authorized to interpret and construe the 1995 Stock Option Plan. Subject to the terms of the 1995 Stock Option Plan, the Board is authorized to select the recipients of options from among those eligible, to establish the number of shares that may be issued under each option and to take any actions specifically contemplated or necessary or advisable for the administration of the 1995 Stock Option Plan.

No options may be granted under the 1995 Stock Option Plan after July 31, 2005, which is ten years from the date the 1995 Stock Option Plan was originally adopted and approved by the Board and stockholders of the Company. The 1995 Stock Option Plan will remain in effect until all options granted under the 1995 Stock Option Plan have been exercised or expired. The Board, in its discretion, may terminate the 1995 Stock Option Plan at any time with respect to any shares of common stock for which options have not been granted. The 1995 Stock Option Plan may be amended by the Board without the consent of the stockholders of the Company, other than as to a material increase in benefits, an increase in the number of shares that may be subject to options under the 1995 Stock Option Plan or a change in the class of individuals eligible to receive options under the 1995 Stock Option Plan. However, no change in any option previously granted under the 1995 Stock Option Plan may be made which would impair the rights of the holder of such option without the approval of the holder.

Pursuant to the 1995 Stock Option Plan, options are exercisable during the period specified in each option agreement or certificate; provided, however, that no option is exercisable later than ten years from the date the option is granted. Options generally have been exercisable over a period of ten years from the grant date and vested in equal installments over a four or five year period of service with the Company as an employee. A change in control generally accelerates the vesting of options granted to employees and some of the options vest upon the achievement of specific business goals or objectives. An option generally must be exercised within 12 months of a holder ceasing to be involved with the Company as an employee, director or consultant as a result of death and within three months if the cessation is for other reasons; however, these periods can be extended by decision of the Board (other than in the case of an ISO). Shares of common stock subject to forfeited or terminated options again become available for option awards. The Board may, subject to certain restrictions in the 1995 Stock Option Plan (and, in the case of an ISO, in Section 422 of the Code), extend or accelerate the vesting or exercisability of an option or waive restrictions in an option agreement or certificate.

The 1995 Stock Option Plan provides that the total number of shares covered by the 1995 Stock Option Plan, the number of shares covered by each option, and the exercise price per share under each option will be proportionately adjusted in the event of a recapitalization, stock split, dividend, or a similar transaction.

No grant of any option will constitute realized taxable income to the grantee. Upon exercise of a nonqualified option, the holder will recognize ordinary income in an amount equal to the excess of the fair market value of the stock received over the exercise price paid therefor and the tax basis in any shares of common stock received pursuant to the exercise of such option will be equal to the fair market value of the shares on the exercise date if the exercise price is paid in cash. The Company will generally have a deduction in parity with the amount realized by the holder. The Company has the right to deduct and withhold applicable taxes relating to taxable income realized by the holder upon exercise of a nonqualified option and may withhold cash, shares or any combination in order to satisfy or secure its withholding tax obligation. An ISO is not subject to taxation as income to the employee at the date of grant or exercise and the Company does not get a business deduction as to an ISO; provided, the stock is not sold within two years after the ISO was granted and one year after the ISO was exercised. The ISO is effectively taxed at capital gain rates upon the sale of the stock by the employee. However, if the stock acquired upon exercise of an ISO is sold within two years of the ISO grant date or one year exercise of the date, then it is taxed the same as a Nonqualified Option. Upon the exercise of an ISO, the difference between the value of the stock and the exercise price is recognized as a preference item for alternative minimum tax purposes.

As of December 31, 1998, options to purchase a total of 13,082,220 shares of common stock have been granted. Options for 572,825 shares of common stock have been exercised, options for 282,750 shares have been forfeited and options for 12,226,645 shares remain outstanding. The outstanding options are for (i) 345,000 shares with an exercise price of $0.40 per share, (ii) 43,750 shares with an exercise price of $1.20 per share, (iii) 50,000 shares with an exercise price of $1.60 per share, (iv) 175,000 shares with an exercise price of $2.40 per share, (v) 5,385 shares with an exercise price of $3.09 per share, (vi) 5,385 shares with an exercise price of $4.03 per share, (vii) 1,630,625 shares with an exercise price of $4.20 per share, (viii) 23,135 shares with an exercise price of $4.76 per share, (ix) 5,385 shares with an exercise price of $5.24 per share, (x) 28,000 shares with an exercise price of $5.97 per share; (xi) 107,200 shares with an exercise price of $6.00 per share, (xii) 5,633,030 shares with an exercise price of $7.50 per share, (xiii) 28,000 shares with an exercise price of $7.77 per share, (xiv) 28,000 shares with an exercise price of $10.08 per share, (xv) 75,000 shares with an exercise price of $11.31 per share, (xvi) 75,000 shares with an exercise price of $11.50 per share, (xvii) 125,000 shares with an exercise price of $11.94 per share, (xviii) 253,750 shares with an exercise price of $12.50 per share and (xix) 3,590,000 shares with an exercise price of $13.00 per share. The options exercisable at $0.40 per share are fully vested and held by Ted B. Miller, Jr. Vested and exercisable options also include options for (i) 43,750 shares at $1.20 per share, (ii) 50,000 shares at $1.60 per share, (iii) 175,000 shares at $2.40 per share, (iv) 1,463,625 shares at $4.20 per share, (v) 23,135 shares at $4.76 per share, (vi) 107,200 shares at $6.00 per share, (vii) 2,805,630 shares at $7.50 per share, (viii) 128,750 shares at $12.50 per share and (ix) 90,000 shares at $13.00 per share. Except for the options for 23,135 shares with an exercise price of $4.76 per share and options for 3,036,250 shares with an exercise price of $7.50, the exercise prices for all of the options were equal to or in excess of the estimated fair value of the common stock at the dates on which the numbers of shares and the exercise prices were determined; as such, in accordance with the "intrinsic value based method" of accounting for stock options, the Company did not recognize compensation cost related to the grant of these options. The options for 23,135 shares with an exercise price of $4.76 were issued in 1998 in exchange for services received from nonemployees; as such, the Company will account for the issuance of these options in 1998 based on the fair value of the services received. Options for 3,036,250 shares granted at an exercise price of $7.50 per share (which is below the estimated fair market value at the date of grant) were included in the group of options which vested at the consummation of the initial public offering of common stock. The Company will account for these options in 1998 based upon the fair market value of services received. The remaining options for 2,731,230 shares granted at an exercise price of $7.50 per share (which is below the estimated fair market value at the date of grant) were granted in 1998 and generally are taken into account and vest over five years. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Compensation Charges Related to Stock Option Grants".

Between January 1, 1998 and December 31, 1998, the Company granted to its executive officers and directors options for a total of 2,240,500 shares at an exercise price of $7.50 and 3,235,000 shares at an exercise price of $13.00 under the 1995 Stock Option Plan. Mr. Miller received options for 928,000 shares, Mr. Ivy received options for 560,000 shares, Mr. Green received options for 425,000 shares, Mr. Gwyn received options for 75,000 shares, Mr. Rees received options for 90,000 shares, Mr. Crown received options for 137,500 shares and Mr. McKenzie received 25,000 shares, in each case at an exercise price of $7.50 per share. Mr. Miller received options for 1,035,000 shares, Mr. Ivy received options for 545,000 shares, Mr. Green received options for 515,000 shares, Mr. Gwyn received options for 175,000 shares, Mr. Rees received options for 250,000 shares, Mr. Crown received options for 625,000 shares, Messrs. Ferenbach, Hack and Schutz each received options for 25,000 shares and Messrs. Azibert, Chetaille and Murphy each received options for 5,000 shares, in each case at an exercise price of $13.00 per share.

The options granted include ISOs for 627,750 shares with an exercise price of $7.50 per share. As of December 31, 1998, ISOs for 81,250 shares have been forfeited and none of the outstanding ISOs are exercisable.

CTSH Stock Option Plans

CTSH has established certain stock option plans for the benefit of its employees (the "CTSH Stock Option Plans"). Upon consummation of the Roll-Up in August 1998, all of the outstanding options to purchase shares of capital stock of CTSH ("CTSH Options") granted pursuant to the CTSH Stock Option Plans were converted into and replaced by options to purchase shares of the Company's common stock ("CCIC Options"). The Company's Board of Directors has adopted each of the CTSH Option Plans. Options granted under the CTSH Stock Options Plans may be adjusted at the discretion of the Company or, in the case of options granted under the CTSH Share Bonus Plan (as defined), the CTSH Trustee (as defined) to take into account any variation of the share capital of the Company subject to the written confirmation of the auditors of the Company that the adjustment in their opinion is fair and reasonable. The description set forth below summarizes the general terms of each of the various plans that constitute the CTSH Stock Options Plans.

Included in CTI's operating expenses for the nine months ended September 30, 1998 are noncash compensation charges for (Pounds)2.5 million ($4.2 million) related to the issuance of stock options to certain executives and employees.

CTSH All Employee Share Option Scheme. All outstanding options granted pursuant to the Castle Transmission Services (Holdings) Ltd. All Employee Share Option Scheme (the "CTSH All Employee Plan") are vested. These options may only be exercised in full and on one occasion. Outstanding options granted pursuant to the CTSH All Employee Plan will lapse if not exercised by the earlier of (i) the first anniversary of the option holder's death, (ii) six months following the termination of the option holder's employment with the Company, (iii) six months following the earlier of (a) a change of control of the Company, (b) the sanctioning by the U.K. courts of a compromise or arrangement pursuant to U.K. Companies Act 1985 section 425 that affects the common stock of the Company, (c) a person becoming bound or entitled to acquire the common stock of the Company under U.K. Companies Act 1985 sections 428-430 or (d) notice of a general meeting of the stockholders of the Company at which a resolution will be proposed for the purpose of a voluntary winding-up of the Company (each of the foregoing, a "Corporate Event"), (iv) the option holder being adjudicated bankrupt under U.K. law, (v) the surrender of the option or (vi) the seventh anniversary of the grant. At the time of the Roll-up there were outstanding options to purchase 285,250 shares of common stock at a price of $2.37 per share, of which an initial refundable deposit of $1.20 per share has already been paid by each participant. No additional options will be granted under the CTSH All Employee Plan in the future.

CTSH Management Plan. All outstanding options granted pursuant to the Castle Transmission Services (Holdings) Ltd. Unapproved Share Option Scheme (the "CTSH Management Plan") will vest on the earlier of (i) March 1, 2000 or, if the option holder was not an Eligible Employee (as defined in the CTSH Management

Plan) on March 1, 1997, the third anniversary of the date on which the option was granted, (ii) the death of the option holder, (iii) the termination of the option holder's employment with the Company (other than a termination for cause, or the voluntary resignation of the option holder), (iv) a Corporate Event or (v) the sale of the subsidiary or business of the Company in which the option holder is employed. Once vested, these options may be exercised in whole or in part at the discretion of the option holder prior to the lapsing of the option. All options granted pursuant to the CTSH Management Plan will lapse on the earlier of (i) the first anniversary of the option holder's death, (ii) six months after the termination of the option holder's employment with the Company (other than a termination for cause, or the voluntary resignation of the option holder), (iii) immediately upon any other termination of employment, (iv) six months following a Corporate Event, (v) the option holder being adjudicated bankrupt under U.K. law, (vi) the surrender of the option, (vii) failure to satisfy any performance condition established by the board of directors of CTI or (viii) the seventh anniversary of the grant of the option. Currently, there are outstanding options to purchase 1,649,844 shares of common stock at prices ranging from (Pounds)1.43 ($2.39) to (Pounds)6.04 ($10.08) per share. No additional options will be granted under the CTSH Management Plan in the future.

CTSH Bonus Share Plan. In connection with the Castle Transmission Services (Holdings) Ltd. Bonus Share Plan (the "CTSH Bonus Share Plan"), CTSH has executed the Employee Benefit Trust (the "CTSH Trust"), a discretionary settlement for the benefit of past and present CTI employees, directors and their families. CTI employees and directors are able to participate in the CTSH Bonus Share Plan by foregoing a portion of their annual bonuses awarded by the Company in consideration for options to purchase shares of the Company's common stock held by the CTSH Trust at predetermined prices per share depending upon the year in which the investment is made. The predetermined price for 1997 investment was (Pounds)13.00 ($21.70) per unit (each of which will be converted into seven shares of common stock upon consummation of the Roll-Up), and the CTI board has determined that the predetermined price for any investment in 1998 and 1999 will be (Pounds)16.90 ($28.21) and (Pounds)21.97 ($36.68) respectively.

All outstanding options granted pursuant to the CTSH Bonus Share Plan are vested and may be exercised in whole or in part at the discretion of the option holder prior to the lapsing of the option. All options will lapse on the earlier of (i) the first anniversary of the option holder's death, (ii) six months after the termination of the option holder's employment with the Company, (iii) six months following a Corporate Event, (iv) the option holder being adjudicated bankrupt under U.K. law, (v) the surrender of the option or (vi) the seventh anniversary of the grant of the option. In order to satisfy the demand created by the exercise of options granted pursuant to the CTSH Bonus Share Plan, the CTSH Trustee has been granted a call option by the Company ("the U.K. Option Agreement") to purchase up to 149,709 shares of common stock from the Company at a price of (Pounds)1.86 ($3.11) per share, the funds for which are to be contributed to the CTSH Trust by CTSH (which has already provided for such payment in its financial statements). Currently there are outstanding options to purchase 149,709 shares of common stock from the CTSH Trustee for a nominal sum upon exercise. Following the Offering, CTI employees and directors will continue to be able to effectively invest a proportion of their annual bonuses in common stock of the Company under the CTSH Bonus Share Plan for the fiscal years 1998 and 1999. Thereafter, no additional options will be granted under the CTSH Share Bonus Plan. Grants under the CTSH Bonus Share Plan are determined by converting monetary awards into options to purchase shares at predetermined prices.

CTSH Option Grants to Certain Executives. In January and April of 1998, CTSH granted options to purchase a total of 300,000 ordinary shares and 299,700,000 preference shares of CTSH to Ted B. Miller, Jr., David L. Ivy and George E. Reese. These options are vested in full and have converted into options to purchase 1,890,000 shares of the Company's common stock at an exercise price of (Pounds)1.43 and 210,000 shares of the Company's common stock at an exercise price of (Pounds)3.57. Upon the Roll-Up, the exercise prices were set in U.S. dollars at $2.31 for the (Pounds)1.43 exercise price and $5.96 for the (Pounds)3.57 exercise price.

1995 Investments

On January 11, 1995, Ted B. Miller, Jr. and Edward C. Hutcheson, Jr. (collectively, the "Initial Stockholders") acquired 1,350,000 shares of CTC Class A Common Stock, par value $.01 per share, for $270,000. Also, on January 11, 1995, pursuant to a Securities Purchase and Loan Agreement, dated as of January 11, 1995, among CTC, Centennial Fund IV, Berkshire Fund III, A Limited Partnership (via Berkshire Fund III Investment Corp.), and certain trusts and natural persons which are now members of Berkshire Investors LLC (collectively, the "Berkshire Fund III Group") and J. Landis Martin (collectively, the "CTC Purchasers"), CTC issued to the CTC Purchasers (i) 1,350,000 shares of CTC Class B Common Stock, par value $.01 per share, for $270,000, (ii) 730,380 shares of CTC Series A Convertible Preferred Stock, par value $.01 per share, for $4,382,280 and (iii) $3,867,720 principal amount of CTC Convertible Secured Subordinated Notes for $3,867,720. As of February 1997, all the CTC Convertible Secured Subordinated Notes had been converted into 644,620 shares of Company Series A Convertible Preferred Stock. The proceeds received on January 11, 1995 were used by the Company for the acquisition of towers and ancillary assets from PCI and for working capital.

Pursuant to a Securities Exchange Agreement (the "Securities Exchange Agreement"), dated as of April 27, 1995, among the Company, CTC, the Initial Stockholders and the CTC Purchasers, such parties effectively made CCIC the holding company of CTC and converted some of the obligations of CTC into capital stock of CCIC. Transactions pursuant to the Securities Exchange Agreement included (i) Centennial Fund IV transferring 208,334 shares of CTC Series A Convertible Preferred Stock to Berkshire Fund III Group in exchange for $1,250,004 principal amount of CTC Convertible Secured Subordinated Notes, (ii) Berkshire Fund III Group and J. Landis Martin converting all remaining CTC Convertible Secured Subordinated Notes held by them ($742,452 principal amount) into 123,742 shares of CTC Series A Convertible Preferred Stock, (iii) each of the outstanding shares of capital stock of CTC being exchanged for one share of similar stock of CCIC and (iv) the remaining CTC Convertible Secured Subordinated Notes ($3,125,268 principal amount) becoming convertible into shares of CCIC Series A Convertible Preferred Stock, par value $.01 per share ("Series A Convertible Preferred Stock") (all of which notes were subsequently converted in February 1997).

As a result of the exchange of CTC capital stock for CCIC capital stock, each Initial Stockholder received 675,000 shares of Existing Class A Common Stock, par value $.01 per share, of CCIC, Centennial Fund IV received 1,080,000 shares of Common Stock and 145,789 shares of Series A Convertible Preferred Stock, Mr. Martin received 41,666 shares of Series A Convertible Preferred Stock and Berkshire Fund III Group received 270,000 shares of Common Stock and 666,667 shares of Series A Convertible Preferred Stock. In July 21, 1995, Robert F. McKenzie became a party by amendment to the Securities Exchange Agreement and received 8,333 shares of Series A Preferred Stock.

1996 Investments

Pursuant to a Securities Purchase Agreement, dated as of July 15, 1996, among the Company, Berkshire Fund III Group, Centennial Fund IV, J. Landis Martin, Edward C. Hutcheson, Jr. and Robert F. McKenzie, the Company privately placed 864,568 shares of its Series B Convertible Preferred Stock, par value $.01 per share ("Series B Convertible Preferred Stock"), for an aggregate purchase price of $10,374,816. Berkshire Fund III Group paid $6,000,000 for 500,000 shares, Centennial Fund IV paid $3,724,812 for 310,401 shares, Mr. Martin paid $500,004 for 41,667 shares, Mr. Hutcheson paid $99,996 for 8,333 shares and Mr. McKenzie paid $50,004 for 4,167 shares. The proceeds received on July 15, 1996 were used for (i) the purchase of the towers and microwave and SMR businesses from Motorola in Puerto Rico, (ii) an option payment relating to the acquisition of TEA and TeleStructures and (iii) working capital.

1997 Investments

Pursuant to a Securities Purchase Agreement, dated as of February 14, 1997, among the Company, Centennial Fund V and Centennial Entrepreneurs Fund V, L.P. (collectively, the "Centennial Fund V

Investors"), Berkshire Fund IV, Limited Partnership (via Berkshire Fund IV Investment Corp.), and certain trusts and natural persons which are members of Berkshire Investors LLC (collectively, the "Berkshire Fund IV Group" and, together with Berkshire Fund III Group, the "Berkshire Partners Group"), PNC Venture Corp., Nassau Capital Partners II L.P. ("Nassau Capital"), NAS Partners I L.L.C. ("NAS Partners"), Fay, Richwhite Communications Limited ("Fay Richwhite"), J. Landis Martin and Robert F. McKenzie, the Company privately placed 3,529,832 shares of its Series C Convertible Preferred Stock, par value $.01 per share ("Series C Convertible Preferred Stock"), for an aggregate purchase price of $74,126,472. Centennial Fund V Investors paid $15,464,001 for 736,381 shares, Berkshire Fund IV Group paid $21,809,991 for 1,038,571 shares, PNC Venture Corp. paid $6,300,000 for 300,000 shares, Nassau Group paid an aggregate of $19,499,991 for 928,571 shares, Fay Richwhite paid $9,999,990 for 476,190 shares, Mr. Martin paid $999,999 for 47,619 shares and Mr. McKenzie paid $52,500 for 2,500 shares. The proceeds received on February 14, 1997 were used by the Company to fund a portion of its investment in CTI.

In March 1997, Edward C. Hutcheson, Jr. exercised stock options for 345,000 shares of Common Stock. The Company repurchased these shares and 308,435 shares of his Existing Class A Common Stock for $3,422,118.

In May 1997, in connection with the Company's acquisition of the stock of TeleStructures, TEA and TeleShare, Inc. (the "TEA Companies"), the Company issued 535,710 shares of Common Stock to the shareholders of the TEA Companies: 241,070 shares to Bruce W. Neurohr, 241,070 shares to Charles H. Jones and 53,570 shares to Terrel W. Pugh.

In June 1997, Messrs. Miller and Ivy received special bonuses, related to their services in structuring and negotiating the CTI Investment, including arranging the consortium partners who participated with the Company in the CTI transaction, of $600,000 and $300,000, respectively.

In August 1997, Robert A. Crown and Barbara Crown sold the assets of Crown Communications to, and merged CNSI and CMSI with, subsidiaries of the Company. As consideration for these transactions, the Crowns received a cash payment of $25.0 million, a promissory note of the Company aggregating approximately $76.2 million, approximately $2.3 million to pay certain taxes (part of which amount was paid in September 1997 as a dividend to stockholders of record of CNSI on August 14, 1997), and 7,325,000 shares of Common Stock. In addition, the Company assumed approximately $26.0 million of indebtedness of the Crown Business. The Company repaid the Seller Note in full on October 31, 1997. Robert A. Crown and Barbara Crown are both parties to the Stockholders Agreement and are subject to its restrictions.

Pursuant to a Securities Purchase Agreement, dated as of August 13, 1997, among the Company, American Home Assurance Company ("AHA"), New York Life Insurance Company ("New York Life"), The Northwestern Mutual Life Insurance Company ("Northwestern Mutual"), PNC Venture Corp., J. Landis Martin and affiliates of AHA, the Company privately placed of 292,995 shares of its Senior Convertible Preferred Stock for an aggregate purchase price of $29,299,500, together with warrants to purchase 585,990 shares of Common Stock at $7.50 per share (subject to adjustment, including weighted average antidilution adjustments). AHA and its affiliates paid $15,099,500 for 150,995 shares and warrants to purchase 301,990 shares of Common Stock. New York Life and Northwestern Mutual each paid $6,000,000 for 60,000 shares and warrants to purchase 120,000 shares of Common Stock. PNC Venture Corp. paid $2,000,000 for 20,000 shares and warrants to purchase 40,000 shares of Common Stock. Mr. Martin paid $200,000 for 2,000 and warrants to purchase 4,000 shares of Common Stock. The proceeds received on August 13, 1997 were used by the Company to fund a portion of the Crown Merger and working capital.

Pursuant to a Securities Purchase Agreement, dated as of October 31, 1997, among the Company, Berkshire Partners Group, Centennial Fund V Investors, Nassau Group, Fay Richwhite, Harvard Private Capital Holdings, Inc. ("Harvard"), Prime VIII, L.P. ("Prime") and the prior purchasers of Senior Convertible Preferred Stock

(other than affiliates of AHA), an additional 364,500 shares of Senior Convertible Preferred Stock were issued for an aggregate purchase price of $36,450,000, together with warrants to purchase 729,000 shares of Common Stock at $7.50 per share (subject to adjustment, including weighted average antidilution adjustments). Berkshire Partners Group paid $3,500,000 for 35,000 shares and warrants to purchase 70,000 shares of Common Stock. Centennial V Investors paid $1,000,000 for 10,000 shares and warrants to purchase 20,000 shares of Common Stock. Nassau Group and Fay Richwhite each paid $2,500,000 for 25,000 shares and warrants to purchase 50,000 shares of Common Stock. Harvard paid $14,950,000 for 149,500 shares and warrants to purchase 299,000 shares of Common Stock. Prime paid $5,000,000 for 50,000 shares and warrants to purchase 100,000 shares of Common Stock. AHA paid $1,500,000 for 15,000 shares and warrants to purchase 30,000 shares of Common Stock. New York Life paid $300,000 for 3,000 shares and warrants to purchase 6,000 shares of Common Stock. Northwestern Mutual paid $4,000,000 for 40,000 shares and warrants to purchase 80,000 shares of Common Stock. PNC Venture Corp. paid $1,000,000 for 10,000 shares and warrants to purchase 20,000 shares of Common Stock. J. Landis Martin paid $200,000 for 2,000 shares and warrants to purchase 4,000 shares of Common Stock.

Other Transactions

Robert J. Coury, a former director of Crown Communication, and Crown Communication were party to a management consulting agreement beginning in October 1997 through January 1999. Pursuant to a Memorandum of Understanding dated July 3, 1998, the compensation payable pursuant to such consulting agreement was increased to $20,000 per month and Mr. Coury was granted options to purchase 60,000 shares of Common Stock at $7.50 per share. See "Management--Executive Compensation--Crown Arrangements". The Company has recorded a noncash compensation charge of $0.3 million related to the issuance of these stock options. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Compensation Charges Related to Stock Option Grants". In connection with the Crown Merger, Mr. Coury acted as financial advisor to the Crowns and received a fee for such services, paid by the Crowns.

The Company leases office space in a building formerly owned by its Vice Chairman and Chief Executive Officer. Lease payments for such office space amounted to $313,008, $130,000, $50,000 and $22,000 for the years ended December 31, 1998, 1997 and 1996, respectively. The amount of space leased increased from 6,497 square feet at $23.80 per square foot (or $154,836 in annual rent) to 19,563 square feet at $16.00 per square foot (or $313,008 in annual rent) pursuant to a lease agreement effective November 1, 1997. The lease term is for a period of five years with an option to terminate in the third year or to renew at $18.40 per square foot. Interstate Realty Corporation, a company owned by the Company's Vice Chairman and Chief Executive Officer, received a commission of $62,000 in connection with this new lease.

Crown Communication leases its equipment storage and handling facility in Pittsburgh from Idlewood Road Property Company ("Idlewood"), a Pennsylvania limited partnership. HFC Development Corp., a Pennsylvania corporation owned by Mr. Crown's parents, is the general partner of Idlewood. The annual rent for the property is $180,000.

On August 10, 1998, Michel Azibert, who was elected as a director of the Company in August 1998, acquired 50,000 shares of Common Stock from an existing stockholder of the Company for $6.26 per share pursuant to a purchase right assigned to him by the Company. The Company recorded a noncash compensation charge of $0.3 million related to the transfer of the purchase right. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Compensation Charges Related to Stock Option Grants".

On February 28, 1997, CTI and TdF Parent entered into the CTI Services Agreement pursuant to which TdF Parent agreed to provide certain consulting services to CTI in consideration for a minimal annual fee of (Pounds)400,000 ($665,120) and reimbursement for reasonable out-of-pocket expenses. TdF Parent has agreed to, among

other things, provide the services of ten executives or engineers to CTI on a part-time basis and to provide a benchmarking review of CTI. In addition, TdF Parent has agreed to provide additional services relating to research, development and professional training on terms (including as to price) to be determined.

The term of the CTI Services Agreement is expected to be extended for four additional years (to February 28, 2004) and thereafter will be terminable on 12-month's prior notice given by CTI to TdF after February 28, 2003.

In connection with the financing arrangements relating to the Proposed JV, the Company paid an aggregate of $100,000 to Centennial Fund IV, L.P., Centennial Fund V, L.P. and Centennial Entrepreneurs Fund V, L.P.

The Company and Mr. Crown have entered into a Memorandum of Understanding and a related Services Agreement. Pursuant to the Services Agreement, Mr. Crown agreed to continue to serve in a consulting capacity to (and as Chairman of) CCI for a two-year period ending December 9, 2000, and the Company has agreed, for such two-year period, to pay Mr. Crown cash compensation of $300,000 annually, along with certain executive perquisites. At the end of the two-year period, the Company will pay Mr. Crown a severance benefit of $300,000.

Agreements with TdF Related to the Roll-Up

Governance Agreement

On August 21, 1998, the Company TdF and DFI entered into a Governance Agreement (the "Governance Agreement") to provide for certain rights and obligations of the Company, TdF and DFI with respect to the governance of the Company.

Super-Majority Voting Requirements

In general, until August 21, 2003, a super majority vote of the Company's Board of Directors is required for the Company or any of its subsidiaries to take any of the following actions:

- amendments to the certificate of incorporation or by-laws;
- acquisitions or investments of more than $20.0 million;
- dispositions for more than $20.0 million;
- significant strategic alliances;
- the incurrence of debt unless certain leverage ratios have been met;
- any transaction with a party to the Stockholders Agreement or any affiliate of the Company;
- the issuance of any equity securities;
- any transaction that would result in any person holding 50% or more of the Company's voting securities or equity interests;
- any sale of all or substantially all of the Company's assets;
- any action by the Company relating to its dissolution or bankruptcy; and
- any amendments to the Company's Rights Plan.

TdF Veto Rights

In general, until August 21, 2003, TdF's consent will be required for the Company or any of its subsidiaries to take any of the following actions:

- significant acquisitions or investments;
- strategic alliances with certain third parties; and
- significant dispositions.

In addition, until August 21, 2008, TdF's consent generally will be required for the Company or any of its subsidiaries to take any of the following actions:

- amendments to the certificate of incorporation or bylaws;
- the issuance of any new class of security or of additional shares of Class A Common Stock;
- any transaction that would result in any person holding 50% or more of the Company's voting securities or equity interests;
- any sale of all or substantially all of the Company's assets; and
- the issuance to any person of equity securities representing 25% or more of the Company outstanding equity securities.

TdF Preemptive Rights

Except in certain circumstances, if the Company issues any equity securities (other than equity that is mandatorily exchangeable for debt, such as the Exchangeable Preferred Stock) to any person, it must offer TdF the right to purchase, at the same cash price and on the same other terms proposed, up to the amount of such equity securities as would be necessary for TdF and its affiliates to maintain their consolidated ownership percentage in the Company. See "Risk Factors".

TdF Standstill; Transfer Restrictions; Voting

TdF and its affiliates will not, without the prior written consent of the Board; (1) acquire beneficial ownership of any voting securities of the Company if their ownership interest would be greater than the Relevant Percentage; (2) propose that TdF or any of its affiliates enter into any business combination involving the Company; (3) make any "solicitation" of "proxies" (as such terms are used in Regulation 14A promulgated under the Exchange Act) to vote or consent with respect to any voting securities of the Company in opposition to the recommendation of a super majority vote of the Board; (4) except in accordance with the terms of the Stockholders Agreement, seek election to or seek to place a representative on the Board or seek the removal of any member of the Board; (5) (A) solicit, seek to effect, negotiate with or provide nonpublic information to any other person with respect to or (B) otherwise make any public announcement or proposal with respect to, any form of business combination (with any person) involving a change of control of the Company or the acquisition of a substantial portion of the voting securities and/or equity securities or assets of the Company or any subsidiary of the Company; or (6) publicly disclose any intention, plan or arrangement, or provide advice or assistance to any person, inconsistent with the foregoing.

In general, if TdF or any of its affiliates seek to transfer 5% or more of the voting securities of the Company, the Company will have the right to purchase all, or any part in excess of such 5%, of such voting securities for cash at the price at which they are to be transferred. These limitations do not apply to certain transactions including underwritten public offerings and sales under Rule 144.

Whenever TdF has the right to vote any voting securities of the Company and a "proxy-contest" exists or any proposal for the election of any member to the Board has received a negative vote, which in either case, had been recommended by a super majority vote of the Board, TdF has agreed to vote all of its voting securities of the Company in the manner recommended by a super majority vote of the Board.

The standstill, transfer restriction and voting provisions described above will cease to apply on or before August 21, 2003. In addition, the standstill and voting provisions will be suspended during any period from the date of the commencement by any person (other than TdF or any of its affiliates) of an unsolicited offer to the date of closing, abandonment or termination of all such offers (including any offer commence by TdF or any member of the TdF Group following such suspension) and will thereafter be reinstated as in effect prior to the commencement of any such unsolicited offer.

TdF CTSH Option

If (1) the Board overrides a veto by TdF of a business combination or (2) an unsolicited offer by any person (other than TdF or any of its affiliates) has commenced or occurred, TdF will have the option (the "CTSH Option") to (x) acquire for cash all of the CTSH shares beneficially owned by the Company at their fair market value or (y) sell for cash to the Company all of the CTSH shares and warrants beneficially owned by TdF at their fair market value.

Immediately prior to the consummation of any business combination or unsolicited offer, TdF may require the Company to purchase one-half of the shares of Class A Common Stock held by TdF and its affiliates for cash at the offer price per share of Common Stock pursuant to the business combination or unsolicited offer.

Put and Call Rights

TdF Put Right. TdF will have the right to require the Company (1) to purchase all (except for one CTSH Ordinary Share) of the CTSH Shares beneficially owned by TdF and its affiliates in exchange for shares of Class A Common Stock at the Exchange Ratio and (2) to issue in exchange for the TdF CTSH Warrants for a number of shares of Class A Common Stock at the Exchange Ratio and 100,000 shares of Class A Common Stock, subject to adjustment in certain circumstances.

Company Call Right. On August 21, 2000, unless the weighted average price per share of Common Stock over the five trading days immediately preceding August 21, 2000, is less than or equal to $12 (as adjusted for any stock split or similar transaction), the Company will have the right to require TdF to transfer and deliver to the Company all (except for one CTSH Ordinary Share) of the TdF CTSH Shares and the TdF CTSH Warrants beneficially owned by TdF and its affiliates in exchange for a number of shares of Class A Common Stock at the Exchange Ratio and 100,000 shares of Class A Common Stock, subject to adjustment in certain circumstances.

Stockholders Agreement

On August 21, 1998, the Company entered into the Stockholders Agreement (the "Stockholders Agreement") with certain stockholders of the Company (the "Stockholders") to provide for the certain rights and obligations of the Company and the Stockholders with respect to the governance of the Company and the Stockholders' shares of Common Stock or Class A Common Stock, as the case may be.

Governance

Board Representation. (i) So long as the TdF Group holds at least 5.0% of the Company's common stock, TdF will have the right to appoint one director and generally will have the right to appoint two directors; (ii) so long as Robert A. Crown, Barbara Crown, certain trusts established by them and their permitted transferees (the "Crown Group") has beneficial ownership of at least 555,555 shares of common stock, the Crown Group will have the right to elect one director (the "Crown Designee"); (iii) so long as Ted B. Miller, Jr. and his permitted transferees (the "Initial Stockholder Group") maintains an ownership interest, they will have the right to elect one director (the "Initial Stockholder Designee"); (iv) the Chief Executive Officer of the Company will have the right to elect one director (the "CEO Designee"); (v) so long as the ownership interest of Centennial Fund IV, L.P., Centennial Fund V, L.P., Centennial Entrepreneurs Fund V, L.P., their affiliates and respective partners (the "Centennial Group") is at least 5.0%, the Centennial Group will have the right to elect one director (the "Centennial Designee"); (vi) so long as the ownership interest of the Berkshire Group is at least 5.0%, the Berkshire Group will have the right to elect one director (the "Berkshire Designee"); (vii) so long as the ownership interest of Nassau Capital Partners II, L.P., NAS Partners I, L.L.C., their affiliates and their respective partners (the "Nassau Group") is not less than the ownership interest of the Nassau Group immediately following the closing of the IPO, the Nassau Group will have the right to elect one director (the "Nassau Designee"); and (viii) all directors other than the Designees ("General Directors") will be nominated in accordance with the Certificate of Incorporation and By-laws.

Solicitation and Voting of Shares. With respect to each meeting of stockholders of the Company at which directors are to be elected, the Company will use its best efforts to solicit from the stockholders of the Company eligible to vote in the election of directors proxies in favor of the nominees selected in accordance with the provisions of the Stockholders Agreement (including without limitation the inclusion of each director nominee in management's slate of nominees and in the proxy statement prepared by management of the Company in respect of each annual meeting, vote or action by written consent).

Each Stockholder will vote its shares in favor of the election of the persons nominated pursuant to the provisions described in "--Board Representation" above to serve the Board and against the election of any other person nominated to be a director.

Committees of the Board. Each of the Nominating and Corporate Governance Committee and the Executive Committee will contain, so long as TdF is Qualified at least one TdF Designee.

Registration Rights; Tag-Along Rights

Subject to certain exceptions, limitations and the suspension of such rights by the Company under certain conditions, the Stockholders have been granted certain piggy-back registration rights, demand registration rights, S-3 registration rights and tag-along rights with respect to their shares of Common Stock.

Subject to certain exceptions, if at any time Stockholders holding at least 2% of the voting securities of the Company (the "Initiating Stockholder(s)") determine to sell or transfer 2% or more of the voting securities then issuable or outstanding to a third party who is not an affiliate of any of the Initiating Stockholders, Stockholders may have the opportunity and the right to sell to the purchasers in such proposed transfer (upon the same terms and conditions as the Initiating Stockholders) up to that number of Shares owned by such Stockholder equaling the product of (i) a fraction, the numerator of which is the number of Shares owned by such Stockholder as of the date of such proposed transfer and the denominator of which is the aggregate number of Shares owned by the Initiating Stockholders and by all Stockholders exercising tag-along rights multiplied by (ii) the number of securities to be offered.

CTSH Shareholders' Agreement

On August 21, 1998, CCIC, TdF and CTSH entered into a Shareholders' Agreement to govern the relationship between CCIC and TdF as Shareholders of CTSH (the "CTSH Shareholders' Agreement).

Corporate Governance. The Board of CTSH will be comprised of six directors, of which CCIC and TdF will each have the right to appoint and remove two directors with the remaining two directors to be mutually agreed upon by CCIC and TdF. CCIC has the right to nominate the chairman, chief executive officer, chief operating officer and chief financial officer of CTSH, subject to approval buy a super majority vote of the Board of CCIC.

The affirmative vote of a majority of the Board, including a director nominated by CCIC and a director nominated by TdF, is necessary for the adoption of a resolution. Further, the prior written consent of each of CCIC and TdF, in their capacities as shareholders, is required for the following actions, among others, significant acquisitions and dispositions; issuance of new shares; entry into transactions with shareholders, except pursuant to the CTI Services Agreement and/or the CTI Operating Agreement; entry into new lines of business; capital expenditures outside the budget; entry into banking and other financing facilities; entry into joint venture arrangements; payment of dividends, except for (1) dividends payable in respect of CTSH's redeemable preferred shares and (2) dividends permitted by CTSH's financing facilities; and establishing a public market for CTSH shares. Similar governance arrangements also apply to CTSH's subsidiaries.

If either CCIC or TdF vetoes a transaction (either at Board or shareholder level), the other shareholder is entitled to pursue that transaction in its own right and for its own account.

Transfer Provisions. Subject to certain exceptions, neither CCIC nor TdF may transfer any interest in shares held in CTSH to a third party. Transfers of shares to affiliated companies are permitted, subject to certain conditions. No shares may be transferred if such transfer would (a) entitle the BBC to terminate either of the BBC contracts, (b) subject CTSH to possible revocation of its licenses under the Telecommunications Act 1984 or the Wireless Telegraphy Acts 1949, 1968 and 1998 or (c) cause CCIC or TdF to be in breach of the Commitment Agreement between the Company, TdF, TdF Parent and the BBC (under which the Company and TdF have agreed to maintain certain minimum ownership levels in CTSH for a period of five years). See "Business--U.K. Operations--Significant Contracts--BBC Commitment Agreement".

In addition, shares may be sold to a third party, subject to a right of first refusal by the other party, after the later of (a) the second anniversary of the closing of the Roll-up, and (b) the expiration of the period for the completion of the TdF Put Right (as defined) or the Company Call Right (as defined). If CCIC purchases TdF's shares pursuant to such right of first refusal, it may elect (instead of paying the consideration in cash) to discharge the consideration by issuing its Common Stock at a discount of 15% to its market value. If the right of first refusal is not exercised, the selling shareholder must procure and offer on the same terms for the shares held by the other party. If the Company elects to issue Common Stock to TdF pursuant to the right of first refusal, TdF will be entitled to certain demand registration rights and tag along rights.

TdF Put Right. TdF has the right to put its shares of CTSH to CCIC for cash (the "TdF Put Right") if there is a change of control of CCIC. Such right is exercisable if (a) TdF has not exchanged its shares pursuant to the Governance Agreement by the second anniversary of the closing of the Roll-Up, or (b) prior to the second anniversary of the closing of the Roll-Up, if TdF has ceased to be Qualified for the purposes of the Governance Agreement.

The consideration payable on the exercise of the TdF Put Right will be an amount agreed between CCIC and TdF or, in the absence of agreement, the fair market value as determined by an independent appraiser.

TdF Exit Right. TdF also has the right after the earlier of (a) the second anniversary of the closing of the Roll-Up, or (b) TdF ceasing to be Qualified for purposes of the Governance Agreement, to require CCIC, upon at least six months' notice, to purchase all, but not less than all, of the shares it beneficially owns in CTSH (the "TdF Exit Right").

The consideration to be paid to TdF, and the manner in which it is calculated, upon exercise of the TdF Exit Right is substantially the same as described upon exercise of the TdF Put Right.

CCIC is entitled to discharge the consideration payable on the exercise of the TdF Exit Right either in cash or by issuing Common Stock to TdF at a discount of 15% to its market value. If CCIC elects to issue Common Stock to TdF on the exercise of the TdF Exit Right, TdF will be entitled to certain demand registration rights and tag-along rights.

CCIC Deadlock Right. CCIC has the right to call TdF's shares of CTSH, subject to certain procedural requirements, for cash if, after the third anniversary of the closing of the Roll-Up, TdF refuses on three occasions during any consecutive six-month period to agree to the undertaking by CTSH of certain types of transactions (including acquisitions and disposals) that would fall within CTSH's core business (the "CCIC Deadlock Right"). The consideration due on the exercise of the CCIC Deadlock Right is payable in cash, the fair market value of the TdF interest to be determined in the same manner described above upon exercise of the TdF Put or Exit Rights.

CCIC Shotgun Right. Provided that TdF has not, pursuant to the Governance Agreement, exchanged its share ownership in CTSH for shares of CCIC, CCIC may (a) by notice expiring on August 21, 2003, or (b) at any time within 45 days of CCIC becoming aware of a TdF Change of Control (as defined in the Governance Agreement) offer to purchase TdF's shares in CTSH. TdF is required to either sell its shares or agree to purchase CCIC's shares in CTSH at the same price contained in CCIC's offer for TdF's shares of CTSH.

The consummation of any transfer of shares between CCIC and TdF pursuant to any of the transfer provisions described above is subject to the fulfillment of certain conditions precedent, including obtaining all necessary governmental and regulatory consents.

Termination. The Shareholders' Agreement terminates if either CCIC or TdF ceases to be qualified. CCIC remains qualified on the condition that it holds at least 10% of the share capital of CTSH.

CTI Services Agreement

On February 28, 1997, CTI and TdF Parent entered into a Services Agreement pursuant to which TdF Parent agreed to provide certain consulting services to CTI in consideration for a minimum annual fee of (Pounds)400,000 ($665,120) and reimbursement for reasonable out-of-pocket expenses. This agreement was amended and restated on August 21, 1998 (the "CTI Services Agreement"). TdF Parent has agreed to, among other things, provide the services of ten executives or engineers to CTI on a part-time basis and to provide a benchmarking review of CTI. In addition, TdF Parent has agreed to provide additional services relating to research, development and professional training on terms (including as to price) to be determined. Following February 28, 2003, the CTI Services Agreement will be terminable on 12-month's prior notice given by CTI to TdF.

CTI Operating Agreement

The following summary of the terms of the CTI Operating Agreement is subject to the negotiation of definitive documentation, although the Company expects such agreement to have the general terms described herein. Under the CTI Operating Agreement (the "CTI Operating Agreement"), the Company will be permitted to develop business opportunities relating to terrestrial wireless communications (including the transmission of radio and television broadcasting) anywhere in the world except the United Kingdom. CTI will be permitted to develop such business opportunities solely in the United Kingdom. The Company and TdF also intend to establish, pursuant to the CTI Operating Agreement, a joint venture to develop digital terrestrial transmission services in the United States. See "Business--U.S. Operations--Network Services--Broadcast Site Rental and Services".

The CTI Operating Agreement will also establish a framework for the provision of business support and technical services to the Company and its subsidiaries (other than CTI) in connection with the development of any international business by the Company. TdF will have the right, if called upon to do so by the Company or CTSH, to provide all or part of such services to the Company and its subsidiaries (other than CTI) in connection with the provision of broadcast transmission services.

PRINCIPAL STOCKHOLDERS

The table below sets forth certain information, as of March 1, 1999, with respect to the beneficial ownership of capital stock by (1) each person whom we know to be the beneficial owner of more than 5% of any class or series of our capital stock, (2) each of our directors and executive officers and all directors and executive officers as a group and (3) this table also gives effect to shares that may be acquired pursuant to options and warrants, as described in the footnotes below.

Executive Officers and Directors(a)	Title of Class	Shares Beneficially Owned Number(b)	Percent	Percentage of Total Voting Power(c)
Ted B. Miller, Jr.	Common Stock(d)	4,036,097	4.7	4.1
David L. Ivy.....	Common Stock(e)	1,395,000	1.7	1.5
Charles C. Green, III....	Common Stock(f)	675,000	*	*
John L. Gwyn.....	Common Stock(g)	173,000	*	*
John P. Kelly(h).....	Common Stock	--	--	--
E. Blake Hawk.....	Common Stock	--	--	--
Alan Rees(i).....	Common Stock(j)	188,308	*	*
Robert A. Crown(k).....	Common Stock(l)	5,782,500	7.0	6.1
Michel Azibert(m).....	Common Stock(n)	60,000	*	*
Bruno Chetaille(o).....	Common Stock(p)	10,000	*	*
Carl Ferenbach(q).....	Common Stock(r)	20,740,805	24.9	21.9
Randall A. Hack(s).....	Common Stock(t)	5,085,080	6.1	5.4
Robert F. McKenzie(u)....	Common Stock(v)	202,500	*	*
William A. Murphy(w).....	Common Stock(x)	10,000	*	*
Jeffrey H. Schutz(y).....	Common Stock(z)	9,842,040	11.8	10.4
Directors and Executive Officers as a group (15 persons total).....	Common Stock(aa)	48,200,330	58.5	51.5
Berkshire(bb)				
Berkshire Fund III, A Limited Partnership.....	Common Stock(cc)	6,095,450	7.3	6.5
Berkshire Fund IV, Limited Partnership.....	Common Stock(dd)	12,996,055	15.6	13.8
Berkshire Investors LLC..	Common Stock(ee)	1,619,300	1.9	1.7
Candover(ff)				
Candover Investments, plc.....	Common Stock	2,329,318	2.8	2.5
Candover (Trustees) Limited.....	Common Stock	208,317	*	*
Candover Partners Limited.....	Common Stock	8,792,565	10.6	9.3
Centennial(gg)				
Centennial Fund IV, L.P.(hh).....	Common Stock	5,965,340	7.2	6.3
Centennial Fund V, L.P.(ii).....	Common Stock	3,731,285	4.5	3.9
Centennial Entrepreneurs Fund V, L.P.(jj).....	Common Stock	115,415	*	*
Nassau(kk)				
Nassau Capital Partners II, L.P.....	Common Stock(ll)	5,023,825	6.0	5.3
NAS Partners I, L.L.C....	Common Stock(mm)	31,255	*	*
Digital Future Investments B.V.(nn)....	Class A Common Stock	11,340,000	100.0	12.0

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* Less than 1%.

(a) Except as otherwise indicated, the address of each person in this table is c/o Crown Castle International Corp., 510 Bering Drive, Suite 500, Houston, TX 77057.

(b) In determining the number and percentage of shares beneficially owned by each person, shares that may be acquired by such person pursuant to options, warrants or convertible stock exercisable or convertible within 60 days of the date hereof are deemed outstanding for purposes of determining the total number of outstanding shares for such person and are not deemed outstanding for such purpose for all other stockholders. To the best of the Company's knowledge, except as otherwise indicated, beneficial ownership includes sole voting and dispositive power with respect to all shares.

(c) In determining Percentage of Total Voting Power, shares of Common Stock that may be acquired upon conversion of the Class A Common Stock into shares of Common Stock are taken into account.
(d) Includes options for 2,868,000 shares of Common Stock. A trust for the benefit of Mr. Miller's children holds 99,995 shares of Common Stock.
(e) Includes options for 1,275,000 shares of Common Stock.
(f) Represents options for 675,000 shares of Common Stock.
(g) Includes options for 170,500 shares of Common Stock.

(h) Mr. Kelly's principal business address is c/o Crown Communication Inc., 375 Southpointe Blvd., Canonsburg, PA 19317.

(i) Mr. Rees's principal business address is c/o Castle Transmission International Ltd., Warwick Technology Park, Heathcote Lane, Warwick CV346TN, United Kingdom.

(j) Includes options for 118,308 shares of Common Stock.

(k) Mr. Crown's principal business address is c/o Crown Communication Inc., 375 Southpointe Blvd., Canonsburg, PA 19317.

(l) Includes 1,939,375 shares of Common Stock owned by Mr. Crown, 1,749,375 shares of Common Stock owned by his spouse, over which she has sole voting and dispositive power, 125,000 shares of Common Stock that are jointly owned, 915,625 shares of Common Stock owned by a grantor retained annuity trust for Mr. Crown, 915,625 shares of Common Stock owned by a grantor retained annuity trust for Ms. Crown and options for 137,500 shares of Common Stock.

(m) Mr. Azibert's principal business address is c/o TeleDiffusion de France International S.A., 10 Rue d'Oradour sur Glane, 75732 Paris 15 France.

(n) Includes options for 10,000 shares of Common Stock.

(o) Mr. Chetaille's principal business address is c/o TeleDiffusion de France International S.A., 10 Rue d'Oradour sur Glane, 75732 Paris 15 France.

(p) Represents options for 10,000 shares of Common Stock.

(q) Mr. Ferenbach's principal business address is c/o Berkshire Partners LLC, One Boston Place, Suite 3300, Boston, MA 02108.

(r) Represents options for 30,000 shares of Common Stock and 20,710,805 shares of Common Stock beneficially owned by members of the Berkshire Group. Mr. Ferenbach disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein.

(s) Mr. Hack's principal business address is c/o Nassau Capital LLC, 22 Chambers St., Princeton, NJ 08542.

(t) Represents options for 30,000 shares of Common Stock and 5,055,080 shares of Common Stock beneficially owned by members of the Nassau Group. Mr. Hack disclaims beneficial ownership of such shares.

(u) Mr. McKenzie's principal business address is P.O. Box 1133, 1496 Bruce Creek Road, Eagle, CO 81631.

(v) Includes options for 109,375 shares of Common Stock.

(w) Mr. Murphy's principal business address is c/o Salomon Smith Barney, Victoria Plaza, 111 Buckingham Palace Road, London, England.

(x) Represents options for 10,000 shares of Common Stock.

(y) Mr. Schutz's principal business address is c/o The Centennial Funds, 1428 Fifteenth Street, Denver, CO 80202-1318. Mr. Schutz is a general partner of each of Holdings IV and Holdings V. However, neither Mr. Schutz nor any other general partner of either Holdings IV or Holdings V, acting alone, has voting or investment power with respect to the Company's securities directly beneficially held by Centennial Fund IV, Centennial Fund V and Centennial Entrepreneurs Fund, and, as a result, Mr. Schutz disclaims beneficial ownership of the Company's securities directly beneficially owned by such funds, except to the extent of his pecuniary interest therein.

(z) Represents options for 30,000 shares of Common Stock and 9,812,040 shares of Common Stock beneficially owned by members of the Centennial Group. Mr. Schutz disclaims beneficial ownership of such shares.

(aa) Includes options for 5,523,683 shares of Common Stock and warrants for 120,000 shares of Common Stock.

(bb) Berkshire Group has approximately 22.0% of the total voting power of Common Stock. Carl Ferenbach, Chairman of the Board of Directors of the Company and a director of the Company, is a Managing Director of Berkshire Investors; a Managing Director of Third Berkshire Managers the general partner of Third Berkshire Associates, the general partner of Berkshire Fund III; and a Managing Director of Fourth Berkshire Associates, the general partner of Berkshire Fund IV. The principal business address of the Berkshire Group is c/o Berkshire Partners LLC, One Boston Place, Suite 3300, Boston, MA 02108-401.

(cc) Includes warrants for 35,935 shares of Common Stock.

(dd) Includes warrants for 29,255 shares of Common Stock.

(ee) Includes warrants for 4,810 shares of Common Stock.

(ff) Candover Group has approximately 12.0% of the total voting power of Common Stock. G. Douglas Fairservice is a Director of each entity in the Candover Group. The principal business address of Candover Partners is 20 Old Bailey, London EC4M 7LM, United Kingdom.

(gg) Centennial Fund IV, Centennial Fund V and Centennial Enterpreneurs Fund collectively have had approximately 10.4% of the total voting power of Common Stock.

(hh) Holdings IV is the sole general partner of Centennial Fund IV, and, accordingly, Holdings IV may be deemed to control Centennial Fund IV and possess indirect beneficial ownership of the securities of the Company directly beneficially held by Fund IV. The principal business address of Centennial Fund IV and Holdings IV is 1428 Fifteenth Street, Denver, Colorado 80202-1318.

(ii) Holdings V is the sole general partner of Centennial Fund V, and, accordingly, Holdings V may be deemed to control Centennial Fund V and possess indirect beneficial ownership of the securities of the Company directly beneficially held by Centennial Fund V. The Common Stock indicated as held by Centennial Fund V includes 19,400 shares obtainable upon exercise of warrants. The principal business address of Centennial Fund V and Holdings V is 1428 Fifteenth Street, Denver, Colorado 80202-1318.

(jj) Holdings V is the sole general partner of Centennial Entrepreneurs Fund V, and, accordingly, may be deemed to control Centennial Entrepreneurs Fund V and possess indirect beneficial ownership of the securities of the Company directly beneficially held by Centennial Entrepreneurs Fund V. The Common Stock indicated as held by Centennial Entrepreneurs Fund V includes 600 shares obtainable upon exercise of warrants. The principal business address of Centennial Entrepreneurs V is 1428 Fifteenth Street, Denver, Colorado 80202-1318.

(kk) Nassau Group has approximately 5.3% of the total voting power of Common Stock. Randall Hack, a director of the Company, is a member of Nassau Capital L.L.C., an affiliate of Nassau Group. The principal business address of Nassau Capital Partners II, L.P. is 22 Chambers Street, Princeton, NJ 08542.

(ll) Includes warrants for 49,690 shares of Common Stock.

(mm) Includes warrants for 310 shares of Common Stock.

(nn) Digital Future Investments B.V. is an affiliate of TeleDiffusion de France International S.A. TdF will retain ownership of 20% of the shares of capital stock of CTSH. Pursuant to the Share Exchange Agreement and subject to certain conditions, TdF has the right to exchange its shares of capital stock of CTSH for 17,443,500 shares of Class A Common Stock of the Company (which is convertible into 17,443,500 shares of Common Stock). DFI currently has 12.0% of the total voting power of Common Stock. Combined, TdF and DFI would have 25.7% of the Voting Power of Common Stock. The principal business address of DFI is c/o TeleDiffusion de France International S.A., 10 Rue d'Oradour sur Glane, 75732 Paris 15 France.

DESCRIPTION OF SECURITIES

This description of the securities being offered has five parts:

- Description of the Exchangeable Preferred Stock;
- Description of the Exchange Debentures;
- Certain Definitions;
- Book-Entry, Delivery and Form; and
- Registration Rights and Liquidated Damages.

You should read all five parts of this Description of Securities for a description of the provisions of the instruments governing the securities, the form in which the securities are expected to be issued and certain mechanics for trading of the securities. Although this description is provided for your reference, you are strongly encouraged to read the Certificate of Designations governing the Exchangeable Preferred Stock, and the Exchange Indenture governing the Exchange Debentures for the complete terms and provisions of the securities being offered. In addition, you should be aware that the General Corporation Law of the State of Delaware also governs the Exchangeable Preferred Stock and the ability of the Company to pay dividends on the Exchangeable Preferred Stock. See "Description of Capital Stock" and "Risk Factors--Ability to Pay Dividends on the Exchangeable Preferred Stock".

Description of the Exchangeable Preferred Stock

You can find the definitions of certain terms used in this description under the subheading "Certain Definitions". In this description, the word "Company" refers only to Crown Castle International Corp. and not to any of its subsidiaries.

The Old Preferred Stock was and the New Preferred Stock will be issued under a Certificate of Designations, Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions Thereof (the "Certificate of Designations"), a copy of which is filed as an exhibit to the Registration Statement of which this Prospectus is a part.

The following description is a summary of the material provisions of the Certificate of Designations and does not restate that agreement in its entirety. We urge you to read the Certificate of Designations because it, and not this description, defines your rights as holders of the Exchangeable Preferred Stock. Copies of the Certificate of Designations are available as set forth below under the subheading "Additional Information". This description is qualified in its entirety by reference to the Company's Amended and Restated Certificate of Incorporation, which will include the Certificate of Designations and the definitions therein of certain terms used below.

The Certificate of Designations authorized the Company to issue 400,000 shares of Exchangeable Preferred Stock with a liquidation preference of $1,000 per share (the "Liquidation Preference"). The Old Preferred Stock was and the New Preferred Stock will, when issued, be fully paid and nonassessable and Holders will have no preemptive rights in connection therewith.

The liquidation preference of the Exchangeable Preferred Stock is not necessarily indicative of the price at which shares of the Exchangeable Preferred Stock will actually trade at or after the time of their issuance, and the Exchangeable Preferred Stock may trade at prices below its liquidation preference. The market price of the Exchangeable Preferred Stock can be expected to fluctuate with changes in the financial markets and economic conditions, the financial condition and prospects of the Company and other facts that generally influence the market prices of securities.

As of the Issue Date, all of our subsidiaries other than (1) CTSH and its subsidiaries and (2) Crown Castle Investment Corp. and Crown Castle Investment Corp. (II) and their subsidiaries, through which we intend to hold our interest in the Proposed JV, were "Restricted Subsidiaries". However, under the circumstances described below under the subheading "Certain Covenants--Restricted Payments," we will be permitted to designate certain of our other subsidiaries as "Unrestricted Subsidiaries". Unrestricted Subsidiaries will not be subject to most of the restrictive covenants in the Certificate of Designations.

Transfer Agent

The transfer agent for the Exchangeable Preferred Stock is ChaseMellon Shareholder Services, L.L.C. unless and until a successor is selected by the Company (the "Transfer Agent").

Ranking

The Exchangeable Preferred Stock ranks senior in right of payment to all classes or series of the Company's capital stock as to dividends and upon liquidation, dissolution or winding up of the Company.

Without the consent of the Holders of at least two-thirds of the then outstanding Exchangeable Preferred Stock, the Company may not authorize, create (by way of reclassification or otherwise) or issue:

(1) any class or series of capital stock of the Company ranking senior to the Exchangeable Preferred Stock ("Senior Securities");

(2) any obligation or security convertible or exchangeable into, or evidencing a right to purchase, shares of any class or series of Senior Securities.

Notwithstanding the foregoing, the Company may, without the consent of the Holders of the Exchangeable Preferred Stock, authorize, create (by way of reclassification or otherwise) or issue:

(1) any class or series of capital stock of the Company ranking on a parity with the Exchangeable Preferred Stock ("Parity Securities"); or

(2) any obligation or security convertible or exchangeable into, or evidencing a right to purchase, shares of any class or series of Parity Securities.

Dividends

When the Board of Directors declares dividends out of legally available Company funds, the Holders of the Exchangeable Preferred Stock, who are Holders of record as of the preceding March 1, June 1, September 1, and December 1 (each, a "Record Date"), will be entitled to receive cumulative preferential dividends at the rate per share of 12 3/4% per annum. Dividends on the Exchangeable Preferred Stock will be payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (each, a "Dividend Payment Date"), commencing on March 15, 1999.

On or prior to December 15, 2003, the Company may, at its option, pay dividends:

(1) in cash; or

(2) in additional fully-paid and non-assessable shares of Exchangeable Preferred Stock (including fractional stock) having an aggregate Liquidation Preference equal to the amount of such dividends.

After December 15, 2003, the Company will pay dividends in cash only. The Company does not expect to pay any dividends in cash before December 15, 2003.

Dividends payable on the Exchangeable Preferred Stock will be:

(1) computed on the basis of a 360-day year comprised of twelve 30-day months; and

(2) accrue on a daily basis.

For a discussion of certain federal income tax considerations relevant to the payment of dividends on the Exchangeable Preferred Stock, see "Certain Federal Income Tax Considerations--Dividends on Exchangeable Preferred Stock".

Dividends on the Exchangeable Preferred Stock will accrue whether or not:

(1) the Company has earnings or profits;

(2) there are funds legally available for the payment of such dividends; or

(3) dividends are declared.

Dividends will accumulate to the extent they are not paid on the Dividend Payment Date for the quarterly period to which they relate. Accumulated unpaid dividends will accrue dividends at the rate of 12 3/4% per annum. The Company must take all actions required or permitted under Delaware law to permit the payment of dividends on the Exchangeable Preferred Stock.

For any dividend period, the Company will not declare or pay upon, or set any sum apart for the payment of dividends upon any outstanding Exchangeable Preferred Stock unless it has declared and paid upon, or declared and set apart a sufficient sum for the payment of dividends upon, all outstanding Exchangeable Preferred Stock for all preceding dividend periods.

Unless the Company has declared and paid upon, or declared and set apart a sufficient sum for the payment of, full cumulative dividends on all outstanding Exchangeable Preferred Stock due for all past dividend periods, then:

(1) no dividend (other than a dividend payable solely in stock of any class of stock ranking junior to the Exchangeable Preferred Stock as to the payment of dividends and as to rights in liquidation, dissolution or winding up of the affairs of the Company (any such stock, "Junior Securities")) shall be declared or paid upon, or any sum set apart for the payment of dividends upon, any Junior Securities;

(2) no other distribution shall be declared or made upon, or any sum set apart for the payment of any distribution upon, any Junior Securities;

(3) no Junior Securities shall be purchased, redeemed or otherwise acquired or retired for value (excluding an exchange for other Junior Securities) by the Company or any of its Restricted Subsidiaries;

(4) no warrants, rights, calls or options to purchase any Junior Securities shall be directly or indirectly issued by the Company or any of its Restricted Subsidiaries; and

(5) no monies shall be paid into or set apart or made available for a sinking or other like fund for the purchase, redemption or other acquisition or retirement for value of any Junior Securities by the Company or any of its Restricted Subsidiaries.

Holders of the Exchangeable Preferred Stock will not be entitled to any dividends, whether payable in cash, property or stock, in excess of the full cumulative dividends as herein described.

In addition, the Senior Discount Notes Indenture contains restrictions on the ability of the Company to pay dividends on the Exchangeable Preferred Stock. Moreover, existing Indebtedness and anticipated future Indebtedness of our subsidiaries and joint ventures restricts or will restrict our access to the cash flow of those entities. Any future agreements relating to Indebtedness to which the Company or any of its Subsidiaries becomes a party may contain similar restrictions and provisions. See "Risk Factors--Substantial Leverage; Restrictions Imposed by the Terms of Our Indebtedness" and "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends".

Voting Rights

Holders of record of the Exchangeable Preferred Stock will have no voting rights, except as required by law and as provided in the Certificate of Designations. Under the Certificate of Designations, the number of members of the Company's Board of Directors will immediately and automatically increase by two, and the Holders of a majority of the outstanding Exchangeable Preferred Stock, voting separately as a class together with holders of all other Parity Securities having similar voting rights, may elect two members to the Board of Directors of the Company, upon the occurrence of any of the following events (each, a "Voting Rights Triggering Event"):

(1) the accumulation of accrued and unpaid dividends on the outstanding Exchangeable Preferred Stock (or after December 15, 2003, such dividends are not paid in cash) in an amount equal to six full quarterly dividends (whether or not consecutive);

(2) failure by the Company or any of its Restricted Subsidiaries to comply with any mandatory redemption obligation with respect to the Exchangeable Preferred Stock, the failure to make an Asset Sale Offer or Change of Control Offer in accordance with the provisions of the Certificate of Designations and/or the failure to repurchase Exchangeable Preferred Stock pursuant to such offers;

(3) failure by the Company to make a Change of Control Offer or to repurchase any Exchangeable Preferred Stock pursuant to a Change of Control Offer in reliance on the last paragraph under the caption "Repurchase at the Option of Holders--Change of Control" or failure by the Company to make an Asset Sale Offer or to repurchase any Exchangeable Preferred Stock pursuant to an Asset Sale Offer in reliance on the last paragraph under the caption "Repurchase at the Option of Holders--Asset Sales";

(4) failure by the Company or any of its Restricted Subsidiaries to comply with any of the other covenants or agreements set forth in the Certificate of Designations and the continuance of such failure for 30 consecutive days after notice to the Company by Holders of record of the Exchangeable Preferred Stock representing 25% of the outstanding shares of the Exchangeable Preferred Stock;

(5) defaults under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of its Significant Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Closing Date, which default (i) is caused by a failure to pay the principal amount of such Indebtedness at final maturity after giving effect to any applicable grace period (a "Payment Default") or (ii) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $20.0 million or more; or

(6) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries.

The term of office of the directors elected as a result of a Voting Rights Triggering Event will continue until all dividends in arrears on the Exchangeable Preferred Stock are paid in full and all other Voting Rights Triggering Events have been cured or waived, at which time the term of office of any such directors shall terminate.

In addition, as provided above under "--Ranking," the Company may not authorize, create (by way of reclassification or otherwise) or issue any Senior Securities (other than Disqualified Stock), or any obligation or security convertible into or evidencing the right to purchase Senior Securities (other than Disqualified Stock), without the consent of the Holders of at least two-thirds of the then outstanding Exchangeable Preferred Stock, in each case, voting as a single class.

Under Delaware law, holders of preferred stock are entitled to vote as a class upon a proposed amendment to the certificate of incorporation if the amendment would (a) increase or decrease the par value of the shares of that class of preferred stock or (b) alter or change the powers, preferences or special rights of the shares of that class of preferred stock in a way that would affect the holders of that preferred stock adversely.

Exchange

On any Dividend Payment Date, the Company may exchange all and not less than all of the shares of then outstanding Exchangeable Preferred Stock for the Company's 12 3/4% Exchange Debentures due 2010 (the "Exchange Debentures") if:

(1) on the date of the exchange, there are no accumulated and unpaid dividends on the Exchangeable Preferred Stock (including the dividend payable on that date) or other contractual impediments to the exchange;

(2) there are sufficient legally available funds;

(3) the exchange does not immediately cause:

(a) a Default (as defined in the Exchange Indenture); and

(b) a default or event of default under any material instrument governing Indebtedness of the Company, including without limitation the Senior Discount Notes, outstanding at the time;

(4) the Exchange Indenture has been qualified under the Trust Indenture Act, if qualification is required at the time of exchange; and

(5) the Company has delivered a written opinion to the Exchange Trustee (as defined herein) stating that all conditions to the exchange have been satisfied.

The Senior Discount Notes Indenture currently restricts the exchange of the Exchangeable Preferred Stock and may restrict the Company's ability to exchange the Exchangeable Preferred Stock in the future. See "Description of Certain Indebtedness--The Notes". In addition, existing Indebtedness and anticipated future Indebtedness of our subsidiaries and joint ventures restricts or will restrict our access to the cash flow from those entities. Any future agreements relating to Indebtedness to which we or any of our subsidiaries or joint ventures become a party may contain similar restrictions and provisions. See "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends".

Upon any exchange pursuant to the preceding paragraph, and subject to the second succeeding sentence of this paragraph, holders of outstanding Exchangeable Preferred Stock will be entitled to receive:

(1) $1.00 principal amount of Exchange Debentures for each $1.00 of the aggregate Liquidation Preference; plus

(2) without duplication, any accrued and unpaid dividends.

The Exchange Debentures will be:

(1) issued in registered form, without coupons;

(2) issued in principal amounts of $1,000 and integral multiples thereof to the extent possible; and

(3) issuable in principal amounts less than $1,000 so that each holder of Exchangeable Preferred Stock will receive interests representing the entire amount of Exchange Debentures to which such holder's share of Exchangeable Preferred Stock entitle such holder, provided that the Company may pay cash in lieu of issuing an Exchange Debenture having a principal amount less than $1,000.

For a description of the Exchange Debentures, see "--Description of the Exchange Debentures".

The Company or a Company representative will send notice of the intention to exchange by first class mail, postage prepaid, to each Holder of record of Exchangeable Preferred Stock at its registered address not more than 60 days nor less than 30 days prior to the Exchange Date. In addition to any information required by law or

by the applicable rules of any exchange upon which Exchangeable Preferred Stock may be listed or admitted to trading, the notice will state:

(1) the Exchange Date;

(2) the place or places where certificates for such stock are to be surrendered for exchange, including any procedures applicable to exchanges to be accomplished through book-entry transfers; and

(3) that dividends on the Exchangeable Preferred Stock to be exchanged will cease to accrue on the Exchange Date.

If notice of any exchange has been properly given, and if on or before the Exchange Date the Exchange Debentures have been duly executed and authenticated and an amount in cash or additional Exchangeable Preferred Stock (as applicable) equal to all accrued and unpaid dividends, if any, thereon to the Exchange Date has been deposited with the Transfer Agent, then on and after the close of business on the Exchange Date:

(1) the Exchangeable Preferred Stock to be exchanged will no longer be considered outstanding and may subsequently be issued in the same manner as the other authorized but unissued preferred stock, including as Parity Securities, but not as the same class as the Exchangeable Preferred Stock; and

(2) all rights of the Holders as stockholders of the Company will cease, except their right to receive upon surrender of their certificates the Exchange Debentures and all accrued and unpaid dividends, if any, thereon to the Exchange Date.

Mandatory Redemption

On December 15, 2010 (the "Mandatory Redemption Date"), the Company will be required to redeem (subject to it having sufficient legally available funds) all outstanding Exchangeable Preferred Stock at a price in cash equal to the Liquidation Preference, plus accrued and unpaid dividends, if any, to the date of redemption. The Company will not be required to make sinking fund payments with respect to the Exchangeable Preferred Stock. The Company must take all actions required or permitted under Delaware law to permit such redemption.

The Senior Discount Notes Indenture currently restricts the redemption of the Exchangeable Preferred Stock. See "Description of Certain Indebtedness--The Notes". In addition, existing Indebtedness and anticipated future Indebtedness of our subsidiaries and joint ventures restricts or will restrict our access to the cash flow from those entities. Any future agreements relating to Indebtedness to which we or any of our subsidiaries become a party may contain similar restrictions and provisions. See "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends".

Optional Redemption

During the first 36 months after the Issue Date, the Company may on any one or more occasions redeem up to 35% of the aggregate Liquidation Preference of the Exchangeable Preferred Stock then outstanding at a redemption price of 112.750% of the Liquidation Preference thereof, plus accrued and unpaid dividends and Liquidated Damages thereon, if any, to the redemption date, with the net cash proceeds of one or more Public Equity Offerings or Strategic Equity Investments; provided that:

(1) at least $130.0 million aggregate Liquidation Preference of Exchangeable Preferred Stock remains outstanding immediately after the occurrence of such redemption (excluding Exchangeable Preferred Stock held by the Company and its Subsidiaries); and

(2) the redemption must occur within 60 days of the date of the closing of the Public Equity Offering or Strategic Equity Investment.

Except pursuant to the preceding paragraph, the Exchangeable Preferred Stock will not be redeemable at the Company's option prior to December 15, 2003.

On or after December 15, 2003, the Company may redeem all or any part of the Exchangeable Preferred Stock upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the Liquidation Preference) set forth below plus accrued and unpaid dividends and Liquidated Damages thereon, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on December 15 of the years indicated below:

Year	Percentage
2003	106.375%
2004	104.781%
2005	103.188%
2006	101.594%
2007 and thereafter	100.000%

The Senior Discount Notes Indenture currently restricts the redemption of the Exchangeable Preferred Stock and additional indebtedness may restrict the Company's ability to redeem the Exchangeable Preferred Stock in the future. See "Description of Certain Indebtedness".

Selection and Notice

If less than all of the Exchangeable Preferred Stock is to be redeemed at any time, the Transfer Agent will select Exchangeable Preferred Stock for redemption as follows:

(1) if the Exchangeable Preferred Stock is listed, in compliance with the requirements of the principal national securities exchange on which the Exchangeable Preferred Stock is listed; or

(2) if the Exchangeable Preferred Stock is not so listed, on a pro rata basis, by lot or by such method as the Transfer Agent shall deem fair and appropriate.

No Exchangeable Preferred Stock with a Liquidation Preference of $1,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Exchangeable Preferred Stock to be redeemed at its registered address. Notices of redemption may not be conditional.

If any Exchangeable Preferred Stock is to be redeemed in part only, the notice of redemption that relates to that Exchangeable Preferred Stock shall state the portion of the Liquidation Preference thereof to be redeemed. A new certificate with an aggregate Liquidation Preference equal to the unredeemed portion of the original certificate evidencing Exchangeable Preferred Stock presented for redemption will be issued in the name of the Holder thereof upon cancellation of the original certificate. Exchangeable Preferred Stock called for redemption becomes due on the date fixed for redemption. On and after the redemption date, dividends cease to accrue on Exchangeable Preferred Stock or portions thereof called for redemption.

Liquidation Rights

Each Holder of the Exchangeable Preferred Stock will be entitled to payment, out of the assets of the Company available for distribution, of an amount equal to the Liquidation Preference per Exchangeable Preferred Stock held by such Holder, plus accrued and unpaid dividends, if any, to the date fixed for liquidation, dissolution, winding up or reduction or decrease in capital stock, before any distribution is made on any Junior Securities, including, without limitation, common stock of the Company, upon any:

(1) voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company; or

(2) reduction or decrease in the Company's capital stock resulting in a distribution of assets to the holders of any class or series of the Company's capital stock (a "reduction or decrease in capital stock").

After payment in full of the Liquidation Preference and all accrued dividends, if any, to which Holders of Exchangeable Preferred Stock are entitled, such Holders may not further participate in any distribution of assets

of the Company. However, neither the voluntary sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property or assets of the Company nor the consolidation or merger of the Company with or into one or more corporations will be a voluntary or involuntary liquidation, dissolution or winding up of the Company or reduction or decrease in capital stock, unless such sale, conveyance, exchange or transfer is in connection with a liquidation, dissolution or winding up of the business of the Company or reduction or decrease in capital stock.

The Certificate of Designations will not contain any provision requiring funds to be set aside to protect the Liquidation Preference of the Exchangeable Preferred Stock, although such Liquidation Preference will be substantially in excess of the par value of the Exchangeable Preferred Stock.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each Holder of Exchangeable Preferred Stock will have the right to require the Company to repurchase all or any part (but not any fractional shares) of such Holder's Exchangeable Preferred Stock pursuant to the offer described below (the "Change of Control Offer"). In the Change of Control Offer, the Company will offer a payment in cash equal to 101% of the aggregate Liquidation Preference of Exchangeable Preferred Stock repurchased plus accrued and unpaid dividends and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive dividends and Liquidated Damages, if any, due on the relevant dividend payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Exchangeable Preferred Stock on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by the Certificate of Designations and described in such notice.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Exchangeable Preferred Stock or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Exchangeable Preferred Stock or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Transfer Agent the Exchangeable Preferred Stock so accepted together with an Officers' Certificate stating the aggregate Liquidation Preference of Exchangeable Preferred Stock or portions thereof being purchased by the Company.

The Company will promptly mail to each Holder of Exchangeable Preferred Stock so tendered the Change of Control Payment for such Exchangeable Preferred Stock, and the Transfer Agent will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new certificate representing the Exchangeable Preferred Stock equal in Liquidation Preference to any unpurchased portion of the Exchangeable Preferred Stock surrendered, if any.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Certificate of Designations are applicable. The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of the covenant described above, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue thereof.

The Change of Control purchase feature is a result of negotiations between the Company and the Initial Purchasers. Management has no present intention to engage in a transaction involving a Change of Control,

although it is possible that the Company would decide to do so in the future. Subject to the limitations discussed below, the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Certificate of Designations, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company's capital structure. Restrictions on the ability of the Company to incur additional Indebtedness are contained in the covenants described under "--Certain Covenants--Incurrence of Indebtedness and Issuance of Preferred Stock". Such restrictions can only be waived with the consent of the Holders of a majority in Liquidation Preference of the Exchangeable Preferred Stock then outstanding. Except for the limitations contained in such covenants, however, the Certificate of Designations will not contain any covenants or provisions that may afford holders of the Exchangeable Preferred Stock protection in the event of certain highly leveraged transactions.

The Senior Discount Notes Indenture currently prohibits the Company from repurchasing any Exchangeable Preferred Stock. In addition, existing Indebtedness and anticipated future Indebtedness of the Company's subsidiaries and joint ventures restricts or will restrict the Company's access to the cash flow from its subsidiaries and joint ventures. Any future agreements relating to Indebtedness to which the Company or any of its subsidiaries or joint ventures becomes a party may contain similar restrictions and provisions. In the event that a Change of Control occurs at a time when the Company is prohibited or prevented from repurchasing Exchangeable Preferred Stock, the Company could seek the consent of the applicable lenders to allow such repurchase or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such a consent or repay such borrowings, the Company will remain prohibited from repurchasing the Exchangeable Preferred Stock. In such case, the Company's failure to purchase tendered Exchangeable Preferred Stock would constitute a Voting Rights Triggering Event. Future Indebtedness of the Company and its Subsidiaries may contain prohibitions on the repurchase of the Exchangeable Preferred Stock and on the occurrence of certain events that would constitute a Change of Control or may require such Indebtedness to be repurchased upon a Change of Control. Finally, the Company's ability to pay cash to the Holders of Exchangeable Preferred Stock following the occurrence of a Change of Control may be limited by the Company's then existing financial resources, including its ability to access the cash flow of its Subsidiaries. See "Risk Factors--Repurchase of the Exchangeable Preferred Stock or the Exchange Debentures Upon a Change of Control" and "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends". There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Certificate of Designations applicable to a Change of Control Offer made by the Company and purchases all Exchangeable Preferred Stock validly tendered and not withdrawn under such Change of Control Offer. The provisions under the Certificate of Designations relative to the Company's obligation to make an offer to repurchase the Exchangeable Preferred Stock as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in Liquidation Preference of the Exchangeable Preferred Stock then outstanding.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Exchangeable Preferred Stock to require the Company to repurchase such Exchangeable Preferred Stock as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Notwithstanding the foregoing, the Certificate of Designations will provide that the Company may not repurchase any Exchangeable Preferred Stock pursuant to this provision unless such repurchase complies with the restricted payments covenant contained in the Senior Discount Notes Indenture; provided that if the Company

does not make a Change of Control Offer or does not repurchase any Exchangeable Preferred Stock pursuant to a Change of Control Offer, then such failure shall constitute a Voting Rights Triggering Event.

Asset Sales

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Transfer Agent) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) except in the case of a Tower Asset Exchange, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

For purposes of this provision, each of the following shall be deemed to be cash:

(1) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet), of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Exchangeable Preferred Stock or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 20 days of the applicable Asset Sale (to the extent of the cash received).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company or the applicable Restricted Subsidiary may apply such Net Proceeds to:

(1) reduce any Indebtedness of the Company;

(2) reduce any Indebtedness of any of the Company's Restricted Subsidiaries;

(3) the acquisition of all or substantially all the assets of a Permitted Business;

(4) the acquisition of Voting Stock of a Permitted Business from a Person that is not a Subsidiary of the Company; provided, that, after giving effect thereto, the Company or its Restricted Subsidiary owns a majority of such Voting Stock and designates such Permitted Business as a Restricted Subsidiary; or

(5) the making of a capital expenditure or the acquisition of other long-term assets that are used or useful in a Permitted Business.

Pending the final application of any such Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest such Net Proceeds in any manner that is not prohibited by the Certificate of Designations.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the first sentence of this paragraph will be deemed to constitute "Excess Proceeds". When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company will be required to make an offer to all holders of Senior Discount Notes and may be required to make such offer to holders of other Indebtedness of the Company then outstanding (a "Senior Asset Sale Offer") to purchase the maximum principal amount of the Senior Discount Notes and such other Indebtedness, if applicable, that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest to the date of purchase, in accordance with the procedures set forth in the Senior Discount Notes Indenture and in the instruments governing such other Indebtedness. To the extent that the aggregate amount of Senior Discount Notes and such other Indebtedness tendered pursuant to a Senior Asset Sale Offer is less than the remaining Excess Proceeds ("Remaining Excess Proceeds") and the sum of (A) such amount of

Remaining Excess Proceeds and (B) the Remaining Excess Proceeds from any subsequent Senior Asset Sale Offers exceeds $3.0 million, the Company will be required to make an offer to all Holders of Exchangeable Preferred Stock and all holders of Parity Securities containing provisions similar to those set forth in the Certificate of Designations with respect to offers to purchase with the proceeds of sales of assets (an "Asset Sale Offer") to purchase the maximum Liquidation Preference of Exchangeable Preferred Stock and such Parity Securities that may be purchased out of such Remaining Excess Proceeds, at an offer price in cash in an amount equal to 100% of the Liquidation Preference thereof plus accrued and unpaid dividends and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive dividends and Liquidated Damages, if any, due on the relevant Dividend Payment Date), in accordance with the procedures set forth in the Certificate of Designations and such Parity Securities. To the extent that any Remaining Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Certificate of Designations. If the aggregate Liquidation Preference of Exchangeable Preferred Stock and such Parity Securities tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Remaining Excess Proceeds, the Transfer Agent shall select the Exchangeable Preferred Stock and such Parity Securities to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

The Asset Sale provisions described above will be applicable whether or not any other provisions of the Certificate of Designations are applicable. The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of the covenant described above, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue thereof.

The Senior Discount Notes Indenture currently prohibits the Company form repurchasing any Exchangeable Preferred Stock. In addition, existing Indebtedness and anticipated future Indebtedness of our subsidiaries and joint ventures restricts or will restrict our access to the cash flow from those entities. Any future agreements relating to Indebtedness to which we or any of our subsidiaries or joint ventures become a party may contain similar restrictions and provisions.

Notwithstanding the foregoing, the Certificate of Designations will provide that the Company may not repurchase any Exchangeable Preferred Stock pursuant to this provision unless such repurchase complies with the restricted payments covenant contained in the Senior Discount Notes Indenture; provided that if the Company does not make an Asset Sale Offer or does not repurchase any Exchangeable Preferred Stock pursuant to an Asset Sale Offer, then such failure shall constitute a Voting Rights Triggering Event.

Certain Covenants

Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's Junior Securities or any warrants, options or other rights to acquire Junior Securities (other than any debt security that is convertible into, or exchangeable for, Junior Securities) or any of the Company's Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's Junior Securities or any warrants, options or other rights to acquire Junior Securities (other than any debt security that is convertible into, or exchangeable for, Junior Securities) or any of the Company's Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company or to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Junior Securities of the Company or any warrants, options or other rights to acquire Junior Securities (other than any debt security that is convertible into, or exchangeable for, Junior Securities) or any Equity Interests of any direct or indirect parent of the Company (other than any such Equity Interests owned by the Company or any Restricted Subsidiary of the Company and other than the Exchangeable Preferred Stock); or

(3) make any Restricted Investment, (all such payments and other actions set forth in clauses (1) through (3) above being collectively referred to as "Restricted Payments"),

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Voting Rights Triggering Event shall have occurred and be continuing or would occur as a consequence thereof; and

(2) the Company would have been permitted to incur at least $1.00 of additional indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described below under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock"; provided that the Company and its Restricted Subsidiaries will not be required to comply with this clause (2) in order to make any Restricted Investment; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2) and (3) of the next succeeding paragraph), is less than the sum, without duplication, of:

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after the Issue Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); plus

(b) 100% of the aggregate net cash proceeds received by the Company since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than Disqualified Stock and except to the extent such net cash proceeds are used to incur new Indebtedness outstanding pursuant to clause (10) of the second paragraph of the covenant described below under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock") or from the issue or sale of Disqualified Stock or debt securities of the Company that have been converted into such Equity Interests (other than Equity Interests (or Disqualified Stock or convertible debt securities) sold to a Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into Disqualified Stock); plus

(c) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (A) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (B) the initial amount of such Restricted Investment; plus

(d) to the extent that any Unrestricted Subsidiary of the Company and all of its Subsidiaries are designated as Restricted Subsidiaries after the Issue Date, the lesser of (A) the fair market value of the Company's Investments in such Subsidiaries as of the date of such designation, or (B) the sum of (x) the fair market value of the Company's Investments in such Subsidiaries as of the date on which such Subsidiaries were originally designated as Unrestricted Subsidiaries and (y) the amount of any Investments made in such Subsidiaries subsequent to such designation (and treated as Restricted Payments) by the Company or any Restricted Subsidiary; provided that:

(i) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CTSH and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market

value of all such Investments exceeds 34.3% of the fair market value of CTSH and its Subsidiaries as a whole; and

(ii) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CCAIC and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds $250.0 million; plus

(e) 50% of any dividends received by the Company or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Company, to the extent that such dividends were not otherwise included in Consolidated Net Income of the Company for such period.

The foregoing provisions will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Certificate of Designations;

(2) the making of any Investment or the redemption, repurchase, retirement, defeasance or other acquisition of any Equity Interests of the Company in exchange for, or out of the net cash proceeds of the sale after the Issue Date (other than to a Subsidiary of the Company) of, any Equity Interests of the Company (other than any Disqualified Stock); provided that such net cash proceeds are not used to incur new Indebtedness pursuant to clause (10) of the second paragraph of the covenant described below under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock"); and provided further that, in each such case, the amount of any such net cash proceeds that are so utilized shall be excluded from clause (3) (b) of the preceding paragraph;

(3) the payment of any dividend by a Restricted Subsidiary of the Company to the holders of its Equity Interests on a pro rata basis; or

(4) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any member of the Company's (or any of its Restricted Subsidiaries') management pursuant to any management equity subscription agreement or stock option agreement in effect as of the Issue Date; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed (a) $500,000 in any twelve-month period and (b) $5.0 million in the aggregate.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Voting Rights Triggering Event; provided that in no event shall the businesses operated by the Company's Restricted Subsidiaries as of November 20, 1997 be transferred to or held by an Unrestricted Subsidiary. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated will be deemed to be Restricted Payments at the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of this covenant. All such outstanding Investments will be deemed to constitute Investments in an amount equal to the fair market value of such Investments at the time of such designation. Such designation will only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if such designation would not cause a Voting Rights Triggering Event.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any property, assets or Investments required by this covenant to be determined shall be determined by the Board of Directors whose resolution with respect thereto shall be delivered to the Transfer Agent.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness (including Acquired Debt) and that the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, that the Company may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the Company's Restricted Subsidiaries may incur Indebtedness if, in each case, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been no greater than 7.5 to 1.

The provisions of the first paragraph of this covenant will not apply to the incurrence of any of the following items of Indebtedness or to the issuance of any of the following items of Disqualified Stock or preferred stock (collectively, "Permitted Debt"):

(1) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness (including Indebtedness under Credit Facilities) in an aggregate principal amount (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed the greater of (x) $200.0 million less the aggregate amount of all Net Proceeds of Asset Sales applied to repay Indebtedness under a Credit Facility pursuant to the covenant described above under the caption "--Repurchase at the Option of Holders--Asset Sales" and (y) 70% of the Eligible Receivables that are outstanding as of such date of incurrence;

(2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;

(3) the issuance by the Company of preferred stock represented by the Exchangeable Preferred Stock and the incurrence by the Company of Indebtedness represented by the Exchange Debentures;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (4), not to exceed $10.0 million at any one time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness of the Company or any of its Restricted Subsidiaries or Disqualified Stock of the Company (other than intercompany Indebtedness) that was permitted by the Certificate of Designations to be incurred under the first paragraph hereof or clauses (2) or (3) or this clause (5) of this paragraph;

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; provided, that (A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary and (B) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be;

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate

Indebtedness that is permitted by the terms of the Certificate of Designations to be outstanding or currency exchange risk;

(8) the guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of the Certificate of Designations;

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by the Company's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by the Company or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Company or one of its Restricted Subsidiaries; and provided further that, in the case of any incurrence pursuant to this clause (9), as a result of such acquisition by the Company or one of its Restricted Subsidiaries, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Acquired Debt, after giving pro forma effect to such incurrence as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been less than the Company's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence;

(10) the incurrence by the Company of Indebtedness not to exceed, at any one time outstanding, the sum of (i) 2.0 times the aggregate net cash proceeds plus (ii) 1.0 times the fair market value of non-cash proceeds (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Transfer Agent), in each case, from the issuance and sale, other than to a Subsidiary, of Equity Interests (other than Disqualified Stock) of the Company since the Issue Date (less the amount of such proceeds used to make Restricted Payments as provided in clause (3)(b) of the first paragraph or clause (2) of the second paragraph of the covenant described above under the caption "--Restricted Payments"); provided that such Indebtedness does not mature prior to the Stated Maturity of the Exchangeable Preferred Stock and the Weighted Average Life to Maturity of such Indebtedness is longer than that of the Exchangeable Preferred Stock; and

(11) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness and/or the issuance by the Company of Disqualified Stock in an aggregate principal amount, accreted value or liquidation preference, as applicable, at any time outstanding, not to exceed an amount equal to $100.0 million less the aggregate amount of all Investments made pursuant to clause (12) of the definition of Permitted Investments; provided that, notwithstanding the foregoing, the aggregate principal amount, accreted value or liquidation preference, as applicable, permitted to be incurred or issued pursuant to this clause (11) shall not be reduced to less than $25.0 million.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (11) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company shall, in its sole discretion, classify (or later reclassify in whole or in part) such item of Indebtedness in any manner that complies with this covenant. Accrual of interest, accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this covenant.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits;

(2) pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(3) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(4) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the foregoing restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) Existing Indebtedness or Indebtedness under the Senior Credit Facility, in each case as in effect on the Issue Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Existing Indebtedness or in the Senior Credit Facility, in each case as in effect on the Issue Date;

(2) encumbrances and restrictions applicable to any Unrestricted Subsidiary, as the same are in effect as of the date on which such Subsidiary becomes a Restricted Subsidiary, and as the same may be amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Indebtedness of such Subsidiary as in effect on the date on which such Subsidiary becomes a Restricted Subsidiary;

(3) any Indebtedness (incurred in compliance with the covenant under the heading "--Incurrence of Indebtedness and Issuance of Preferred Stock") or any agreement pursuant to which such Indebtedness is issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in such Indebtedness or agreement and such encumbrance or restriction is not materially more disadvantageous to the holders of the Exchangeable Preferred Stock than is customary in comparable financings (as determined by the Company) and the Company determines that any such encumbrance or restriction will not materially affect the Company's ability to pay dividends or the Liquidation Preference on the Exchangeable Preferred Stock;

(4) the Certificate of Designations;

(5) applicable law;

(6) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Certificate of Designations to be incurred;

(7) by reason of customary non-assignment provisions in leases or licenses entered into in the ordinary course of business;

(8) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (4) in the prior paragraph on the property so acquired;

(9) the provisions of agreements governing Indebtedness incurred pursuant to clause (4) of the second paragraph of the covenant described above under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock";

(10) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale;

(11) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(12) Liens that limit the right of the debtor to transfer the assets subject to such Liens;

(13) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements; and

(14) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Merger, Consolidation or Sale of Assets

The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless:

(1) the Company is the surviving corporation or the entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(2) the entity or Person formed by or surviving any such consolidation or merger (if other than the Company) or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Exchangeable Preferred Stock and the Certificate of Designations;

(3) immediately after such transaction no Voting Rights Triggering Event exists; and

(4) except in the case of a merger of the Company with or into a Wholly Owned Restricted Subsidiary of the Company and except in the case of a merger entered into solely for the purpose of reincorporating the Company in another jurisdiction,

(a) in the case of a merger or consolidation in which the Company is the surviving corporation, the Company's Debt to Adjusted Consolidated Cash Flow Ratio, at the time of such transaction after giving pro forma effect thereto as if such transaction had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been less than the Company's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such transaction, or

(b) in the case of any other such transaction the Debt to Adjusted Consolidated Cash Flow of the entity or Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made, at the time of such transaction after giving pro forma effect thereto as if such transaction had occurred at the beginning of the most recently ended four full fiscal quarter period of such entity or Person for which internal financial statements are available, would have been less than the Company's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such transaction; provided that for purposes of determining the Debt to Adjusted Consolidated Cash Flow Ratio of any such entity or Person for purposes of this clause (b) such entity or Person shall be substituted for the Company in the definition of Debt to Adjusted Consolidated Cash Flow Ratio and the defined terms included therein under the caption "--Certain Definitions".

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets

from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and

(2) the Company delivers to the Transfer Agent:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $1.0 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (i) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, an opinion as to the fairness to the Holders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

The following items shall not be deemed to be Affiliate Transactions and therefore will not be subject to the provisions of the prior paragraph:

(1) any employment arrangements with any executive officer of the Company or a Restricted Subsidiary that is entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and consistent with compensation arrangements of similarly situated executive officers at comparable companies engaged in Permitted Businesses;

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) payment of directors fees in an aggregate annual amount not to exceed $25,000 per Person;

(4) Restricted Payments that are permitted by the provisions of the Certificate of Designations described above under the caption "--Restricted Payments";

(5) the issuance or sale of Equity Interests (other than Disqualified Stock) of the Company; and

(6) transactions pursuant to the provisions of the Governance Agreement, the Rights Agreement, the Stockholders' Agreement, the CTSH Shareholders' Agreement, the CTI Services Agreement, the CTI Operating Agreement and the Crown Transition Agreements, as the same are in effect on the Issue Date.

Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries

The Company:

(1) will not, and will not permit any Restricted Subsidiary of the Company to, transfer, convey, sell, lease or otherwise dispose of any Equity Interests in any Restricted Subsidiary of the Company to any Person (other than the Company or a Wholly Owned Restricted Subsidiary of the Company); and

(2) will not permit any Restricted Subsidiary of the Company to issue any of its Equity Interests (other than, if necessary, shares of its Capital Stock constituting directors' qualifying shares) to any Person other than to the Company or a Wholly Owned Restricted Subsidiary of the Company,

unless, in each such case: (a) as a result of such transfer, conveyance, sale, lease or other disposition or issuance such Restricted Subsidiary no longer constitutes a Subsidiary and (b) the cash Net Proceeds from such transfer, conveyance, sale, lease or other disposition or issuance are applied in accordance with the covenant described above under the caption "--Repurchase at the Option of Holders--Asset Sales".

Senior Subordinated Debt

So long as any Exchangeable Preferred Stock is outstanding, the Company shall not incur any Indebtedness, other than the Exchange Debentures and New Exchange Debentures, that is expressly made subordinated in right

of payment to any Senior Debt unless such Indebtedness, by its terms and by the terms of any agreement or instrument pursuant to which such Indebtedness is outstanding, is expressly made pari passu with, or subordinate in right of payment to, the Exchange Debentures pursuant to provisions substantially similar to those contained in the Exchange Indenture; provided that the foregoing limitations shall not apply to distinctions between categories of Senior Debt that exist by reason of any Liens or Guarantees arising or created in respect of some but not all Senior Debt.

Business Activities

The Company will not, and will not permit any Subsidiary to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Subsidiaries taken as a whole.

Reports

Whether or not required by the rules and regulations of the Securities and Exchange Commission (the "Commission"), so long as any Exchangeable Preferred Stock is outstanding, the Company will furnish to the Holders of Exchangeable Preferred Stock:

(1) all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Company were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" that describes the financial condition and results of operations of the Company and its consolidated Subsidiaries (showing in reasonable detail, in the footnotes to the financial statements and in "Management's Discussion and Analysis of Financial Condition and Results of Operations" (in each case to the extent not prohibited by the Commission's rules and regulations), (a) the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company and (b) the Tower Cash Flow for the most recently completed fiscal quarter and the Adjusted Consolidated Cash Flow for the most recently completed four-quarter period) and, with respect to the annual information only, a report thereon by the Company's certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Company were required to file such reports, in each case within the time periods specified in the Commission's rules and regulations.

In addition, following the consummation of the exchange offer contemplated by the Registration Rights Agreement, whether or not required by the rules and regulations of the Commission, the Company will file a copy of all such information and reports with the Commission for public availability within the time periods specified in the Commission's rules and regulations (unless the Commission will not accept such a filing) and make such information available to securities analysts and prospective investors upon request.

Transfer and Exchange

A Holder may transfer or exchange Exchangeable Preferred Stock in accordance with the Certificate of Designations. The Registrar and the Transfer Agent may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law. The Company is not required to transfer or exchange any shares of Exchangeable Preferred Stock selected for redemption. Also, the Company is not required to transfer or exchange any share of Exchangeable Preferred Stock for a period of 15 days before a selection of Exchangeable Preferred Stock to be redeemed.

The registered Holder of a share of Exchangeable Preferred Stock will be treated as the owner of it for all purposes.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Certificate of Designations or the Exchangeable Preferred Stock may be amended or supplemented with the consent of the Holders of at least a majority in aggregate Liquidation Preference of the Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Exchangeable Preferred Stock), and any existing default or compliance with any provision of the Certificate of Designations or the Exchangeable Preferred Stock may be waived with the consent of the Holders of a majority in aggregate Liquidation Preference of the then outstanding Exchangeable Preferred Stock (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Exchangeable Preferred Stock).

Without the consent of each Holder affected, an amendment or waiver may not (with respect to any shares of Exchangeable Preferred Stock held by a non-consenting Holder):

(1) alter the voting rights with respect to the Exchangeable Preferred Stock or reduce the number of shares of Exchangeable Preferred Stock whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the Liquidation Preference of or change the Mandatory Redemption Date of any Exchangeable Preferred Stock or alter the provisions with respect to the redemption (but not any required repurchase in connection with an Asset Sale Offer or Change of Control Offer) of the Exchangeable Preferred Stock;

(3) reduce the rate of or change the time for payment of dividends on any Exchangeable Preferred Stock;

(4) waive a default in the payment of dividends on the Exchangeable Preferred Stock;

(5) make any Exchangeable Preferred Stock payable in any form or money other than that stated in the Certificate of Designations;

(6) waive a redemption payment (but not any payment upon a required repurchase in connection with an Asset Sale Offer or Change of Control Offer) with respect to any Exchangeable Preferred Stock; or

(7) make any change in the foregoing amendment and waiver provisions.

Notwithstanding the foregoing, without the consent of any Holder of Exchangeable Preferred Stock, the Company may (to the extent permitted by Delaware law) amend or supplement the Certificate of Designations:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Exchangeable Preferred Stock in addition to or in place of certificated Exchangeable Preferred Stock;

(3) to provide for the assumption of the Company's obligations to Holders of Exchangeable Preferred Stock in the case of a merger or consolidation; or

(4) to make any change that would provide any additional rights or benefits to the Holders of Exchangeable Preferred Stock or that does not adversely affect the legal rights under the Certificate of Designations of any such Holder.

Reissuance

Exchangeable Preferred Stock redeemed or otherwise acquired by the Company will assume the status of authorized but unissued preferred stock and may thereafter be reissued in the same manner as the other authorized but unissued preferred stock, including as Parity Securities, but not as the same class as the Exchangeable Preferred Stock.

Description of the Exchange Debentures

You can find the definitions of certain terms used in this description under the subheading "Certain Definitions". In this description, the word "Company" refers only to Crown Castle International Corp. and not to any of its subsidiaries.

The Exchange Debentures will, if and when issued, be issued pursuant to an Indenture (the "Exchange Indenture") between the Company and United States Trust Company of New York, as trustee (the "Trustee"). The terms of the Exchange Debentures include those stated in the Exchange Indenture and those made part of the Exchange Indenture by reference to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

The following description is a summary of the material provisions of the Exchange Indenture. It does not restate the Exchange Indenture in its entirety. We urge you to read the Exchange Indenture because it, and not this description, defines your rights as holders of these Exchange Debentures. Copies of the proposed form of Exchange Indenture are available as set forth below under the subheading "Additional Information".

These Exchange Debentures:

- will be general unsecured obligations of the Company;
- will be subordinated in right of payment to all existing and future Senior Debt of the Company; and
- will be senior in right of payment to all existing and future subordinated Indebtedness of the Company other than future subordinated Indebtedness that ranks on a parity with the Exchange Debentures.

As of September 30, 1998, we had total Senior Debt of approximately $232.8 million. As indicated above and as discussed in detail below under the subheading "Subordination", payments on the Exchange Debentures will be subordinated to the prior payment in full in cash or Cash Equivalents (other than cash equivalents of the type referred to in clauses (3) and (4) of the definition thereof) of all Senior Debt. The Exchange Indenture will permit us to incur additional Senior Debt. In addition, our only significant asset is the outstanding capital stock of our subsidiaries, and we rely on payments from our subsidiaries to be able to meet our obligations. In the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, such subsidiaries would pay the holders of their debt and their trade creditors before they would be able to distribute any of their assets to us.

As of the Issue Date, all of our subsidiaries (other than CTSH and its subsidiaries and Crown Castle Investment Corp. and its subsidiaries) will be "Restricted Subsidiaries". However, under the circumstances described below under the subheading "Certain Covenants--Restricted Payments", we will be permitted to designate certain of our other Subsidiaries as "Unrestricted Subsidiaries". Unrestricted Subsidiaries will not be subject to most of the restrictive covenants in the Exchange Indenture.

Principal, Maturity and Interest

The Company will issue Exchange Debentures in denominations of $1,000 and integral multiples of $1,000. The Exchange Debentures will mature on December 15, 2010.

Interest on these Exchange Debentures will accrue at the rate of 12 3/4% per annum and will be payable semi-annually in arrears on June 15 and December 15. The Company will make each interest payment to the Holders of record of these Exchange Debentures on the immediately preceding June 1 and December 1.

On or prior to December 15, 2003, the Company may, at its option, pay interest:

(1) in cash; or

(2) in additional Exchange Debentures having an aggregate principal amount equal to the amount of such interest.

After December 15, 2003, the Company will pay interest in cash only. The Company does not expect to pay any interest in cash before December 15, 2003.

Interest on these Exchange Debentures will accrue from the date of original issuance or, if interest has already been paid, from the date it was most recently paid. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

Methods of Receiving Payments on the Exchange Debentures

If a Holder has given wire transfer instructions to the Company, the Company will make all principal, premium and interest and Liquidated Damages, if any, payments on those Exchange Debentures in accordance with those instructions. All other payments on these Exchange Debentures will be made at the office or agency of the Paying Agent and Registrar within the City and State of New York unless the Company elects to make interest payments by check mailed to the Holders at their address set forth in the register of Holders.

Paying Agent and Registrar for the Exchange Debentures

The Exchange Trustee will initially act as Paying Agent and Registrar. The Company may change the Paying Agent or Registrar without prior notice to the Holders of the Exchange Debentures, and the Company or any of its Subsidiaries may act as Paying Agent or Registrar.

Transfer and Exchange

A Holder may transfer or exchange Exchange Debentures in accordance with the Exchange Indenture. The Registrar and the Exchange Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Exchange Indenture. The Company is not required to transfer or exchange any Senior Subordinated Exchange Debenture selected for redemption. Also, the Company is not required to transfer or exchange any Senior Subordinated Exchange Debenture for a period of 15 days before a selection of Exchange Debentures to be redeemed.

The registered Holder of a Senior Subordinated Exchange Debenture will be treated as the owner of it for all purposes.

Subordination

The payment of principal, premium, interest, Liquidated Damages, if any, and any other Obligations on, or relating to, the Exchange Debentures will be subordinated to the prior payment in full in cash or Cash Equivalents (other than cash equivalents of the type referred to in clauses (3) and (4) of the definition thereof) of all Senior Debt of the Company.

The holders of Senior Debt will be entitled to receive payment in full in cash or Cash Equivalents (other than cash equivalents of the type referred to in clauses (3) and (4) of the definition thereof) of all Obligations due in respect of Senior Debt (including interest after the commencement of any such proceeding at the rate specified in the applicable Senior Debt) before the Holders of Exchange Debentures will be entitled to receive any payment or distribution of any kind or character with respect to any Obligations on, or relating to, the Exchange Debentures (except that Holders of Exchange Debentures may receive and retain Permitted Junior Securities and payments made from the trust described under the caption "--Legal Defeasance and Covenant Defeasance" so long as the deposit of amounts therein satisfied the relevant conditions specified in the Exchange Indenture at the time of such deposit), in the event of any distribution to creditors of the Company:

(1) in a liquidation or dissolution of the Company;

(2) in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property;

(3) in an assignment for the benefit of creditors; or

(4) in any marshalling of the Company's assets and liabilities.

The Company also may not make any payment or distribution of any kind or character with respect to any Obligations on, or with respect to, the Exchange Debentures or acquire any of the Exchange Debentures for cash or property or otherwise (except in Permitted Junior Securities or from the trust described under the caption "--Legal Defeasance and Covenant Defeasance") if:

(1) a payment default on Designated Senior Debt occurs and is continuing beyond any applicable period of grace; or

(2) any other default occurs and is continuing on Designated Senior Debt that permits holders of the Designated Senior Debt to accelerate its maturity immediately without further notice (except such notice as may be required to effect such acceleration) or the expiration of any applicable grace periods and the Exchange Trustee receives a notice of such default (a "Payment Blockage Notice") from the holders of such Designated Senior Debt or their Representative.

Payments on the Exchange Debentures may and shall be resumed:

(1) in the case of a payment default, upon the date on which such default is cured or waived; or

(2) in case of a nonpayment default, upon the earlier of (x) the date on which all nonpayment defaults are cured or waived, (y) 179 days after the date of delivery of the applicable Payment Blockage Notice or (z) the date on which the Exchange Trustee receives notice from the holders of such Designated Senior Debt or their Representative rescinding the Payment Blockage Notice, unless the maturity of any Designated Senior Debt has been accelerated.

No new Payment Blockage Notice may be delivered by the holders of any Designated Senior Debt or their Representative unless and until 360 days have elapsed since the effectiveness of the immediately prior Payment Blockage Notice.

No nonpayment default that existed or was continuing on the date of delivery of any Payment Blockage Notice to the Exchange Trustee shall be, or be made, the basis for a subsequent Payment Blockage Notice unless such default shall have been cured or waived for a period of not less than 90 consecutive days.

The Company must promptly notify holders of Senior Debt if payment of the Exchange Debentures are accelerated because of an Event of Default.

As a result of the subordination provisions described above, in the event of a bankruptcy, liquidation or reorganization of the Company, Holders of Exchange Debentures may recover less ratably than creditors of the Company who are holders of Senior Debt. See "Risk Factors--Subordination of the Exchangeable Preferred Stock".

Optional Redemption

During the first 36 months after the Issue Date, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Exchange Debentures then outstanding at a redemption price of 112.750% of the principal amount thereof, plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the redemption date, with the net cash proceeds of one or more Public Equity Offerings or Strategic Equity Investments; provided that:

(1) at least $162.5 million aggregate principal amount of Exchange Debentures remains outstanding immediately after the occurrence of such redemption (excluding Exchange Debentures held by the Company and its Subsidiaries); and

(2) the redemption must occur within 60 days of the date of the closing of the Public Equity Offering or Strategic Equity Investment.

Except pursuant to the preceding paragraph, the Exchange Debentures will not be redeemable at the Company's option prior to December 15, 2003.

On or after December 15, 2003, the Company may redeem all or any part of the Exchange Debentures upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of the principal amount) set forth below plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on December 15 of the years indicated below:

Year	Percentage
2003	106.375%
2004	104.781%
2005	103.188%
2006	101.594%
2007 and thereafter	100.000%

The Senior Discount Notes Indenture currently restricts the redemption of the Exchange Debentures and additional indebtedness may restrict the Company's ability to redeem the Exchange Debentures in the future. See "Description of Certain Indebtedness".

Selection and Notice

If less than all of the Exchange Debentures are to be redeemed at any time, the Exchange Trustee will select Exchange Debentures for redemption as follows:

(1) if the Exchange Debentures are listed, in compliance with the requirements of the principal national securities exchange on which the Exchange Debentures are listed; or

(2) If the Exchange Debentures are not so listed, on a pro rata basis, by lot or by such method as the Exchange Trustee shall deem fair and appropriate.

No Senior Subordinated Exchange Debenture of $1,000 or less shall be redeemed in part. Notices of redemption shall be mailed by first class mail at least 30 but not more than 60 days before the redemption date to each Holder of Exchange Debentures to be redeemed at its registered address. Notices of redemption may not be conditional.

If any Exchange Debentures are to be redeemed in part only, the notice of redemption that relates to that Exchange Debentures shall state the portion of the principal amount thereof to be redeemed. A new certificate with an aggregate principal amount equal to the unredeemed portion of the original certificate evidencing Exchange Debentures presented for redemption will be issued in the name of the Holder thereof upon cancellation of the original certificate. Exchange Debentures called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Exchange Debentures or portions thereof called for redemption.

Mandatory Redemption

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Exchange Debentures.

Repurchase at the Option of Holders

Change of Control

If a Change of Control occurs, each Holder of Exchange Debentures will have the right to require the Company to repurchase all or any part (but not any fractional shares) of such Holder's Exchange Debentures

pursuant to the offer described below (the "Change of Control Offer"). In the Change of Control Offer, the Company will offer a payment in cash equal to 101% of the aggregate principal amount of Exchangeable Preferred Stock repurchased plus accrued and unpaid interest and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive dividends and Liquidated Damages, if any, due on the relevant dividend payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Exchange Debentures on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by the Exchange Indenture and described in such notice.

On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Exchange Debentures or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Exchange Debentures or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Exchange Trustee the Exchange Debentures so accepted together with an Officers' Certificate stating the aggregate principal amount of Exchange Debentures or portions thereof being purchased by the Company.

The Company will promptly mail to each Holder of Exchange Debentures so tendered the Change of Control Payment for such Exchange Debentures, and the Exchange Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new certificate representing the Exchange Debentures equal in principal amount to any unpurchased portion of the Exchange Debentures surrendered, if any.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Exchange Indenture are applicable. The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of the covenant described above, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue thereof.

The Change of Control purchase feature is a result of negotiations between the Company and the Initial Purchasers. Management has no present intention to engage in a transaction involving a Change of Control, although it is possible that the Company would decide to do so in the future. Subject to the limitations discussed below, the Company could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control under the Exchange Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Company's capital structure. Restrictions on the ability of the Company to incur additional Indebtedness are contained in the covenants described under "--Certain Covenants--Incurrence of Indebtedness and Issuance of Preferred Stock". Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the Exchange Debentures then outstanding. Except for the limitations contained in such covenants, however, the Exchange Indenture will not contain any covenants or provisions that may afford holders of the Exchange Debentures protection in the event of certain highly leveraged transactions.

The Senior Discount Notes Indenture currently prohibits the Company from repurchasing any Exchange Debentures. In addition, existing Indebtedness and anticipated future Indebtedness of the Company's subsidiaries and joint ventures restricts or will restrict the Company's access to the cash flow from its subsidiaries and joint ventures. Any future agreements relating to Indebtedness to which the Company or any of its subsidiaries or joint ventures become a party may contain similar restrictions and provisions. In the event that a Change of Control occurs at a time when the Company is prohibited or prevented from repurchasing Exchange Debentures,

the Company seek the consent of the applicable lenders to allow such repurchase or could attempt to refinance the borrowings that contain such prohibition. If the Company does not obtain such a consent or repay such borrowings, the Company will remain prohibited from repurchasing the Exchange Debentures. In such case, the Company's failure to purchase tendered Exchange Debentures would constitute an Event of Default under the Exchange Indenture which would, in turn, constitute a default under the Senior Discount Notes Indenture. Future Indebtedness of the Company and its Subsidiaries may contain prohibitions on the repurchase of the Exchange Debentures and on the occurrence of certain events that would constitute a Change of Control or may require such Indebtedness to be repurchased upon a Change of Control. Finally, the Company's ability to pay cash to the Holders of Exchange Debentures following the occurrence of a Change of Control may be limited by the Company's then existing financial resources, including its ability to access the cash flow of its Subsidiaries. See "Risk Factors--Repurchase of the Exchangeable Preferred Stock or the Exchange Debentures Upon a Change of Control" and "Risk Factors--Holding Company Structure; Dependence on Dividends to Meet Cash Requirements or Pay Dividends". There can be no assurance that sufficient funds will be available when necessary to make any required repurchases.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Exchange Indenture applicable to a Change of Control Offer made by the Company and purchases all Exchange Debentures validly tendered and not withdrawn under such Change of Control Offer. The provisions under the Exchange Indenture relative to the Company's obligation to make an offer to repurchase the Exchange Debentures as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the Exchange Debentures then outstanding.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of "all or substantially all" of the assets of the Company and its Restricted Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of Exchange Debentures to require the Company to repurchase such Exchange Debentures as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Asset Sales

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Exchange Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) except in the case of a Tower Asset Exchange, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

For purposes of this provision, each of the following shall be deemed to be cash:

(1) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet), of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Exchange Debentures or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 20 days of the applicable Asset Sale (to the extent of the cash received).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company or the applicable Restricted Subsidiary may apply such Net Proceeds to:

(1) reduce any Indebtedness of the Company that constitutes Senior Debt;

(2) reduce any Indebtedness of any of the Company's Restricted Subsidiaries;

(3) the acquisition of all or substantially all the assets of a Permitted Business;

(4) the acquisition of Voting Stock of a Permitted Business from a Person that is not a Subsidiary of the Company; provided, that, after giving effect thereto, the Company or its Restricted Subsidiary owns a majority of such Voting Stock and designates such Permitted Business as a Restricted Subsidiary; or

(5) the making of a capital expenditure or the acquisition of other long-term assets that are used or useful in a Permitted Business.

Pending the final application of any such Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest such Net Proceeds in any manner that is not prohibited by the Exchange Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the first sentence of this paragraph will be deemed to constitute "Excess Proceeds". When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company will be required to make an offer to all holders of Senior Discount Notes and may be required to make such offer to holders of other Senior Debt of the Company then outstanding (a "Senior Asset Sale Offer") to purchase the maximum principal amount of the Senior Discount Notes and such other Senior Debt, if applicable, that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest to the date of purchase, in accordance with the procedures set forth in the Senior Discount Notes Indenture and in the instruments governing such other Senior Debt. To the extent that the aggregate amount of Senior Discount Notes and such other Senior Debt tendered pursuant to a Senior Asset Sale Offer is less than the remaining Excess Proceeds ("Remaining Excess Proceeds") and the sum of (A) such amount of Remaining Excess Proceeds and (B) the Remaining Excess Proceeds from any subsequent Senior Asset Sale Offers exceeds $3.0 million, the Company will be required to make an offer to all Holders of Exchange Debentures and all holders of other senior subordinated Indebtedness of the Company containing provisions similar to those set forth in the Exchange Indenture with respect to offers to purchase with the proceeds of sales of assets (an "Asset Sale Offer") to purchase the maximum principal amount of Exchange Debentures and such other senior subordinated Indebtedness of the Company that may be purchased out of the Remaining Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in the Exchange Indenture and such other senior subordinated Indebtedness of the Company. To the extent that any Remaining Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Exchange Indenture. If the aggregate principal amount of Exchange Debentures and such other senior subordinated Indebtedness of the Company tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Remaining Excess Proceeds, the Exchange Trustee shall select the Exchange Debentures and such other senior subordinated Indebtedness to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

The Asset Sale provisions described above will be applicable whether or not any other provisions of the Exchange Indenture are applicable. The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of the covenant described above, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under the covenant described above by virtue thereof.

The Senior Discount Notes Indenture currently prohibits the Company form repurchasing any Exchange Debentures. In addition, existing Indebtedness and anticipated future Indebtedness of our subsidiaries and joint ventures restricts or will restrict our access to the cash flow from those entities. Any future agreements relating to Indebtedness to which we or any of our subsidiaries or joint ventures become a party may contain similar restrictions and provisions.

Certain Covenants

Restricted Payments

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company or to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company (other than any such Equity Interests owned by the Company or any Restricted Subsidiary of the Company and other than the Exchangeable Preferred Stock);

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Exchange Debentures, except a payment of interest or the payment of principal at Stated Maturity; or

(4) make any Restricted Investment, (all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"),

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default shall have occurred and be continuing or would occur as a consequence thereof; and

(2) the Company would have been permitted to incur at least $1.00 of additional indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described below under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock"; provided that the Company and its Restricted Subsidiaries will not be required to comply with this clause (2) in order to make any Restricted Investment; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2), (3) and (4) of the next succeeding paragraph), is less than the sum, without duplication, of:

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after the Issue Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); plus

(b) 100% of the aggregate net cash proceeds received by the Company since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than Disqualified Stock and except to the extent such net cash proceeds are used to incur new Indebtedness outstanding pursuant to clause (10) of the second paragraph of the covenant described below under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock") or from the issue or sale of Disqualified Stock or debt securities of the Company that have been converted into

such Equity Interests (other than Equity Interests (or Disqualified Stock or convertible debt securities) sold to a Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into Disqualified Stock); plus

(c) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (A) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (B) the initial amount of such Restricted Investment; plus

(d) to the extent that any Unrestricted Subsidiary of the Company and all of its Subsidiaries are designated as Restricted Subsidiaries after the Issue Date, the lesser of (A) the fair market value of the Company's Investments in such Subsidiaries as of the date of such designation, or (B) the sum of (x) the fair market value of the Company's Investments in such Subsidiaries as of the date on which such Subsidiaries were originally designated as Unrestricted Subsidiaries and (y) the amount of any Investments made in such Subsidiaries subsequent to such designation (and treated as Restricted Payments) by the Company or any Restricted Subsidiary; provided that:

(i) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CTSH and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds 34.3% of the fair market value of CTSH and its Subsidiaries as a whole; and

(ii) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CCAIC and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds $250.0 million; plus

(e) 50% of any dividends received by the Company or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Company, to the extent that such dividends were not otherwise included in Consolidated Net Income of the Company for such period.

The foregoing provisions will not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Exchange Indenture;

(2) the making of any Investment or the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness or Equity Interests of the Company in exchange for, or out of the net cash proceeds of the sale after the Issue Date (other than to a Subsidiary of the Company) of, any Equity Interests of the Company (other than any Disqualified Stock); provided that such net cash proceeds are not used to incur new Indebtedness pursuant to clause (x) of the second paragraph of the covenant described below under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock"); and provided further that, in each such case, the amount of any such net cash proceeds that are so utilized shall be excluded from clause (3) (b) of the preceding paragraph;

(3) the defeasance, redemption, repurchase or other acquisition of subordinated Indebtedness with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend by a Restricted Subsidiary of the Company to the holders of its common Equity Interests on a pro rata basis; or

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any member of the Company's (or any of its Restricted Subsidiaries') management pursuant to any management equity subscription agreement or stock option agreement in effect as of the Issue Date; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed (a) $500,000 in any twelve-month period and (b) $5.0 million in the aggregate.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default; provided that in no event shall the businesses operated by the Company's Restricted Subsidiaries as of November 20, 1997 be transferred to or held by an Unrestricted Subsidiary. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated will be deemed to be Restricted Payments at the time of such designation and will reduce the amount available for Restricted Payments under the first paragraph of this covenant. All such outstanding Investments will be deemed to constitute Investments in an amount equal to the fair market value of such Investments at the time of such designation. Such designation will only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if such designation would not cause a Default.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any property, assets or Investments required by this covenant to be determined shall be determined by the Board of Directors whose resolution with respect thereto shall be delivered to the Exchange Trustee.

Incurrence of Indebtedness and Issuance of Preferred Stock

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, incur any Indebtedness (including Acquired Debt) and that the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, that the Company may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the Company's Restricted Subsidiaries may incur Indebtedness if, in each case, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been no greater than 7.5 to 1.

The provisions of the first paragraph of this covenant will not apply to the incurrence of any of the following items of Indebtedness or to the issuance of any of the following items of Disqualified Stock or preferred stock (collectively, "Exchange Debentures Permitted Debt"):

(1) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness (including Indebtedness under Credit Facilities) in an aggregate principal amount (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed the greater of (x) $200.0 million less the aggregate amount of all Net Proceeds of Asset Sales applied after the Issue Date to repay Indebtedness under a Credit Facility pursuant to the covenant described above under the caption "--Repurchase at the Option of Holders--Asset Sales" and (y) 70% of the Eligible Receivables that are outstanding as of such date of incurrence;

(2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;

(3) the incurrence by the Company of Indebtedness represented by the Exchange Debentures;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (4), not to exceed $10.0 million at any one time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness of the Company or any of its Restricted Subsidiaries or Disqualified Stock of the Company (other than intercompany Indebtedness) that was permitted by the Exchange Indenture to be incurred under the first paragraph hereof or clauses (2) or (3) or this clause (5) of this paragraph;

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; provided, that (i) if the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Exchange Debentures and (ii)(A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary and (B) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be;

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of the Exchange Indenture to be outstanding or currency exchange risk;

(8) the guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of the Exchange Indenture;

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by the Company's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by the Company or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Company or one of its Restricted Subsidiaries; and provided further that, in the case of any incurrence pursuant to this clause (9), as a result of such acquisition by the Company or one of its Restricted Subsidiaries, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Acquired Debt, after giving pro forma effect to such incurrence as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been less than the Company's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence;

(10) the incurrence by the Company of Indebtedness not to exceed, at any one time outstanding, the sum of (i) 2.0 times the aggregate net cash proceeds plus (ii) 1.0 times the fair market value of non-cash proceeds (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Exchange Trustee), in each case, from the issuance and sale, other than to a Subsidiary, of Equity Interests (other than Disqualified Stock) of the Company since the Issue Date (less the amount of such proceeds used to make Restricted Payments as provided in clause (3)(b) of the first paragraph or clause (2) of the second paragraph of the covenant described above under the caption "--Restricted Payments"); provided that such Indebtedness does not mature prior to the Stated Maturity of the Exchange Debentures and the Weighted Average Life to Maturity of such Indebtedness is longer than that of the Exchange Debentures; and

(11) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness and/or the issuance by the Company of Disqualified Stock in an aggregate principal amount, accreted value or liquidation preference, as applicable, at any time outstanding, not to exceed an amount equal to $100.0 million less the aggregate amount of all Investments made pursuant to clause (12) of the definition of Permitted Investments; provided that, notwithstanding the foregoing, the aggregate principal amount,

accreted value or liquidation preference, as applicable, permitted to be incurred or issued pursuant to this clause (11) shall not be reduced to less than $25.0 million.

For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Exchange Debentures Permitted Debt described in clauses (1) through (11) above or is entitled to be incurred pursuant to the first paragraph of this covenant, the Company shall, in its sole discretion, classify (or later reclassify in whole or in part) such item of Indebtedness in any manner that complies with this covenant. Any Indebtedness incurred pursuant to clause (1) of the second paragraph under the caption "Incurrence of Indebtedness and Issuance of Preferred Stock" in the Certificate of Designations will be deemed to have been incurred under clause (1) above on the Exchange Date. Accrual of interest, accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness will not be deemed to be an incurrence of Indebtedness for purposes of this covenant.

Dividend and Other Payment Restrictions Affecting Subsidiaries

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to

(1) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits;

(2) pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(3) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(4) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the foregoing restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) Existing Indebtedness or Indebtedness under the Senior Credit Facility, in each case as in effect on the Issue Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Existing Indebtedness or in the Senior Credit Facility, in each case as in effect on the Issue Date;

(2) encumbrances and restrictions applicable to any Unrestricted Subsidiary, as the same are in effect as of the date on which such Subsidiary becomes a Restricted Subsidiary, and as the same may be amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Indebtedness of such Subsidiary as in effect on the date on which such Subsidiary becomes a Restricted Subsidiary;

(3) any Indebtedness (incurred in compliance with the covenant under the heading "--Incurrence of Indebtedness and Issuance of Preferred Stock") or any agreement pursuant to which such Indebtedness is issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in such Indebtedness or agreement and such encumbrance or restriction is not materially more disadvantageous to the holders of the Exchange Debentures than is customary in comparable financings (as determined by the Company) and the Company determines that any such encumbrance or restriction will not materially affect the Company's ability to pay dividends or the Liquidation Preference on the Exchange Debentures;

(4) the Exchange Indenture and the Exchange Debentures;

(5) applicable law;

(6) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of the Exchange Indenture to be incurred;

(7) by reason of customary non-assignment provisions in leases or licenses entered into in the ordinary course of business;

(8) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (4) in the prior paragraph on the property so acquired;

(9) the provisions of agreements governing Indebtedness incurred pursuant to clause (4) of the second paragraph of the covenant described above under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock";

(10) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale;

(11) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(12) Liens that limit the right of the debtor to transfer the assets subject to such Liens;

(13) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements; and

(14) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Merger, Consolidation or Sale of Assets

The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless:

(1) the Company is the surviving corporation or the entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(2) the entity or Person formed by or surviving any such consolidation or merger (if other than the Company) or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Exchange Debentures and the Exchange Indenture pursuant to a supplemental indenture in a form reasonably satisfactory to the Exchange Trustee;

(3) immediately after such transaction no Default exists; and

(4) except in the case of a merger of the Company with or into a Wholly Owned Restricted Subsidiary of the Company and except in the case of a merger entered into solely for the purpose of reincorporating the Company in another jurisdiction, the Company or the entity or Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made will, at the time of such transaction after giving pro forma effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described above under the caption "--Incurrence of Indebtedness and Issuance of Preferred Stock".

Transactions with Affiliates

The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and

(2) the Company delivers to the Exchange Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $1.0 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (i) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, an opinion as to the fairness to the Holders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

The following items shall not be deemed to be Affiliate Transactions and therefore will not be subject to the provisions of the prior paragraph:

(1) any employment arrangements with any executive officer of the Company or a Restricted Subsidiary that is entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and consistent with compensation arrangements of similarly situated executive officers at comparable companies engaged in Permitted Businesses;

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) payment of directors fees in an aggregate annual amount not to exceed $25,000 per Person;

(4) Restricted Payments that are permitted by the provisions of the Exchange Indenture described above under the caption "--Restricted Payments";

(5) the issuance or sale of Equity Interests (other than Disqualified Stock) of the Company; and

(6) transactions pursuant to the provisions of the Governance Agreement, the Rights Agreement, the Stockholders' Agreement, the CTSH Shareholders' Agreement, the CTI Services Agreement, the CTI Operating Agreement and the Crown Transition Agreements, as the same are in effect on the Issue Date.

Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries

The Company:

(1) will not, and will not permit any Restricted Subsidiary of the Company to, transfer, convey, sell, lease or otherwise dispose of any Equity Interests in any Restricted Subsidiary of the Company to any Person (other than the Company or a Wholly Owned Restricted Subsidiary of the Company); and

(2) will not permit any Restricted Subsidiary of the Company to issue any of its Equity Interests (other than, if necessary, shares of its Capital Stock constituting directors' qualifying shares) to any Person other than to the Company or a Wholly Owned Restricted Subsidiary of the Company,

unless, in each such case: (a) as a result of such transfer, conveyance, sale, lease or other disposition or issuance such Restricted Subsidiary no longer constitutes a Subsidiary and (b) the cash Net Proceeds from such transfer, conveyance, sale, lease or other disposition or issuance are applied in accordance with the covenant described above under the caption "--Repurchase at the Option of Holders--Asset Sales".

Senior Subordinated Debt

So long as any Exchange Debentures are outstanding, the Company will not incur any Indebtedness that is expressly made subordinated in right of payment to any Senior Debt unless such Indebtedness, by its terms and by the terms of any agreement or instrument pursuant to which such Indebtedness is outstanding, is expressly made pari passu with, or subordinate in right of payment to, the Exchange Debentures pursuant to provisions substantially similar to those contained in the Exchange Indenture; provided that the foregoing limitations shall not apply to distinctions between categories of Senior Debt that exist by reason of any Liens or Guarantees arising or created in respect of some but not all Senior Debt.

Business Activities

The Company will not, and will not permit any Subsidiary to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Subsidiaries taken as a whole.

Reports

Whether or not required by the rules and regulations of the Securities and Exchange Commission (the "Commission"), so long as any Exchange Debentures are outstanding, the Company will furnish to the Holders of Exchange Debentures:

(1) all quarterly and annual financial information that would be required to be contained in a filing with the Commission on Forms 10-Q and 10-K if the Company were required to file such Forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" that describes the financial condition and results of operations of the Company and its consolidated Subsidiaries (showing in reasonable detail, in the footnotes to the financial statements and in "Management's Discussion and Analysis of Financial Condition and Results of Operations" (in each case to the extent not prohibited by the Commission's rules and regulations), (a) the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company and (b) the Tower Cash Flow for the most recently completed fiscal quarter and the Adjusted Consolidated Cash Flow for the most recently completed four-quarter period) and, with respect to the annual information only, a report thereon by the Company's certified independent accountants; and

(2) all current reports that would be required to be filed with the Commission on Form 8-K if the Company were required to file such reports, in each case within the time periods specified in the Commission's rules and regulations.

In addition, following the consummation of the exchange offer contemplated by the Registration Rights Agreement, whether or not required by the rules and regulations of the Commission, the Company will file a copy of all such information and reports with the Commission for public availability within the time periods specified in the Commission's rules and regulations (unless the Commission will not accept such a filing) and make such information available to securities analysts and prospective investors upon request.

Transfer and Exchange

A Holder may transfer or exchange Exchange Debentures in accordance with the Exchange Indenture. The Registrar and the Exchange Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law. The Company is not required to transfer or exchange any Senior Subordinated Exchange Debenture selected for redemption. Also, the Company is not required to transfer or exchange any Senior Subordinated Exchange Debenture for a period of 15 days before a selection of Exchange Debentures to be redeemed.

The registered Holder of a Senior Subordinated Exchange Debenture will be treated as the owner of it for all purposes.

Amendment, Supplement and Waiver

Except as provided in the next two succeeding paragraphs, the Exchange Indenture or the Exchange Debentures may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Exchange Debentures then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Exchange Debentures) or, if no Exchange Debentures are outstanding, the holders of a majority in Liquidation Preference of the Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Exchangeable Preferred Stock), and any existing default or compliance with any provision of the Exchange Indenture or the Exchange Debentures may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Exchange Debentures (including consents obtained in connection with a tender offer or exchange offer for Exchange Debentures) or, if no Exchange Debentures are outstanding, the holders of a majority in Liquidation Preference of the Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Exchangeable Preferred Stock).

Without the consent of each Holder affected, an amendment or waiver may not (with respect to any Exchange Debentures held by a non-consenting Holder):

(1) reduce the principal amount of Exchange Debentures whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Senior Subordinated Exchange Debenture or alter the provisions with respect to the redemption (but not any required repurchase in connection with an Asset Sale Offer or Change of Control Offer) of the Exchange Debentures;

(3) reduce the rate of or change the time for payment of interest on any Senior Subordinated Exchange Debenture;

(4) waive a Default in the payment of principal of or premium, if any, or interest on the Exchange Debentures (except a rescission of acceleration of the Exchange Debentures by the Holders of a majority in aggregate principal amount of the Exchange Debentures and a waiver of the payment default that resulted from such acceleration);

(5) make any Senior Subordinated Exchange Debenture payable in money other than that stated in the Exchange Debentures;

(6) make any change in the provisions of the Exchange Indenture relating to waivers of past Defaults or the rights of Holders of Exchange Debentures to receive payments of principal of or premium, if any, or interest on the Exchange Debentures;

(7) waive a redemption payment (but not any payment upon a required repurchase in connection with an Asset Sale Offer or Change of Control Offer) with respect to any Senior Subordinated Exchange Debenture;

(8) except as provided under the caption "--Legal Defeasance and Covenant Defeasance" or in accordance with the terms of any Subsidiary Guarantee, release a Subsidiary Guarantor from its obligations under its Subsidiary Guarantee or make any change in a Subsidiary Guarantee that would adversely affect the Holders of the Exchange Debentures; or

(9) make any change in the foregoing amendment and waiver provisions.

Notwithstanding the foregoing, without the consent of any Holder of Exchange Debentures, the Company and the Exchange Trustee may amend or supplement the Exchange Indenture or the Exchange Debentures:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Exchange Debentures in addition to or in place of certificated Exchange Debentures;

(3) to provide for the assumption of the Company's obligations to Holders of Exchange Debentures in the case of a merger or consolidation;

(4) to make any change that would provide any additional rights or benefits to the Holders of Exchange Debentures or that does not adversely affect the legal rights under the Exchange Indenture of any such Holder; or

(5) to comply with requirements of the Commission in order to effect or maintain the qualification of the Exchange Indenture under the Trust Indenture Act.

Events of Default and Remedies

Each of the following is an Event of Default:

(1) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Exchange Debentures;

(2) default in payment when due of the principal of or premium, if any, on the Exchange Debentures;

(3) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with the provisions described under the caption "--Certain Covenants--Merger, Consolidation or Sale of Assets" or failure by the Company to consummate a Change of Control Offer or Asset Sale Offer in accordance with the provisions of the Exchange Indenture applicable thereto;

(4) failure by the Company or any of its Subsidiaries for 60 days after notice to comply with any of its other agreements in the Exchange Indenture or the Exchange Debentures;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of its Significant Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default") or (b) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $20.0 million or more;

(6) failure by the Company or any of its Significant Subsidiaries to pay final judgments aggregating in excess of $20.0 million, which judgments are not paid, discharged or stayed for a period of 60 consecutive days; or

(7) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries.

If any Event of Default occurs and is continuing, the Exchange Trustee or the Holders of at least 25% of the aggregate principal amount of the then outstanding Exchange Debentures may declare all the Exchange Debentures to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, with respect to the Company, all outstanding Exchange Debentures will become due and payable without further action or notice. Holders of the Exchange Debentures may not enforce the Exchange Indenture or the Exchange Debentures except as provided in the Exchange Indenture. Subject to certain limitations, Holders of a majority of the aggregate principal amount of the then outstanding Exchange Debentures may direct the Exchange Trustee in its exercise of any trust or power.

The Holders of a majority of the aggregate principal amount of the Exchange Debentures then outstanding by notice to the Exchange Trustee may on behalf of the Holders of all of the Exchange Debentures waive any existing Default or Event of Default and its consequences under the Exchange Indenture except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Exchange Debentures.

The Exchange Indenture provides that if a Default occurs and is continuing and is known to the Exchange Trustee, the Exchange Trustee must mail to each holder of the Exchange Debentures notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of or interest on any Senior Subordinated Exchange Debenture, the Exchange Trustee may withhold notice if and so long as a committee of its trust officers determines that withholding notice is not opposed to the interest of the holders of the Exchange Debentures. In addition, the Company is required to deliver to the Exchange Trustee, within 90 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Company is also required to deliver to the Exchange Trustee, forthwith after the occurrence thereof, written notice of any event that would constitute a Default, the status thereof and what action the Company is taking or proposes to take in respect thereof.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Company, as such, shall have any liability for any obligations of the Company under the Exchange Debentures, the Exchange Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Exchange Debentures by accepting a Senior Subordinated Exchange Debenture waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Exchange Debentures. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the Commission that such a waiver is against public policy.

Legal Defeasance and Covenant Defeasance

The Company may, at its option and at any time, elect to have all of its obligations discharged with respect to the outstanding Exchange Debentures ("Legal Defeasance") except for:

(1) the rights of Holders of outstanding Exchange Debentures to receive payments in respect of the principal of, premium, if any, and interest and Liquidated Damages on such Exchange Debentures when such payments are due from the trust referred to below;

(2) the Company's obligations with respect to the Exchange Debentures concerning issuing temporary Exchange Debentures, registration of Exchange Debentures, mutilated, destroyed, lost or stolen Exchange Debentures and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Exchange Trustee and the Company's obligations in connection therewith; and

(4) the Legal Defeasance provisions of the Exchange Indenture.

In addition, the Company may, at its option and at any time, elect to have the obligations of the Company released with respect to certain covenants that are described in the Exchange Indenture ("Covenant Defeasance") and thereafter any omission to comply with such obligations shall not constitute a Default or Event of Default with respect to the Exchange Debentures. In the event Covenant Defeasance occurs, certain events (not including non-payment and bankruptcy, receivership, rehabilitation and insolvency events with respect to the Company) described under "--Events of Default and Remedies" will no longer constitute an Event of Default with respect to the Exchange Debentures.

In order to exercise either Legal Defeasance or Covenant Defeasance:

(1) the Company must irrevocably deposit with the Exchange Trustee, in trust, for the benefit of the Holders of the Exchange Debentures, cash in United States dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest and Liquidated Damages on the outstanding Exchange Debentures on the stated maturity or on the applicable redemption

date, as the case may be, and the Company must specify whether the Exchange Debentures are being defeased to maturity or to a particular redemption date;

(2) in the case of Legal Defeasance, the Company shall have delivered to the Exchange Trustee an opinion of counsel in the United States reasonably acceptable to the Exchange Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such opinion of counsel shall confirm that, the Holders of the outstanding Exchange Debentures will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Exchange Trustee an opinion of counsel in the United States reasonably acceptable to the Exchange Trustee confirming that the Holders of the outstanding Exchange Debentures will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit) or insofar as Events of Default from bankruptcy or insolvency events with respect to the Company are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under any material agreement or instrument (other than the Exchange Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company must have delivered to the Exchange Trustee an opinion of counsel to the effect that after the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

(7) the Company must deliver to the Exchange Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders of Exchange Debentures over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(8) the Company must deliver to the Exchange Trustee an Officers' Certificate and an opinion of counsel, each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Concerning the Exchange Trustee

The Exchange Indenture contains certain limitations on the rights of the Exchange Trustee, should it become a creditor of the Company, to obtain payment of claims in certain cases, or to realize on certain property received in respect of any such claim as security or otherwise. The Exchange Trustee will be permitted to engage in other transactions; however, if it acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the Commission for permission to continue or resign.

The Holders of a majority of the aggregate principal amount of the then outstanding Exchange Debentures will have the right to direct the time, method and place of conducting any proceeding for exercising any remedy available to the Exchange Trustee, subject to certain exceptions. The Exchange Indenture provides that in case an Event of Default shall occur (which shall not be cured), the Exchange Trustee will be required, in the exercise of its power, to use the degree of care of a prudent man in the conduct of his own affairs. Subject to such provisions, the Exchange Trustee will be under no obligation to exercise any of its rights or powers under the Exchange Indenture at the request of any Holder of Exchange Debentures, unless such Holder shall have offered to the Exchange Trustee security and indemnity satisfactory to it against any loss, liability or expense.

Additional Information

Anyone who receives this Prospectus may obtain a copy of the Certificate of Designations, the Exchange Indenture and the Registration Rights Agreement without charge by writing to Crown Castle International Corp., 510 Bering Drive, Suite 500, Houston, Texas 77057, Attention: Chief Financial Officer.

Certain Definitions

Set forth below are certain defined terms used in the Certificate of Designations and the Exchange Indenture. Reference is made to the Certificate of Designations and the Exchange Indenture for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness or Disqualified Stock of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Subsidiary of such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Adjusted Consolidated Cash Flow" has the meaning given to such term in the definition of "Debt to Adjusted Consolidated Cash Flow Ratio".

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control.

"Asset Sale" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights (including, without limitation, by way of a sale and leaseback) provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole will be governed by the provisions of the Certificate of Designations or the Exchange Indenture, as applicable, described above under the respective captions "--Repurchase at the Option of Holders--Change of Control" and/or the provisions described above under the respective captions "--Repurchase at the Option of Holders--Merger, Consolidation or Sale of Assets" and not by the provisions of the Asset Sale covenant; and

(2) the issue or sale by the Company or any of its Restricted Subsidiaries of Equity Interests of any of the Company's Subsidiaries (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary), in the case of either clause (1) or (2), whether in a single transaction or a series of related transactions (a) that have a fair market value in excess of $1.0 million or (b) for net proceeds in excess of $1.0 million. Notwithstanding the foregoing, the following items shall not be deemed to be Asset Sales:

(1) a transfer of assets by the Company to a Restricted Subsidiary or by a Restricted Subsidiary to the Company or to another Restricted Subsidiary;

(2) an issuance of Equity Interests by a Subsidiary to the Company or to another Restricted Subsidiary;

(3) a Restricted Payment that is permitted by the covenant described above under the respective captions "--Certain Covenants--Restricted Payments";

(4) grants of leases or licenses in the ordinary course of business; and

(5) disposals of Cash Equivalents.

"Berkshire Group" means Berkshire Fund III, A Limited Partnership, Berkshire Fund IV, Limited Partnership, Berkshire Investors LLC and Berkshire Partners LLC.

"Broker-Dealer" means any broker or dealer registered under the Exchange Act.

"Capital Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Cash Equivalents" means:

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than six months from the date of acquisition;

(3) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any lender party to the Senior Credit Facility or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thompson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having the highest rating obtainable from Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within six months after the date of acquisition; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1)-(5) of this definition.

"CCAIC" means CCA Investment Corp., which is an indirect wholly owned Subsidiary of the Company and was formed to hold the Company's Equity Interests in Crown Atlantic Holding Company LLC.

"Centennial Group" means Centennial Fund IV, L.P., Centennial Fund V, L.P. and Centennial Entrepreneurs Fund V, L.P.

"Change of Control" means the occurrence of any of the following:

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole to any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) other than a Principal or a Related Party of a Principal;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than the Principals and their Related Parties, becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition), directly or indirectly, of more than 50% of the Voting Stock of the Company (measured by voting power rather than number of shares); provided that transfers of Equity Interests in the Company between or among the beneficial owners of the Company's Equity Interests and/or Equity Interests in CTSH, in each case as of November 20, 1997, will not be deemed to cause a Change of Control under this clause (3) so long as no single Person together with its Affiliates acquires a beneficial interest in more of the Voting Stock of the Company than is at the time collectively beneficially owned by the Principals and their Related Parties;

(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors; or

(5) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company is converted into or exchanged for cash, securities or other property, other than any such transaction where (x) the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) or (y) the Principals and their Related Parties own a majority of such outstanding shares after such transaction.

"Consolidated Cash Flow" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was included in computing such Consolidated Net Income; plus

(2) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations), to the extent that any such expense was deducted in computing such Consolidated Net Income; plus

(3) depreciation, amortization (including amortization of goodwill and other intangibles and other non- cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; minus

(4) non-cash items increasing such Consolidated Net Income for such period (excluding any items that were accrued in the ordinary course of business), in each case on a consolidated basis and determined in accordance with GAAP.

"Consolidated Indebtedness" means, with respect to any Person as of any date of determination, the sum, without duplication, of:

(1) the total amount of Indebtedness of such Person and its Restricted Subsidiaries; plus

(2) the total amount of Indebtedness of any other Person, to the extent that such Indebtedness has been Guaranteed by the referent Person or one or more of its Restricted Subsidiaries; plus

(3) the aggregate liquidation value of all Disqualified Stock of such Person and all preferred stock of Restricted Subsidiaries of such Person, in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that:

(1) the Net Income (but not loss) of any Person other than the Company that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person or a Restricted Subsidiary thereof;

(2) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition shall be excluded;

(3) the cumulative effect of a change in accounting principles shall be excluded; and

(4) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded whether or not distributed to the Company or one of its Restricted Subsidiaries.

"Consolidated Tangible Assets" means, with respect to the Company, the total consolidated assets of the Company and its Restricted Subsidiaries, less the total intangible assets of the Company and its Restricted Subsidiaries, as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries calculated on a consolidated basis in accordance with GAAP.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Company who:

(1) was a member of such Board of Directors on the Issue Date;

(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board at the time of such nomination or election; or

(3) is a designee of a Principal or was nominated by a Principal.

"Credit Facilities" means one or more debt facilities (including, without limitation, the Senior Credit Facility) or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Crown Transition Agreements" means collectively (i) the Crown Memorandum of Understanding among the Company, Robert A. Crown and Barbara A. Crown, dated as of July 2, 1998, (ii) the Crown Services Agreement between the Company and Robert A. Crown, dated as of July 2, 1998 and (iii) the Registration Rights Crown Side Letter Agreement, among the Company, Robert A. Crown and Barbara A. Crown, dated as of August 18, 1998.

"CTI" means Castle Transmission International Limited.

"CTI Operating Agreement" means the memorandum of understanding among the Company, CTSH, CTI and TdF, dated as of August 21, 1998, relating to the development of certain business opportunities outside of the United States and the provision of certain business support and technical services in connection therewith.

"CTI Services Agreement" means the amended and restated services agreement between CTI and TdF, dated as of August 21, 1998, relating to the provisions of certain services to CTI.

"CTSH" means Castle Transmission Services (Holdings) Ltd and its successors.

"CTSH Shareholders' Agreement" means the agreement entered into by the Company, CTSH and TdF, dated as of August 21, 1998, to govern the relationship between the Company and TdF as shareholders of CTSH.

"Debt to Adjusted Consolidated Cash Flow Ratio"means, as of any date of determination, the ratio of:

(1) the Consolidated Indebtedness of the Company as of such date to

(2) the sum of (a) the Consolidated Cash Flow of the Company for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available, less the Company's Tower Cash Flow for such four-quarter period, plus (b) the product of four times the Company's Tower Cash Flow for the most recent quarterly period (such sum being referred to as "Adjusted Consolidated Cash Flow"),

in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above, (i) acquisitions that have been made by the Company or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the reference period and Consolidated Cash Flow for such reference period shall be calculated without giving effect to clause (ii) of the proviso set forth in definition of Consolidated Net Income, and (ii) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to Calculation Date, shall be excluded.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Designated Senior Debt" with respect to the Exchange Debentures means:

(1) any Indebtedness under or in respect of the Senior Credit Facility;

(2) any Indebtedness outstanding under the Senior Discount Notes Indenture; and

(3) any other Senior Debt permitted under the Exchange Indenture the principal amount of which is $25.0 million or more and that has been designated by the Company in the instrument or agreement relating to the same as "Designated Senior Debt".

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in each case, at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the Holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Exchangeable Preferred Stock or Exchange Debentures mature; provided, however, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Company to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described above under the caption "--Certain Covenants--Restricted Payments".

"Eligible Indebtedness" means any Indebtedness other than (i) Indebtedness in the form of, or represented by, bonds or other securities or any guarantee thereof and (ii) Indebtedness that is, or may be, quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market (including, without prejudice to the generality of the foregoing, the market for securities eligible for resale pursuant to Rule 144A under the Securities Act).

"Eligible Receivables" means the accounts receivable (net of any reserves and allowances for doubtful accounts in accordance with GAAP) of the Company and its Restricted Subsidiaries that are not more than 60

days past their due date and that were entered into in the ordinary course of business on normal payment terms as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries, all calculated on a consolidated basis in accordance with GAAP.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Exchange Date" means the date on which the Company exchanges all but not less than all of the Exchangeable Preferred Stock for Exchange Debentures.

"Exchange Offer" means exchange and issuance by the Company of New Preferred Stock or New Exchange Debentures, as the case may be, which shall be registered pursuant to a Registration Statement, in an amount equal to (i) the aggregate Liquidation Preference of all shares of Exchangeable Preferred Stock that are tendered by the Holders thereof or (ii) the aggregate principal amount of all Exchange Debentures that are tendered by the Holders thereof, as the case may be, in connection with such exchange and issuance.

"Exchange Offer Registration Statement" means the Registration Statement relating to the Exchange Offer, including the related Prospectus.

"Existing Indebtedness" means Indebtedness of the Company and its Subsidiaries (other than Indebtedness under the Senior Credit Facility) in existence on the Issue Date, until such amounts are repaid.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the Issue Date.

"Governance Agreement" means the agreement among the Company, TdF and its affiliates, dated as of August 21, 1998, to provide for certain rights and obligations of the Company, TdF and its affiliates with respect to the management of the Company.

"Guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements; and

(2) other agreements or arrangements designed to protect such Person against fluctuations in interest rates or currency exchange rates.

"Indebtedness" means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of:

(1) borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) banker's acceptances;

(4) representing Capital Lease Obligations;

(5) the balance deferred and unpaid of the purchase price of any property; or

(6) representing any Hedging Obligations,

except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, as well as all Indebtedness of others secured by a Lien on any asset of such Person whether or not such Indebtedness is assumed by such Person (the amount

of such Indebtedness as of any date being deemed to be the lesser of the value of such property or assets as of such date or the principal amount of such Indebtedness of such other Person so secured) and, to the extent not otherwise included, the Guarantee by such Person of any Indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be (i) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, and (ii) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company or a Restricted Subsidiary of the Company issues any of its Equity Interests such that, in each case, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of the covenant described above under the respective captions "--Certain Covenants--Restricted Payments".

"Issue Date" means the closing date for the sale and original issuance of the Exchangeable Preferred Stock.

"Joint Venture Operating Agreement" means the Crown Atlantic Holding Company LLC Operating Agreement to be entered into by the Company and BAM, substantially in the form attached to the Certificate of Designations.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"Nassau Group" means Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with (a) any Asset Sale (including, without limitation, dispositions pursuant to sale and leaseback transactions) or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"Net Proceeds" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non- cash consideration received in any Asset Sale), net of:

(1) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof;

(2) taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements);

(3) amounts required to be applied to the repayment of Indebtedness (other than Indebtedness under a Credit Facility) secured by a Lien on the asset or assets that were the subject of such Asset Sale;

(4) all distributions and other payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale;

(5) the deduction of appropriate amounts provided by the seller as a reserve in accordance with GAAP against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale and

(6) without duplication, any reserves that the Company's Board of Directors determines in good faith should be made in respect of the sale price of such asset or assets for post closing adjustments; provided that in the case of any reversal of any reserve referred to in clause (5) or (6) above, the amount so reserved shall be deemed to be Net Proceeds from an Asset Sale as of the date of such reversal.

"New Exchange Debentures" means the Company's 12 3/4% Exchange Debentures due 2010 issued pursuant to the Exchange Indenture (i) in the Exchange Offer or (ii) in connection with a resale of Exchange Debentures in reliance on a Shelf Registration Statement.

"New Preferred Stock" means the Company's 12 3/4% Exchangeable Preferred Stock due 2010 issued pursuant to the Certificate of Designations (i) in the Exchange Offer or (ii) in connection with a resale of Exchangeable Preferred Stock in reliance on a Shelf Registration Statement.

"Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable (as a guarantor or otherwise), or (c) constitutes the lender;

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity; and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries (except that this clause (3) will not apply to any Indebtedness incurred by CTSH and its Subsidiaries prior to August 21, 1998).

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Permitted Business" means any business conducted by the Company, its Restricted Subsidiaries or CTSH and its Subsidiaries on the Issue Date and any other business related, ancillary or complementary to any such business.

"Permitted Investments" means:

(1) Liens securing Senior Debt;

(2) any Investment in the Company or in a Restricted Subsidiary of the Company;

(3) any Investment in Cash Equivalents;

(4) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment (i) such Person becomes a Restricted Subsidiary of the Company or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(5) any Restricted Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with the covenant described above under the respective captions "--Repurchase at the Option of Holders--Asset Sales";

(6) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(7) receivables created in the ordinary course of business;

(8) loans or advances to employees made in the ordinary course of business not to exceed $1.0 million at any one time outstanding;

(9) securities and other assets received in settlement of trade debts or other claims arising in the ordinary course of business;

(10) purchases of additional Equity Interests in CTSH for cash pursuant to the Governance Agreement as the same is in effect on the Issue Date for aggregate cash consideration not to exceed $20.0 million since the Issue Date;

(11) the Investment of up to an aggregate of $100.0 million of the net proceeds from the sale of the Exchangeable Preferred Stock (i) to be used to consummate the formation of the Crown Atlantic Holding Company LLC joint venture with BAM or (ii) if the Company does not consummate the formation of the Crown Atlantic Holding Company LLC joint venture with BAM, in one or more other Subsidiaries of the Company (which may be Unrestricted Subsidiaries of the Company), each of which derives or expects to derive a majority of its revenues from one or more Permitted Businesses (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

(12) Additional Investments with the net proceeds from the sale of the Exchangeable Preferred Stock in an aggregate amount equal to (x) the gross proceeds from the sale of the Exchangeable Preferred Stock, minus (y) the aggregate amount of Investments made or permitted to be made pursuant to clause (11) of this paragraph, minus (z) the aggregate amount of Indebtedness incurred and/or Disqualified Stock issued pursuant to clause (11) of the second paragraph under the caption "Certain Covenants--Incurrence of Indebtedness and Issuance of Preferred Stock" (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

(13) other Investments in Permitted Businesses not to exceed an amount equal to $10.0 million plus 10% of the Company's Consolidated Tangible Assets at any one time outstanding (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

"Permitted Junior Securities" means Equity Interests in the Company or debt securities that are subordinated to all Senior Debt (and any debt securities issued in exchange for Senior Debt) to substantially the same extent as, or to a greater extent than, the Exchange Debentures are subordinated to Senior Debt pursuant to the Exchange Indenture.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company or any of its Restricted Subsidiaries or Disqualified Stock of the Company issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness) or Disqualified Stock of the Company; provided that:

(1) the principal amount, initial accreted value or liquidation preference, as applicable, of such Permitted Refinancing Indebtedness does not exceed the principal amount, accreted value or liquidation preference, as applicable, of, plus accrued interest or accumulated dividends on, the Indebtedness or Disqualified Stock so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of expenses and prepayment premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness or Disqualified Stock being extended, refinanced, renewed, replaced, defeased or refunded;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Exchange Debentures, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Exchange Debentures on terms at least as favorable to the Holders

of Exchange Debentures as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded or such Disqualified Stock is issued by the Company.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

"Principals" means Berkshire Group, Centennial Group, Nassau Group, TdF and any Related Party of the foregoing.

"Prospectus" means the prospectus included in a Registration Statement at the time such Registration Statement is declared effective, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

"Public Equity Offering" means an underwritten primary public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act.

"Registration Rights Agreement" means the registration rights agreement to be entered into by the Company on or before the Issue relating to the registration of the Exchangeable Preferred Stock and the Exchange Debentures with the Commission.

"Registration Statement" means any registration statement of the Company relating to an offering of New Preferred Stock or New Exchange Debentures, as the case may be, that is filed pursuant to the provisions of the Registration Rights Agreement, and includes the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

"Related Party" with respect to any Principal means:

(1) any controlling stockholder, 80% (or more) owned Subsidiary of such Principal; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, members, partners, owners or Persons beneficially holding an 80% or more controlling interest of which consist of such Principal and/or such other Persons referred to in the immediately preceding clause (1).

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Rights Agreement" means the agreement between the Company and ChaseMellon Shareholders Services, L.L.C., as rights agent, dated as of August 21, 1998, relating to the dividend declared by the Company consisting of the right to purchase 1/1000th of a share of the Company's Series A Participating Cumulative Preferred Stock, par value $.01 per share.

"Senior Credit Facility" means that certain Amended and Restated Loan Agreement, dated as of July 10, 1998, by and among Key Corporate Capital Inc. and PNC Bank, National Association, as arrangers and agents for the financial institutions listed therein, and Crown Communication Inc. and Crown Castle International Corp. de Puerto Rico, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, modified, renewed, refunded, replaced or refinanced from time to time.

"Senior Debt" means:

(1) all Indebtedness outstanding under the Senior Credit Facility and all Hedging Obligations (including guarantees thereof) with respect thereto of the Company, whether outstanding on the Issue Date or thereafter incurred;

(2) all Indebtedness outstanding under the Senior Discount Notes or any Guarantees thereof, as the case may be;

(3) any other Indebtedness permitted to be incurred by the Company or any of its Restricted Subsidiaries under the terms of the Certificate of Designations or the Exchange Indenture, as applicable, unless the instrument under which such Indebtedness is incurred expressly provides that it is on a parity with or subordinated in right of payment to the Exchange Debentures; and

(4) all Obligations with respect to the preceding clauses (1), (2) and (3) (including any interest accruing subsequent to the filing of a petition of bankruptcy at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable law).

Notwithstanding anything to the contrary in the foregoing, Senior Debt will not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Company or the Restricted Subsidiaries;

(2) any Indebtedness of the Company or any Restricted Subsidiary to any of its Subsidiaries;

(3) any trade payables;

(4) any Indebtedness that is incurred in violation of the Certificate of Designations or the Exchange Indenture, as applicable (but only to the extent so incurred); or

(5) any Capitalized Lease Obligations.

"Senior Discount Notes Indenture" means that certain Indenture, dated as of November 20, 1997, governing the Company's 105/8% Senior Discount Notes due 2007.

"Exchangeable Preferred Stock" means (i) the 12 3/4% Exchangeable Preferred Stock due 2010 of the Company issued on the Issue Date, (ii) any and all additional fully-paid and non-assessable shares of 12 3/4% Exchangeable Preferred Stock due 2010 of the Company issued after the Issue Date as payment of dividends in accordance with the provisions under the caption "Description of Exchangeable Preferred Stock--Dividends" and (iii) any and all shares of New Preferred Stock.

"Exchange Debentures" means (i) the 12 3/4% Exchange Debentures due 2010 of the Company issued on the Exchange Date, (ii) any and all additional 12 3/4% Exchange Debentures due 2010 of the Company issued after the Exchange Date as payment of interest in accordance with the provisions under the caption "Description of Senior Subordinated Debentures--Principal, Maturity and Interest" and (iii) any and all shares of New Exchange Debentures.

"Shelf Registration Statement" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"Significant Subsidiary" means, with respect to any Person, any Restricted Subsidiary of such Person that would be a "significant subsidiary" of such Person as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof, except that all references to "10 percent" in Rule 1-02(w)(1), (2) and (3) shall mean "5 percent" and that all Unrestricted Subsidiaries of the Company shall be excluded from all calculations under Rule 1-02(w).

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original

documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Stockholders' Agreement" means the agreement among the Company and certain stockholders of the Company, dated as of August 21, 1998, to provide for certain rights and obligations of the Company and such stockholders with respect to the governance of the Company and such stockholders' shares of Common Stock and/or Class A Common Stock of the Company.

"Strategic Equity Investment" means a cash contribution to the common equity capital of the Company or a purchase from the Company of common Equity Interests (other than Disqualified Stock), in either case by or from a Strategic Equity Investor and for aggregate cash consideration of at least $50.0 million.

"Strategic Equity Investor" means a Person engaged in a Permitted Business whose Total Equity Market Capitalization exceeds $1.0 billion.

"Subsidiary" means, with respect to any Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof).

"TdF" means TeleDiffusion de France International S.A.

"Total Equity Market Capitalization" of any Person means, as of any day of determination, the sum of:

(1) the product of (A) the aggregate number of outstanding primary shares of common stock of such Person on such day (which shall not include any options or warrants on, or securities convertible or exchangeable into, shares of common stock of such person) multiplied by (B) the average closing price of such common stock listed on a national securities exchange or the Nasdaq National Market System over the 20 consecutive business days immediately preceding such day; plus

(2) the liquidation value of any outstanding shares of preferred stock of such Person on such day.

"Tower Asset Exchange" means any transaction in which the Company or one of its Restricted Subsidiaries exchanges assets for Tower Assets and/or cash or Cash Equivalents where the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Transfer Agent and/or the Exchange Trustee, as appropriate) of the Tower Assets and cash or Cash Equivalents received by the Company and its Restricted Subsidiaries in such exchange is at least equal to the fair market value of the assets disposed of in such exchange.

"Tower Assets" means wireless transmission towers and related assets that are located on the site of a transmission tower.

"Tower Cash Flow" means, for any period, the Consolidated Cash Flow of the Company and its Restricted Subsidiaries for such period that is directly attributable to site rental revenue or license fees paid to lease or sublease space on communication sites owned or leased by the Company, all determined on a consolidated basis and in accordance with GAAP. Tower Cash Flow will not include revenue or expenses attributable to non-site rental services provided by the Company or any of its Restricted Subsidiaries to lessees of communication sites or revenues derived from the sale of assets.

"Unrestricted Subsidiary" means (i) any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution; but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (x) to subscribe for additional Equity Interests or (y) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries; and

(5) has at least one director on its board of directors that is not a director or executive officer of the Company or any of its Restricted Subsidiaries and has at least one executive officer that is not a director or executive officer of the Company or any of its Restricted Subsidiaries.

Any such designation by the Board of Directors shall be evidenced to the Transfer Agent and the Exchange Trustee by filing with the Transfer Agent and the Exchange Trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by the covenant described above under the respective captions""--Certain Covenants--Restricted Payments". If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Certificate of Designations and the Exchange Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under the covenants described above under the respective captions "--Certain Covenants--Incurrence of Indebtedness and Issuance of Preferred Stock," the Company shall be in default of such covenant). The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (i) such Indebtedness is permitted under the covenant described above under the respective captions "--Certain Covenants--Incurrence of Indebtedness and Issuance of Preferred Stock," calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period, and (ii) no Default would occur or be in existence following such designation.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or series or class of preferred stock at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal or liquidation preference, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness or the aggregate liquidation preference of the then outstanding preferred stock, as the case may be.

"Wholly Owned Restricted Subsidiary" of any Person means a Restricted Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Restricted Subsidiaries of such Person and one or more Wholly Owned Restricted Subsidiaries of such Person.

The new preferred stock will be represented by one or more certificates in registered, global form without interest coupons (collectively, the "Global Certificates"). The Global Certificates will be deposited upon issuance with the Transfer Agent as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC as described below.

Except as set forth below, the Global Certificates may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Certificates may not be exchanged for exchangeable preferred stock in certificated form except in the limited circumstances described below. See "--Depositary Procedures--Exchange of Book-Entry Exchangeable Preferred Stocks for Certificated Securities." Except in the limited circumstances described below, owners of beneficial interests in the Global Certificates will not be entitled to receive physical delivery of certificated securities (as defined below). Transfers of beneficial interest in the Global Certificates will be subject to the applicable rules and procedures of DTC and its direct or indirect participants, which may change from time to time.

Initially, the exchange agent will act as paying agent and registrar. The exchangeable preferred stock may be presented for registration of transfer and exchange at the offices of the registrar.

Depository Procedures

The following description of the operations and procedures of DTC are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them from time to time. We take no responsibility for these operations and procedures and urges investors to contact the system or their participants directly to discuss these matters.

DTC is a limited-purpose trust company created to hold securities for its participating organizations (collectively, the "Participants") and to facilitate the clearance and settlement of transactions in those securities between Participants through electronic book-entry changes in accounts of its Participants. The Participants include securities brokers and dealers (including the Initial Purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Participant, either directly or indirectly (collectively, the "Indirect Participants"). Persons who are not Participants may beneficially own securities held by or on behalf of DTC only through the Participants or the Indirect Participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the Participants and Indirect Participants.

Pursuant to procedures established by DTC:

(1) upon deposit of the Global Certificates, DTC will credit the accounts of Participants designated by the Initial Purchasers with portions of the principal amount of the Global Certificates; and

(2) ownership of such interests in the Global Certificates will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the Participants) or by the Participants and the Indirect Participants (with respect to other owners of beneficial interest in the Global Certificates).

Investors in the Global Certificates may hold their interests therein directly through DTC, if they are Participants in such system, or indirectly through organizations (including Euroclear and Cedel Bank) which are Participants in such system. Investors in the Regulation S Global Certificates must initially hold their interests therein through Euroclear or Cedel Bank, if they are participants in such systems, or indirectly through organizations which are participants in such systems. After the expiration of the Restricted Period (but not earlier), investors may also hold interests in the Regulation S Global Certificates through organizations other than Euroclear and Cedel Bank that are Participants in the DTC system. Euroclear and Cedel Bank will hold interests

in the Regulation S Global Certificates on behalf of their Participants through customers' securities accounts in their respective names on the books of their respective depositaries, which are Morgan Guaranty Trust Company of New York, Brussels office, as operator of Euroclear, and Citibank, N.A. as operator of Cedel. The depositaries, in turn, will hold such interests in the Regulation S Global Certificates in customers' securities accounts in the depositaries' names on the books of DTC. All interests in a Global Certificate, including those held through Euroclear or Cedel Bank, may be subject to the procedures and requirements of DTC. Those interests held by Euroclear or Cedel Bank may be also be subject to the procedures and requirements of such system.

The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interest in a Global Certificate to such persons may be limited to that extent. Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants and certain banks, the ability of a person having a beneficial interest in a Global Certificate to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests. For certain other restrictions on the transferability of the Preferred Stock or the Exchange Debentures, as applicable, see "--Exchange of Book-Entry Securities for Certificated Securities", "--Exchange of Certificated Securities for Book-Entry Securities" and "--Exchanges between Regulation S Certificates and Rule 144A Certificates."

Because DTC can act only on behalf of Participants, which in turn act on behalf of Indirect Participants and certain banks, the ability of a person having beneficial interests in a Global Certificate to pledge such interests to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interests, may be affected by the lack of a physical certificate evidencing such interests.

Except as described below, owners of interest in the Global Certificates will not have exchangeable preferred stock or exchange debentures, as applicable, registered in their names, will not receive physical delivery of exchangeable preferred stock or exchange debentures, as applicable, in certificated form and will not be considered the registered owners or "Holders" thereof under the certificate of designations or the exchange indenture, as applicable, for any purpose.

Payments in respect of the principal of, and premium, if any, liquidated damages, if any, and interest on a Global Certificate registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered Holder under the certificate of designations or the exchange indenture, as applicable. Under the terms of the certificate of designations and the exchange indenture, we and the transfer agent or exchange trustee, as applicable, will treat the persons in whose names the exchangeable preferred stock or exchange debentures, as applicable, including the Global Certificates, are registered as the owners thereof for the purpose of receiving such payments and for any and all other purposes whatsoever. Consequently, neither we, the transfer agent or the exchange trustee nor any of their respective agents has or will have any responsibility or liability for:

(1) any aspect of DTC's records or any Participant's or Indirect Participant's records relating to or payments made on account of beneficial ownership interest in the Global Certificates, or for maintaining, supervising or reviewing any of DTC's records or any Participant's or Indirect Participant's records relating to the beneficial ownership interests in the Global Certificates; or

(2) any other matter relating to the actions and practices of DTC or any of its Participants or Indirect Participants.

DTC's current practice, upon receipt of any payment in respect of securities such as the exchangeable preferred stock (including dividends) or the exchange debentures (including principal and interest), as applicable, is to credit the accounts of the relevant Participants with the payment on the payment date, in amounts proportionate to their respective holdings in the principal amount of beneficial interest in the relevant security as shown on the records of DTC unless DTC has reason to believe it will not receive payment on such payment date.

Payments by the Participants and the Indirect Participants to the beneficial owners of exchangeable preferred stock or exchange debentures, as applicable, will be governed by standing instructions and customary practices and will be the responsibility of the Participants or the Indirect Participants and will not be the responsibility of DTC, the transfer agent, the exchange trustee or us. None of us, the transfer agent or the exchange trustee will be liable for any delay by DTC or any of its Participants in identifying the beneficial owners of the exchangeable preferred stock or exchange debentures, as applicable, and we, the transfer agent and the exchange trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Except for trades involving only Euroclear and Cedel Bank participants, interests in the Global Certificates are expected to be eligible to trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such interests will, therefore, settle in immediately available funds, subject in all cases to the rules and procedures of DTC and its Participants. See "--Same Day Settlement and Payment".

DTC will take any action permitted to be taken by a holder of exchangeable preferred stock or exchange debentures, as applicable, only at the direction of one or more Participants to whose account DTC has credited the interests in the Global Certificates and only in respect of such portion of the aggregate principal amount of the exchangeable preferred stock or exchange debentures, as applicable, as to which such Participant or Participants has or have given such direction. However, if there is an Event of Default under the exchange debentures, DTC reserves the right to exchange the Global Certificates for legended Securities in certificated form, and to distribute such Certificates to its Participants.

Although DTC has agreed to the foregoing procedures to facilitate transfers of interests in the Global Certificates among Participants in DTC, Euroclear and Cedel Bank, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. None of the us, the transfer agent or the exchange trustee nor any of our or respective agents will have any responsibility for the performance by DTC, Euroclear or Cedel Bank or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Exchange of Book-Entry Certificates for Certificated Securities

A Global Certificate is exchangeable for definitive certificates in registered certificated form ("Certificated Securities") if:

(1) DTC:

(a) notifies us that it is unwilling or unable to continue as depositary for the Global Certificate and we fail to appoint a successor depositary; or

(b) has ceased to be a clearing agency registered under the Exchange Act and we fail to appoint a successor depositary;

(2) we, at our option, notify the exchange trustee in writing that it elects to cause the issuance of the exchangeable preferred stock or exchange debentures, as applicable, in certificate form; or

(3) there shall have occurred and be continuing (a) a Voting Rights Triggering Event with respect to the exchangeable preferred stock or (b) a Default or Event of Default with respect to the exchange debentures.

In addition, beneficial interests in a Global Certificate may be exchanged for Certificated Certificates upon request but only upon prior written notice given to the exchange trustee by or on behalf of DTC in accordance with the exchange indenture. In all cases, certificated securities delivered in exchange for any Global Certificate or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depositary (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in "Notice to Investors," unless we determine otherwise in compliance with applicable law.

Exchange of Certificated Securities for Book-Entry Securities

Certificates issued in certificated form may not be exchanged for beneficial interests in any Global Certificate unless the transferor first delivers to the transfer agent or the exchange trustee, as applicable, a written certificate (in the form provided in the certificate of designations or the exchange indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such certificate.

Same Day Settlement and Payment

The certificate of designation or the exchange indenture, as applicable, require that payments in respect of the Certificates represented by the Global Certificates (including Liquidation Preference, dividends, principal, premium, interest and Liquidated Damages) be made by wire transfer of immediately available funds to the accounts specified by the Global Certificate Holder. With respect to Certificated Securities, we will make all such payments by wire transfer of immediately available funds to the accounts specified by the Holders thereof or, if no such account is specified, by mailing a check to each such Holder's registered address. The certificates represented by the Global Certificates are expected to be eligible to trade in the PORTAL market and to trade in the Depositary's Same-Day Funds Settlement System, and any permitted secondary market trading activity in such Certificates will, therefore, be required by the Depositary to be settled in immediately available funds. We expect that secondary trading in any certificated certificates will also be settled in immediately available funds.

Registration Rights and Liquidated Damages

Holders of the new preferred stock are not entitled to any registration rights with respect to the new preferred stock. We and the initial purchasers entered into the Registration Rights Agreement for the benefit of the holders of transfer restricted securities on the closing date. Pursuant to the Registration Rights Agreement, we agreed to file with the Commission the Exchange Offer Registration Statement on the appropriate form under the Securities Act with respect to the new preferred stock. The registration statement of which this prospectus is a part constitutes the Exchange Offer Registration Statement. The Registration Rights Agreement provides that if (i) we are not required to file the Exchange Offer Registration Statement or permitted to consummate the exchange offer because the exchange offer is not permitted by applicable law or Commission policy or (ii) any Holder of transfer restricted securities notifies us prior to the 20th day following consummation of the exchange offer that (A) it is prohibited by law or Commission policy from participating in the exchange offer or (B) that it may not resell the new preferred stock acquired by it in the exchange offer to the public without delivering a prospectus and the prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales or (C) that it is a broker-dealer and owns preferred stock acquired directly from us or our affiliate, we will file with the Commission a shelf registration statement to cover resales of the preferred stock by the Holders thereof, subject to such Holders satisfying certain conditions relating to the provision of information in connection with the shelf registration statement. We have agreed that we will use all commercially reasonable efforts to cause any such shelf registration statement to be declared effective as promptly as possible by the Commission. For purposes of the foregoing, "transfer restricted securities" means each old preferred stock until (i) the date on which such old preferred stock has been exchanged by a person other than a broker-dealer for a new preferred stock in the exchange offer, (ii) following the exchange by a broker-dealer in the exchange offer of an old preferred stock for a new preferred stock, the date on which such new preferred stock is sold to a purchaser who receives from such broker-dealer on or prior to the date of such sale a copy of the prospectus contained in the Exchange Offer Registration Statement, (iii) the date on which such old preferred stock has been effectively registered under the Securities Act and disposed of in accordance with the shelf registration statement or (iv) the date on which such old preferred stock is distributed to the public pursuant to Rule 144 under the Act.

The Registration Rights Agreement provides that (i) we will file an Exchange Offer Registration Statement with the Commission on or prior to 60 days after the closing date, (ii) we will use all commercially reasonable efforts to have the Exchange Offer Registration Statement declared effective by the Commission on or prior to 150 days after the closing date, (iii) unless the exchange offer would not be permitted by applicable law or

Commission policy, we will commence the exchange offer and use our best efforts to issue on or prior to 30 business days after the date on which the Exchange Offer Registration Statement was declared effective by the Commission, new preferred stock in exchange for all old preferred stock tendered prior thereto in the exchange offer and (iv) if obligated to file the shelf registration statement, we will use our best efforts to file the shelf registration statement with the Commission on or prior to 45 days after such filing obligation arises and to cause the shelf registration to be declared effective by the Commission on or prior to 90 days after such obligation arises. If (a) we fail to file any of the registration statements required by the Registration Rights Agreement on or before the date specified for such filing, (b) any of such Registration Statements is not declared effective by the Commission on or prior to the date specified for such effectiveness (the "Effectiveness Target Date"), or (c) we fail to consummate the exchange offer within 30 business days of the Effectiveness Target Date with respect to the exchange offer registration statement, or (d) the shelf registration statement or the Exchange Offer Registration Statement is declared effective but thereafter ceases to be effective or usable in connection with resales of transfer restricted securities during the periods specified in the Registration Rights Agreement (each such event referred to in clauses (a) through (d) above a "Registration Default"), then we will pay liquidated damages to each Holder of exchangeable preferred stock, with respect to the first 90-day period immediately following the occurrence of the first Registration Default in an amount equal to $.05 per week per $1,000 of the liquidation preference of the exchangeable preferred stock held by such Holder. The amount of the liquidated damages will increase by an additional $.05 per week per $1,000 of the liquidation preference of the exchangeable preferred stock with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum amount of liquidated damages for all Registration Defaults of $.50 per week per $1,000 of the liquidation preference of the exchangeable preferred stock. We will pay all accrued liquidated damages on each interest payment date to the Holders of record on the immediately preceding record date by wire transfer of immediately available funds, in the case of the Holder of global preferred stock, and to Holders of certificated securities by wire transfer to the accounts specified by them or by mailing checks to their registered addresses if no such accounts have been specified. Following the cure of all Registration Defaults, the accrual of liquidated damages will cease.

DESCRIPTION OF CAPITAL STOCK

The following summary does not purport to be complete and is subject to the detailed provisions of, and qualified in its entirety by reference to, the Certificate of Incorporation, the Certificate of Designations, the By-laws, the Governance Agreement, the CTSH Shareholders Agreement and the Stockholders' Agreement, and to the applicable provisions of the Delaware General Corporation Law (the "DGCL").

General

The authorized capital stock of the Company consists of 600,000,000 shares of Common Stock, par value $.01 per share (the "Common Stock"), 90,000,000 shares of Class A Common Stock, par value $.01 per share (the "Class A Common Stock"), and 10,000,000 shares of Preferred Stock, par value $.01 per share. There are 94,905,902 shares of Common Stock outstanding, 11,340,000 shares of Class A Common Stock outstanding and 201,063 shares of 12 3/4% Senior Exchangeable Preferred Stock due 2010.

Common Stock

Voting Rights

Each share of Common Stock is entitled to one vote. The Common Stock votes together as a single class on all matters presented for a vote of the stockholders, except as provided under the DGCL. All the outstanding shares of Common Stock are held by directors, executive officers, other employees and affiliates of the Company or its subsidiaries.

Dividends

Each share of Common Stock is entitled to receive dividends if, as and when declared by the Board of Directors out of funds legally available therefor, subject to approval of certain holders of the Senior Convertible Preferred Stock.

Liquidation Rights

In the event of the dissolution of the Company, after satisfaction of amounts payable to creditors and distribution to the holders of outstanding Senior Convertible Preferred Stock, if any, of amounts to which they may be preferentially entitled, holders of Common Stock are entitled to share ratably in the assets available for distribution to the stockholders.

Other Provisions

There are no preemptive rights to subscribe for any additional securities which the Company may issue, and there are no redemption provisions or sinking fund provisions applicable to the Common Stock. All outstanding shares of Common Stock are legally issued, fully paid and nonassessable.

Class A Common Stock

Voting Rights

Each share of Class A Common Stock is entitled to one vote for each such share on all matters presented to the stockholders, except with respect to the election of directors. The holders of the shares of Class A Common Stock vote, except as provided under the DGCL, together with the holders of the Common Stock and any other class or series of stock of the Company accorded such general voting rights, as a single class.

So long as TdF is Qualified, holders of shares of Class A Common Stock voting as a separate class have the right to elect two directors to the Board of Directors of the Company; provided, however, that if TdF is not Qualified, so long as the ownership interest of the TdF Group is at least 5%, holders of Class A Common Stock voting as a separate class have the right to elect one director.

The holders of Class A Common Stock, subject to certain limitations described in "The Roll-Up--Governance Agreement--Governance Limitations", have a Veto over certain significant actions, described in "Governance--Veto Rights", taken by the Company.

Convertibility

Each share of Class A Common Stock is convertible, at the option of its record holder, into one share of Common Stock at any time.

In the event of any transfer of any share of Class A Common Stock to any Person other than an Affiliate (as defined in Rule 12b-2 of the Exchange Act), such share of Class A Common Stock automatically converts, without any further action, into one share of Common Stock; provided, however, and subject to certain conditions described in the Certificate of Incorporation, that a holder of shares of Class A Common Stock may pledge such holder's shares to a financial institution pursuant to a bona fide pledge of such shares of Class A Common Stock as collateral security for any indebtedness or other obligation of any Person due to the pledgee or its nominee.

Further, each share of Class A Common Stock automatically converts into one share of Common Stock on the first date on which the ownership interest of TdF Group is less than 5%.

Other Provisions

Pursuant to the Governance Agreement, so long as it remains Qualified, TdF has anti-dilutive rights in connection with maintaining a certain percentage of voting power in the Company and, accordingly, the Company may not, subject to certain exceptions relating primarily to compensation of directors and employees, issue, sell or transfer additional securities (except for the IPO) unless TdF is offered the right to purchase, at the same price, an amount such that it would maintain such percentage of voting power in the Company. All outstanding shares of Class A Common Stock are legally issued, fully paid and nonassessable.

Preferred Stock

Pursuant to the Certificate of Incorporation, the Company may issue up to 10,000,000 shares of Preferred Stock in one or more series. The Board of Directors has the authority, without any vote or action by the stockholders (other than any rights of TdF under the Governance Agreement), to create one or more series of Preferred Stock up to the limited of the Company's authorized but unissued shares of Preferred Stock and to fix the designations, preferences, rights, qualifications, limitations and restrictions thereof, including the voting rights, dividend rights, dividend rate, conversion rights, terms of redemption (including sinking fund provisions), redemption price or prices, liquidation preferences and the number of shares constituting any series. See "Risk Factors--Anti-Takeover Provisions".

Senior Preferred Warrants

In connection with the offering of the Senior Convertible Preferred Stock in August 1997 and October 1997, the Company issued warrants to purchase an aggregate of 1,314,990 shares of Common Stock at a price of $7.50 per share.

Certificate of Incorporation and By-laws

Stockholders' rights and related matters are governed by the DGCL, the Certificate of Incorporation and the By-laws. Certain provisions of the Certificate of Incorporation and By-laws, which are summarized below, may have the effect, either alone or in combination with each other, of discouraging or making more difficult a tender offer or takeover attempt that is opposed by the Company's Board of Directors but that a stockholder might consider to be in its best interest. Such provisions may also adversely affect prevailing market prices for the Common Stock. The Company believes that such provisions are necessary to enable the Company to develop its

business in a manner that will foster its long-term growth without disruption caused by the threat of a takeover not deemed by the Board of Directors to be in the best interests of the Company and its stockholders.

Classified Board of Directors and Related Provisions

The Certificate of Incorporation provides that the directors of the Company, other than those directors who may be elected by holders of any series of Preferred Stock or holders of the Class A Common Stock, initially are to be divided into three classes of directors, initially consisting of three, three and four directors. One class of directors, initially consisting of three directors, will be elected for a term expiring at the annual meeting of shareholders to be held in 1999, another class initially consisting of three directors will be elected for a term expiring at the annual meeting of stockholders to be held in 2000, and another class initially consisting of four directors shall be initially elected for a term expiring at the annual meeting of stockholders in 2001. The classified board provisions will prevent a party who acquires control of a majority of the outstanding Voting Stock of the Company from obtaining control of the Board of Directors until the second annual stockholders meeting following the date such party obtains the controlling interest. The provisions of the Certificate of Incorporation relating to the classified nature of the Company's Board of Directors may not be amended without the affirmative vote of the holders of at least 80% of the voting power of the Company's outstanding Voting Stock. "Voting Stock" is defined in the Certificate of Incorporation as the outstanding shares of capital stock of the Company entitled to vote in a general vote of stockholders of the Corporation as a single class with shares of Common Stock of the Company, which shares of capital stock include the shares of Class A Common Stock.

No Stockholder Action by Written Consent; Special Meeting

The Certificate of Incorporation prohibits stockholders (other than holders of Class A Common Stock with respect to matters upon which such holders are entitled to vote as a separate class) from taking action by written consent in lieu of an annual or special meeting and, thus, stockholders may only take action at an annual or special meeting called in accordance with the By-laws. The By-laws provide that special meetings of stockholders may only be called by the Secretary of the Company at the direction of the Board of Directors pursuant to a resolution adopted by the Board.

These provisions could have the effect of delaying consideration of a stockholder proposal until the next annual meeting. The provisions would also prevent the holders of a majority of the voting power of the capital stock of the Company entitled to vote from unilaterally using the written consent procedure to take stockholder action.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

The By-laws establish advance notice procedures with regard to stockholder proposals and the nomination, other than by or at the direction of the Board of Directors, of candidates for election as directors. These procedures provide that the notice of stockholder proposals and stockholder nominations for the election of directors at an annual meeting must be in writing and received by the Secretary no less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that with respect to the annual meeting to be held in 1999, the anniversary date shall be deemed to be April 1, 1999; provided further that in the event that the date of the annual meeting is advanced by more than 30 days, or delayed by more than 90 days, from such anniversary date, notice by the stockholder to be timely must be delivered not earlier than the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public disclosure of the date of the annual meeting was made. The notice of nominations for the election of directors must set forth certain information with respect to the stockholder giving the notice and with respect to each nominee.

By requiring advance notice of nominations by stockholders, the foregoing procedures will afford the Board of Directors an opportunity to consider the qualifications of the proposed nominees and, to the extent deemed

necessary or desirable by the Board of Directors, to inform stockholders about such qualifications. By requiring advance notice of other proposed business, such procedures will provide the Board of Directors with an opportunity to inform stockholders, prior to such meetings, of any business proposed to be conducted at such meetings, together with any recommendations as to the Board of Directors' position regarding action to be taken with respect to such business, so that stockholders can better decide whether to attend such a meeting or to grant a proxy regarding the disposition of any such business.

Dilution

The Certificate of Incorporation provides that the Board of Directors is authorized to create and issue, whether or not in connection with the issuance and sale of any of its stock or other securities or property, rights entitling the holders to purchase from the Company shares of stock or other securities of the Company or any of other corporation, recognizing that, under certain circumstances, the creation and issuance of such rights could have the effect of discouraging third parties from seeking, or impairing their right to seek, to acquire a significant portion of the outstanding securities of the Company, to engage in any transaction which might result in a change of control of the corporation or to enter into any agreement, arrangement or understanding with another party to accomplish the foregoing or for the purpose of acquiring, holding, voting or disposing of any securities of the Company.

Indemnification

The Certificate of Incorporation and By-laws provide that the Company shall indemnify each director or officer of the Company to the fullest extent permitted by law.

Amendments

The Certificate of Incorporation and By-laws provide that the Company may at any time and from time to time, amend, alter, change or repeal any provision contained in the Certificate of Incorporation or a Preferred Stock designation; provided, however, the affirmative vote of the holders of at least 80% of the voting power of the then outstanding Voting Stock, voting together as a single class, is required to amend, repeal or adopt any provision inconsistent with certain provisions of the Certificate of Incorporation, including the provisions referred to above relating to the classification of the Board of Directors, prohibiting stockholder action by written consent, and prohibiting the calling of special meetings by stockholders.

The By-laws may be amended by either the holders of 80% of the voting power of the Voting Stock or by the majority of the Board; provided that the Board may alter, amend or repeal or adopt new By-laws in conflict with certain provisions thereof by a two-thirds vote of the entire Board.

Rights Plan

Rights

The Board of Directors of the Company has declared a dividend of one right (the "Rights") for each outstanding share of Common Stock and each outstanding share of Class A Common Stock. The Rights will be issued to the holders of record of Common Stock and Class A Common Stock outstanding on the date of the consummation of the IPO (the "Issuance Date"), and with respect to Common Stock and Class A Common Stock issued thereafter until the Distribution Date (as defined below), and, in certain circumstances, with respect to Common Stock and Class A Common Stock issued after the Distribution Date. Each Right, when it becomes exercisable as described below, will entitle the registered holder to purchase from the Company one one-thousandth (1/1000th) of a share of Series A Participating Cumulative Preferred Stock (the "Preferred Shares") at a price of $110.00 per (1/1000th) of a share, subject to adjustment in certain circumstances (the "Purchase Price"). The description and terms of the Rights are set forth in a Rights Agreement (the "Rights Agreement") between the Company and the Rights Agent named therein. The Rights will not be exercisable until the Distribution Date and will expire on the tenth annual anniversary of the Rights Agreement (the "Expiration

Date"), unless earlier redeemed by the Company. Until a Right is exercised, the holder thereof, as such, will have no rights as a stockholder of the Company, including, without limitation, the right to vote or to receive dividends with respect to the Rights or the Preferred Shares relating thereto.

Distribution Date

Under the Rights Agreement, the Distribution Date is the earlier of (i) such time as the Company learns that a person or group (including any affiliate or associate of such person or group) has acquired, or has obtained the right to acquire, beneficial ownership of more than 15% of the outstanding voting securities of the Company (such person or group being an "Acquiring Person"), subject to the exceptions relating to the TDF Group and the Berkshire Group described in the paragraph below, unless provisions preventing accidental triggering of the distribution of the Rights apply, and (ii) the close of business on such date, if any, as may be designated by the Board of Directors following the commencement of, or first public disclosure of an intent to commence, a tender or exchange offer for more than 15% or more of the outstanding shares of Voting Securities.

Each member of the TdF Group will not otherwise be considered an Acquiring Person if (a) during the first five years following the adoption of the Rights Agreement, the aggregate ownership interest of the TdF Group does not exceed 25% (or 30% if the Board so elects) of the outstanding Voting Securities or (b) thereafter, the aggregate ownership interest of the TdF Group does not exceed the lesser of (i) 25% or 30%, as applicable, of the Voting Securities then outstanding and (ii) the greater of (x) the aggregate interest of the TdF Group as of the fifth anniversary of the Rights Agreement and (y) 15% of the then outstanding Voting Securities. Each member of the Berkshire Group will not otherwise be deemed an Acquiring Person if the aggregate ownership interest of the Berkshire Group does not exceed the greater of (a) the aggregate ownership interest of the Berkshire Group upon the execution of the Rights Agreement, reduced by an amount equal to any disposition of Voting Securities following the date the Rights Agreement is executed and (b) 15% of the outstanding Voting Securities.

Triggering Event and Effect of Triggering Event

At such time as there is an Acquiring Person, the Rights will entitle each holder (other than such Acquiring Person) of a Right to purchase, at the Purchase Price, that number of one-thousandths (1/1000ths) of a Preferred Share equivalent to the number of shares of Common Stock that at the time of such event would have a market value of twice the Purchase Price.

In the event the Company is acquired in a merger or other business combination by an Acquiring Person or an affiliate or associate of an Acquiring Person that is a publicly traded corporation or 50% or more of the Company's assets or assets representing 50% or more of the Company's revenues or cash flow are sold, leased, exchanged or otherwise transferred (in one or more transactions) to an Acquiring Person or an affiliate or associate of an Acquiring Person that is a publicly traded corporation, each Right will entitle its holder (other than Rights beneficially owned by such Acquiring Person or its affiliates or associates) to purchase, for the Purchase Price, that number of common shares of such corporation which at the time of the transaction would have a market value or, in certain circumstances, book value of twice the Purchase Price. In the event the Company is acquired in a merger or other business combination by an Acquiring Person or an affiliate or associate of an Acquiring Person that is not a publicly traded entity or 50% or more of the Company's assets or assets representing 50% or more of the Company's revenues or cash flow are sold, leased, exchanged or otherwise transferred (in one or more transactions) to an Acquiring Person or affiliate or associate of an Acquiring Person that is not a publicly traded entity, each right will entitle its holder (subject to the next paragraph) to purchase, for the Purchase Price, at such holder's option, (i) that number of shares of the surviving corporation in the transaction with such entity (which surviving corporation could be the Company) which at the time of the transaction would have a book value of twice the Purchase Price, (ii) that number of shares of the ultimate parent of or entity controlling such surviving corporation which at the time of the transaction would have a book value of twice the Purchase Price or (iii) if such entity has an affiliate which has publicly traded

common shares, that number of common shares of such affiliate which at the time of the transaction would have market value of twice the Purchase Price.

Any Rights that are at any time beneficially owned by an Acquiring Person (or any affiliate or associate of an Acquiring Person) will be null and void and nontransferable and any holder of any such right (including any purported transferee or subsequent holder) will be unable to exercise or transfer any such Right.

Redemption

At any time prior to the earlier of (i) such time as a person or group becomes an Acquiring Person and (ii) the Expiration Date, the Board of Directors may redeem the Rights in whole, but not in part, at a price (in cash or Common Stock or other securities of the Company deemed by the Board of Directors to be at least equivalent in value) of $.01 per Right (which amount shall be subject to adjustment as provided in the Rights Agreement) (the "Redemption Price"). Immediately upon the action of the Board of Directors ordering the redemption of the Rights, and without any further action and without any notice, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

In addition, at any time after there is an Acquiring Person, the Board of Directors may elect to exchange each Right for consideration per Right consisting of one-half of the securities that would be issuable at such time upon exercise of one Right pursuant to the terms of the Rights Agreement.

Amendment

At any time prior to the Distribution Date, the Company may, without the approval of any holder of any Rights, supplement or amend any provision of the Rights Agreement (including, without limitation, the date on which the Expiration Date or Distribution Date shall occur, the definition of Acquiring Person, the time during which the Rights may be redeemed or the terms of the Preferred Shares), except that no supplement or amendment shall be made which reduces the Redemption Price (other than pursuant to certain adjustments therein).

Certain Effects of the Rights Plan

The Rights plan is designed to protect stockholders of the Company in the event of unsolicited offers to acquire the Company and other coercive takeover tactics which, in the opinion of the Board of Directors, could impair its ability to represent stockholder interests. The provisions of the Rights Plan may render an unsolicited takeover of the Company more difficult or less likely to occur or might prevent such a takeover, even though such takeover may offer the Company's stockholders the opportunity to sell their stock at a price above the prevailing market rate and may be favored by a majority of the stockholders of the Company.

Section 203 of the Delaware General Corporation Law

Section 203 of the DGCL prohibits certain transactions between a Delaware corporation and an "interested stockholder", which is defined as a person who, together with any affiliates and/or associates of such person, beneficially owns, directly or indirectly, 15% or more of the outstanding voting shares of a Delaware corporation. This provision prohibits certain business combinations (defined broadly to include mergers, consolidations, sales or other dispositions of assets having an aggregate value of 10% or more of the consolidated assets of the corporation, and certain transactions that would increase the interested stockholder's proportionate share ownership in the corporation) between an interested stockholder and a corporation for a period of three years after the date the interested stockholder acquired its stock, unless: (i) the business combination is approved by the corporation's Board of Directors prior to the date the interested stockholder acquired shares; (ii) the interested stockholder acquired at least 85% of the voting stock of the corporation in the transaction in which it became an interested stockholder; or (iii) the business combination is approved by a majority of the Board of Directors and by the affirmative vote of two-thirds of the outstanding voting stock owned by disinterested stockholders at an annual or special meeting. A Delaware corporation, pursuant to a provision in its certificate of incorporation or

by-laws, may elect not to be governed by Section 203 of the DGCL. The Certificate of Incorporation does not exclude the Company from the restrictions imposed by Section 203 of the DGCL and, as a result, the Company will be subject to its provisions upon consummation of the IPO.

Under certain circumstances, Section 203 of the DGCL makes it more difficult for a person who could be an "interested stockholder" to effect various business combinations with a corporation for a three-year period, although the stockholders may elect to exclude a corporation from the restrictions imposed thereunder. The Certificate of Incorporation of the Company does not exclude the Company from the restrictions imposed under Section 203 of the DGCL. It is anticipated that the provisions of Section 203 of the DGCL may encourage companies interested in acquiring the Company to negotiate in advance with the Board of Directors, since the stockholder approval requirement would be avoided if a majority of the directors then in office approves, prior to the date on which a stockholder becomes an interested stockholder, either the business combination or the transaction which results in the stockholder becoming an interested stockholder.

Limitations of Directors' Liability

The Certificate of Incorporation provides that no director of the Company will be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director except for liability: (1) for any breach of the director's duty of loyalty to the Company or its stockholders, (2) for acts of omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit. The effect of these provisions will be to eliminate the rights of the Company and its stockholders (through stockholders' derivatives suits on behalf of the Company) to recover monetary damages against a director for breach of fiduciary duty as a director (including breaches resulting from grossly negligent behavior), except in the situations described above. These provisions will not limit the liability of directors under federal securities laws and will not affect the availability of equitable remedies such as an injunction or rescission based upon a director's breach of his duty of care.

Transfer Agent

The Transfer Agent and Registrar for the Common Stock is ChaseMellon Shareholder Services, L.L.C.

Senior Credit Facility

Pursuant to the Amended and Restated Loan Agreement dated as of July 10, 1998, two wholly owned subsidiaries of CCIC, CCI and Crown Castle International Corp. de Puerto Rico ("CCIC(PR)") (collectively, the "Borrowers"), have entered into the Senior Credit Facility with a group of banks and other financial institutions led by Key Corporate Capital Inc. ("KeyCorp") and PNC Bank, National Association, as arrangers and agents. The following summary of certain provisions of the Senior Credit Facility does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Senior Credit Facility.

The Senior Credit Facility provides for revolving credit loans in an aggregate principal amount not to exceed $100.0 million, for working capital needs, acquisitions and general corporate purposes. The Senior Credit Facility includes a $5.0 million sublimit available for the issuance of letters of credit. As of March 1, 1999, CCI and its subsidiaries had unused borrowing availability under the Senior Credit Facility of $54.0 million.

The loan commitment under the Senior Credit Facility reduces by $5.0 million commencing March 31, 2001 and by $5.0 million each calendar quarter thereafter until December 31, 2004, when the Senior Credit Facility matures. In addition, the Senior Credit Facility provides for mandatory reduction of the loan commitment and mandatory prepayment with the (i) net proceeds of certain asset sales, (ii) net proceeds of certain required capital contributions to CCI by CCIC relating to the proceeds from the sale of equity, convertible or debt securities, subject to certain exceptions, (iii) net proceeds of any unused insurance proceeds and (iv) a percentage of the excess cash flow of the Borrowers, commencing with the calendar year ending December 31, 2000.

The Borrowers' obligations under the Senior Credit Facility are guaranteed by each direct and indirect majority owned subsidiary of CCI and are also secured by (i) a pledge by the Borrowers of all of the outstanding capital stock of each of their respective direct subsidiaries and (ii) a perfected first priority security interest in substantially all of the personal property of the Borrowers and their subsidiaries. In addition, the Senior Credit Facility is guaranteed on a limited recourse basis by CCIC, limited in recourse to the collateral pledged by CCIC (the capital stock of CCI). The capital stock of CTSH will not be pledged to secure the Senior Credit Facility.

The loans under the Senior Credit Facility will bear interest, at the Borrowers' option, at either (A) a "base rate" equal to KeyCorp's prime lending rate plus an applicable spread ranging from 0% to 1.5% (determined based on a leverage ratio) or (B) a "LIBOR rate" plus an applicable spread ranging from 1.0% to 3.25% (determined based on a leverage ratio). Following the occurrence and during the continuance of an event of default under the Senior Credit Facility, the loans will bear interest at the "base rate" plus 3.5%.

The Senior Credit Facility contains a number of covenants that, among other things, restrict the ability of the Borrowers and their respective subsidiaries to dispose of assets, incur additional indebtedness, incur guaranty obligations, repay subordinated indebtedness except in accordance with the subordination provisions, pay dividends or make capital distributions, create liens on assets, enter into leases, make investments, make acquisitions, engage in mergers or consolidations, make capital expenditures, engage in certain transactions with subsidiaries and affiliates and otherwise restrict corporate activities. In addition, the Senior Credit Facility will require compliance with certain financial covenants, including requiring the Borrowers and their respective subsidiaries to maintain a maximum ratio of indebtedness to operating cash flow, a minimum ratio of operating cash flow to fixed charges, a minimum ratio of operating cash flow to projected debt service and a minimum ratio of operating cash flow to interest expense. CCIC does not expect that such covenants will materially impact the ability of the Borrowers and their respective subsidiaries to operate their respective businesses.

Pursuant to the terms of the Senior Credit Facility, CCI is entitled to pay dividends or make distributions to CCIC in order to permit CCIC to pay its out-of-pocket costs for corporate development and overhead and to pay cash interest on certain indebtedness of CCIC (including the Notes); provided that the amount of such dividends or distributions does not exceed (i) $6.0 million in any year ending on or prior to October 31, 2002 or (ii) $33.0

million in any year thereafter. The Senior Credit Facility also allows CCI to pay dividends or distribute cash to CCIC to the extent required to pay taxes allocable to the Borrowers and their respective subsidiaries. All of the above-mentioned dividends or distributions, however, including dividends or distributions that are intended to pay interest on the Notes, may not be made by CCI so long as any default or event of default exists under the Senior Credit Facility.

The Senior Credit Facility contains customary events of default, including the failure to pay principal when due or any interest or other amount that becomes due within two days after the due date thereof, any representation or warranty being made by the Borrowers that is incorrect in any material respect on or as of the date made, a default in the performance of any negative covenants or a default in the performance of certain other covenants or agreements for a period of thirty days, default in certain other indebtedness, certain insolvency events and certain change of control events. In addition, a default under the Notes Indenture will result in a default under the Senior Credit Facility.

CTI Credit Facility

Pursuant to the Loan Amendment Agreement dated May 21, 1997 (the "CTI Credit Facility"), among CTI, as borrower, CTSH, as guarantor, Credit Suisse First Boston, as arranger and agent ("CSFB"), and J.P. Morgan Securities Ltd., as co-arranger ("JPM"), CTI's (Pounds)162.5 million term and revolving loan facilities (the "Old Facilities") were amended to a (Pounds)64.0 million revolving loan facility. The following summary of certain provisions of the CTI Credit Facility does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the CTI Credit Facility.

The CTI Credit Facility provides for revolving credit loans in an aggregate principal amount not to exceed (Pounds)64.0 million to finance capital expenditures in respect of digital terrestrial television with up to (Pounds)46.5 million of such amount available for working capital needs and for general corporate purposes. As of March 1, 1999, CTI and its subsidiaries had unused borrowing availability under the CTI Credit Facility of approximately (Pounds)24.0 million ($39.9 million).

The loan commitment under the CTI Credit Facility will be automatically reduced to zero in three equal semi-annual installments commencing on May 31, 2001 and ending on May 31, 2002, when the CTI Credit Facility matures. In addition, the CTI Credit Facility provides for mandatory cancellation of all or part of the loan commitment and mandatory prepayment (i) with an amount equal to the net proceeds of certain asset sales and (ii) upon the consummation of an initial public offering or the listing on any stock exchange of the shares of CTI, CTSH or CCIC.

CTI's and CTSH's obligations under the CTI Credit Facility are secured by fixed and floating charges over all of their respective assets. The loans under the CTI Credit Facility will bear interest at a "LIBOR rate" plus 0.85% and a spread related to the lenders' cost of making the CTI Credit Facility available to CTI.

The CTI Credit Facility contains a number of covenants that, among other things, restrict the ability of CTI to dispose of assets, incur additional indebtedness, incur guaranty obligations, repay subordinated indebtedness except in accordance with the subordination provisions, pay dividends or make capital distributions, create liens on assets, make investments, make acquisitions, engage in certain transactions with subsidiaries and affiliates and otherwise restrict corporate activities. In addition, the CTI Credit Facility will require compliance with certain financial covenants, including requiring CTI to maintain a maximum ratio of indebtedness to EBITDA, a minimum ratio of EBITDA to interest expense, and a minimum tangible net worth. CCIC does not expect that such covenants will materially impact the ability of CTI to operate its business.

The CTI Credit Facility contains customary events of default, including the failure to pay principal or any interest or any other amount that becomes due within three business days after the due date thereof, any representation or warranty being made by CTI that is untrue or misleading on the date made, a default in the performance of any of its covenants under the CTI Credit Facility (unless, if such default is capable of remedy,

such default is cured within 14 days of CTI becoming aware of such default), default in certain other indebtedness, certain insolvency events and certain change of control events.

On July 17, 1998, the lenders (acting through Credit Suisse First Boston, as agent) under the CTI Credit Facility waived a provision in the CTI Credit Facility that would have required the repayment of the CTI Credit Facility concurrently with the listing of the Company's Common Stock.

The 10 5/8% Notes

On November 20, 1997, the Company privately placed $251.0 million principal amount at maturity ($150,010,150 initial accreted value) of its 10 5/8% Senior Discount 10 5/8% Notes due 2007 (the "10 5/8% Notes"). The following is a summary of certain terms of the 10 5/8% Notes and is qualified in its entirety by reference to the indenture governing the 10 5/8% Notes (the "10 5/8% Notes Indenture") relating to the 10 5/8% Notes. A copy of the 10 5/8% Notes Indenture has been filed with the Registration Statement of which this Prospectus forms a part.

The 10 5/8% Notes are unsecured senior obligations of the Company, and will rank pari passu in right of payment with all existing and future senior indebtedness of the Company and will be senior to future subordinated indebtedness of the Company. The 10 5/8% Notes mature on November 15, 2007. The 10 5/8% Notes will accrete in value until November 15, 2002. Thereafter, cash interest will accrue on the 10 5/8% Notes at the rate of 10.625% per annum and will be payable semi-annually, commencing on May 15, 2003.

Except as stated below, the 10 5/8% Notes are not redeemable prior to November 15, 2002. Thereafter, the 10 5/8% Notes are redeemable at the option of the Company, in whole or in part, at any time or from time to time, at a premium which is at a fixed percentage that declines to par on or after November 15, 2005, in each case together with accrued and unpaid interest, if any, to the date of redemption. In the event the Company consummates a public equity offering or certain strategic equity investments prior to November 15, 2000, the Company may, at its option, use all or a portion of the proceeds from such offering to redeem up to 35% of the original aggregate principal amount at maturity of the 10 5/8% Notes at a redemption price equal to 110.625% of the accreted value of the 10 5/8% Notes to be redeemed, plus accrued and unpaid interest, if any, thereon to the redemption date, provided at least 65% of the original aggregate principal amount at maturity of the 10 5/8% Notes remains outstanding after each such redemption.

Upon the occurrence of a Change of Control (as defined in the 10 5/8% Notes Indenture), each holder of 10 5/8% Notes has the right to require the Company to purchase all or a portion of such holder's 10 5/8% Notes at a price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest to the date of purchase.

The 10 5/8% Notes Indenture contains certain covenants, including covenants that limit (i) indebtedness, (ii) restricted payments, (iii) distributions from restricted subsidiaries, (iv) transactions with affiliates, (v) sales of assets and subsidiary stock (including sale and leaseback transactions), (vi) dividend and other payment restrictions affecting restricted subsidiaries, and (vii) mergers or consolidations.

The CTI Bonds

On May 21, 1997, a subsidiary of CTSH issued (Pounds)125.0 million aggregate principal amount of its 9% Guaranteed Bonds due 2007 (the "CTI Bonds"). The CTI Bonds are listed on the Luxembourg Stock Exchange. The following is a summary of certain terms of the Bonds and is qualified in its entirety by reference to the trust deed dated May 21, 1997 (the "Trust Deed") relating to the Bonds. A copy of the Trust Deed has been filed with the Registration Statement of which this Prospectus forms a part.

The Bonds constitute direct, general and unconditional guaranteed obligations of the subsidiary of CTSH and rank pari passu with all other present and future unsecured and unsubordinated obligations of such subsidiary. The CTI Bonds are guaranteed jointly and severally by CTI and CTSH. The CTI Bonds will mature on March 30, 2007. Interest on the Bonds is payable annually in arrears on March 30 in each year, the first payment having been made on March 30, 1998.

The CTI Bonds may be redeemed at the option of the Company in whole or in part, at any time or from time to time, at the greater of their principal and such price as will provide a gross redemption yield 0.5% per annum above the gross redemption yield of the benchmark gilt plus, in either case, accrued and unpaid interest.

Upon the occurrence of a Put Event (as defined in the Trust Deed), each holder of CTI Bonds has the right to require such subsidiary to purchase all or a portion of such holder's CTI Bonds at a price equal to 101% of the aggregate principal amount thereof, together with accrued and unpaid interest to the date of purchase.

The Trust Deed contains certain covenants, including covenants that limit (i) indebtedness, (ii) restricted payments, (iii) distributions from restricted subsidiaries, (iv) transactions with affiliates, (v) sales of assets and subsidiary stock, (vi) dividend and other payment restrictions affecting restricted subsidiaries, and (vii) mergers or consolidations.

Proposed BAM JV Credit Facility

Key Corporate Capital Inc. ("KeyCorp") has committed, subject to formation of the joint venture and certain other conditions, to provide the Proposed BAM JV with a revolving credit facility not to exceed $250.0 million. The following summary of certain provisions of the proposed loan facility (the "Proposed BAM JV Credit Facility") does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Proposed BAM JV Credit Facility.

The Proposed BAM JV Credit Facility provides for revolving credit loans in an aggregate principal amount not to exceed $250.0 million, $180.0 million of which is expected to be drawn in connection with the formation of the Proposed BAM JV, and the balance of which will be used for acquisition and construction of tower facilities, capital expenditures, working capital needs and general corporate purposes. The borrowing base until September 30, 2001, is based on a multiple of test operating cash flow. On September 30, 2001 (the "Conversion Date"), the borrowing base test will be eliminated and the amount of the facility will be decreased to the borrowing base as of that date. The Proposed BAM JV Credit Facility includes a $25.0 million sublimit available for the issuance of letters of credit.

The amount of the facility after the Conversion Date will be reduced on a quarterly basis until March 31, 2006, when the Proposed BAM JV Credit Facility matures. The annual percentage reduction in this loan commitment is 3.0% in 2001 (two quarters), 7.5% in 2002, 22.5% in 2003, 26.0% in 2004, 32.0% in 2005 and 9.0% in 2006 (one quarter). In addition, the Proposed BAM JV Credit Facility provides for mandatory reduction of the loan commitment and mandatory prepayment with the (1) net proceeds of certain asset sales, (2) 50% of capital contributions to Holdco subject to certain significant exceptions including capital expenditures pursuant to the Build-to-Suit Agreement, (3) net proceeds of any unused insurance proceeds and (4) a percentage of the excess cash flow of the Proposed BAM JV, commencing with the calendar year ending December 31, 2001.

The Proposed BAM JV's obligations under the Proposed BAM JV Credit Facility are secured by (1) a pledge of the membership interest in the Proposed BAM JV and (2) a perfected first priority security interest in the Proposed BAM JV's interest in tenant leases including the Global Lease. The Proposed BAM JV Credit Facility contractually permits the Proposed BAM JV to pay maintenance, operating, ground lease and other expenses and costs relating to the tower facilities out of the tower rentals whether or not an event of default has occurred.

The loans under the Proposed BAM JV Credit Facility will bear interest, at the Proposed BAM JV's option, at either (A) a "base rate" equal to KeyCorp's prime lending rate plus an applicable spread ranging from 0% to 1.25% (determined based on a leverage ratio) or (B) a "LIBOR rate" plus an applicable spread ranging from 1.0% to 2.875% (determined based on a leverage ratio). The Proposed BAM JV must hedge approximately 50% of its variable interest rate obligations for a period of two years. Following the occurrence of and during the continuance of an event of default under the Proposed BAM JV Credit Facility, the loans will bear interest at the "base rate" plus 4.875%.

The Proposed BAM JV Credit Facility will contain a number of covenants that, among other things, restrict the ability of the Proposed BAM JV to dispose of assets, incur additional indebtedness, incur guaranty obligations, repay subordinated indebtedness except in accordance with the subordination provisions, pay dividends or make capital distributions, create liens on assets, enter into leases, make investments, make acquisitions, engage in mergers or consolidations, make capital expenditures, engage in certain transactions with subsidiaries and affiliates and otherwise restrict company activities. In addition, the Proposed BAM JV Credit Facility will require compliance with certain financial covenants, including requiring the Proposed BAM JV to maintain a minimum ratio of operating cash flow to indebtedness, a minimum ratio of operating cash flow to fixed charges, a minimum ratio of operating cash flow to projected debt service and a minimum ratio of operating cash flow to interest expense. The Proposed BAM JV does not expect that such covenants will materially impact its ability to operate its business.

The Proposed BAM JV Credit Facility contains customary events of default, including the failure to pay principal when due or any interest or other amount that becomes due within two days after the due date thereof, any representation or warranty being made by the Proposed BAM JV that is incorrect in any material respect on or as of the date made, a default in the performance of any negative covenants or a default in the performance of certain other covenants or agreements (including the Formation Agreement) for a period of days, default in certain other indebtedness, certain insolvency events and certain change of control events. During the first two years of the Proposed BAM JV Credit Facility, capital contributions can cure an operating cash flow default and certain other covenant and agreement defaults.

CCIC Term Loan Facility

Pursuant to a Term Loan Agreement dated as of March 15, 1999, the Company has entered into a credit facility (the "Term Loan Facility") with a group of banks and other financial institutions led by Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston. As of March 16, 1999, the Company had borrowed $100.0 million under the Term Loan Facility to fund or refinance its escrow payments made in connection with the Proposed Powertel Acquisition and the Proposed BellSouth Transaction. The following summary of the Term Loan Facility does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the provisions of the Term Loan Facility.

The Term Loan Facility provides for term loans in an aggregate principal amount not to exceed $100.0 million. The loans under the Term Loan Facility mature on November 30, 2007 and bear interest at an increasing rate based on LIBOR as set forth in the Term Loan Agreement, but in no event shall the interest on such loans exceed 16%. At any time the Company may, at its option, prepay the term loans without penalty or premium. Subject to limited exceptions, the Term Loan Facility requires the Company to prepay the loans without penalty or premium with the proceeds of (1) any offering of debt or equity securities, (2) the incurrence of other debt (other than debt under the Senior Credit Facility), (3) asset sales for cash consideration, or with a fair market value, in excess of $1.0 million, (4) any recovery of amounts deposited in escrow in connection with the Proposed Powertel Acquisition and the Proposed BellSouth Transaction and (5) amounts reserved for the Proposed BAM JV if the Formation Agreement expires or is otherwise terminated.

The Term Loan Agreement contains covenants substantially identical to the covenants contained in the Company's 10 5/8% Notes. At any time on or after March 16, 2000, the lenders under the Term Loan Agreement may exchange their term loans for an equal aggregate principal amount of the Company's Senior Exchange Notes due 2007. These exchange notes will be issued pursuant to an indenture dated as of March 15, 1999, between the Company and United States Trust Company of New York, as trustee. These exchange notes will have the same maturity as the term loans and will bear interest at the rate in effect with respect to the term loans on the date of exchange. The covenants contained in the exchange note indenture will be substantially identical to the covenants contained in the certificate of designations governing the Company's 12 3/4% Senior Exchangeable Preferred Stock due 2011, with additional covenants restricting the incurrence of liens and sale-leaseback transactions.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following discussion is a summary of certain U.S. federal income tax consequences of the exchange offer to holders of old preferred stock, but does not purport to be a complete analysis of all potential tax effects. The summary set forth below is based upon the Internal Revenue Code of 1986, as amended (the "Code"), regulations of the Treasury Department, administrative rulings and pronouncements of the Internal Revenue Service and judicial decisions, all of which are subject to change, possibly with retroactive effect. This summary does not purport to address all the U.S. federal income tax consequences that may be applicable to particular holders, including dealers in securities, financial institutions, insurance companies and tax-exempt organizations. In addition, this summary does not consider the effect of any foreign, state, local, gift, estate or other tax laws that may be applicable to a particular holder. This summary applies only to a holder that acquired old preferred stock at original issue for cash and holds old preferred stock as a "capital asset" within the meaning of Section 1221 of the Code. Holders of old preferred stock considering the exchange offer should consult their own tax advisors concerning the U.S. federal income tax consequences in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

An exchange of old preferred stock for new preferred stock pursuant to the exchange offer will not be treated as a taxable exchange or other taxable event for U.S. federal income tax purposes. Accordingly, holders of old preferred stock who exchange their old preferred stock for new preferred stock will not recognize income, gain or loss for U.S. federal income tax purposes and any such holder will have the same adjusted tax basis and holding period in the new preferred stock as it had in the old preferred stock immediately before the exchange.

THE FOREGOING DISCUSSION OF CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS DOES NOT CONSIDER THE FACTS AND CIRCUMSTANCES OF ANY PARTICULAR HOLDER'S SITUATION OR STATUS. ACCORDINGLY, EACH HOLDER OF OLD PREFERRED STOCK SHOULD CONSULT ITS OWN TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES OF THE EXCHANGE OFFER TO IT, INCLUDING THOSE UNDER STATE, FOREIGN AND OTHER TAX LAWS.

PLAN OF DISTRIBUTION

Each broker-dealer that receives new preferred stock for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new preferred stock. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new preferred stock received in exchange for old preferred stock where such old preferred stock were acquired as a result of market-making activities or other trading activities. We have agreed that for a period of 180 days after the expiration date, we will make available a prospectus meeting the requirements of the Preferred Stock Act to any broker-dealer for use in connection with any such resale. In addition, until , all dealers effecting transactions in the new preferred stock may be required to deliver a prospectus.

We will not receive any proceeds from any sale of new preferred stock by broker-dealers. New preferred stock received by broker-dealers for their own account pursuant to the exchange offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the new preferred stock or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such new preferred stock. Any broker-dealer that resells new preferred stock that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such new preferred stock may be deemed to be an "underwriter" within the meaning of the Preferred Stock Act and any profit on any such resale of new preferred stock and any commissions or concessions received by any such persons may be deemed to be underwriting compensation under the Preferred Stock Act. The Letter of Transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Preferred Stock Act.

LEGAL MATTERS

Certain legal matters will be passed upon for the Company by Cravath, Swaine & Moore, New York, New York.

INDEPENDENT AUDITORS

The consolidated financial statements and schedule of the Company at December 31, 1997 and 1998, and for each of the three years in the period ended December 31, 1998, the financial statements of the Home Service Transmission business of the BBC at March 31, 1996 and for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 and the consolidated financial statements of CTI at March 31, 1997 and December 31, 1997 and for the period from February 28, 1997 to March 31, 1997 and the period from April 1, 1997 to December 31, 1997 have been included herein in reliance upon the report of KPMG LLP, independent certified public accountants, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 (the "Exchange Act") and in accordance therewith files reports and other information with the Commission. Such reports and other information can be inspected and copied at the public reference facilities maintained by the Commission at its offices at Room 1024, Judiciary Plaza, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the Commission's Regional Offices at Citicorp Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661, and Seven World Trade Center, 13th Floor, New York, New York 10048. Copies of such materials can be obtained by mail from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, at prescribed rates. Such reports and other information concerning the Company are also available for inspection at the offices of the Nasdaq National Market, 1735 K Street, N.W., Washington, D.C. 20006. In addition, the Commission maintains an Internet site at http://www.sec.gov that contains reports, proxy and information statements and other information regarding registrants, including the Company, that file electronically with the Commission.

Anyone who receives this Prospectus may obtain a copy of any of the agreements summarized herein without charge by writing to Crown Castle International Corp., 510 Bering Drive, Suite 500, Houston, TX 77057, Attention: Secretary.

INDEX TO FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of

Crown Castle International Corp.:

We have audited the accompanying consolidated balance sheets of Crown Castle International Corp. and subsidiaries as of December 31, 1997 and 1998, and the related consolidated statements of operations and comprehensive loss, cash flows and stockholders' equity (deficit) for each of the years in the three-year period ended December 31, 1998. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Crown Castle International Corp. and subsidiaries as of December 31, 1997 and 1998, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 1998, in conformity with generally accepted accounting principles.

KPMG LLP

Houston, Texas

February 24, 1999

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(In thousands of dollars, except share amounts)

	December 31,	
	1997	1998
ASSETS		
Current assets:		
Cash and cash equivalents	$ 55,078	$ 296,450
Receivables:		
Trade, net of allowance for doubtful accounts of $177 and $1,535 at December 31, 1997 and 1998, respectively	9,264	32,130
Other	811	4,290
Inventories	1,322	6,599
Prepaid expenses and other current assets	681	2,647
Total current assets	67,156	342,116
Property and equipment, net	81,968	592,594
Investments in affiliates	59,082	2,258
Goodwill and other intangible assets, net of accumulated amortization of $3,997 and $20,419 at December 31, 1997 and 1998, respectively	152,541	569,740
Deferred financing costs and other assets, net of accumulated amortization of $743 and $1,722 at December 31, 1997 and 1998, respectively	10,644	16,522
	$371,391	$1,523,230
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 7,760	$ 46,020
Accrued interest	--	15,677
Accrued compensation and related benefits	1,792	5,188
Deferred rental revenues and other accrued liabilities	2,398	26,002
Total current liabilities	11,950	92,887
Long-term debt	156,293	429,710
Other liabilities	607	22,823
Total liabilities	168,850	545,420
Commitments and contingencies (Note 12)		
Minority interests	--	39,185
Redeemable preferred stock, $.01 par value; 10,000,000 shares authorized:		
12 3/4% Senior Exchangeable Preferred Stock; shares issued: December 31, 1997--none and December 31, 1998-- 200,000 (stated at mandatory redemption and aggregate liquidation value)	--	201,063
Senior Convertible Preferred Stock; shares issued: December 31, 1997--657,495 and December 31, 1998-- none (stated at redemption value; aggregate liquidation value of $68,916)	67,948	--
Series A Convertible Preferred Stock; shares issued: December 31, 1997--1,383,333 and December 31, 1998-- none (stated at redemption and aggregate liquidation value)	8,300	--
Series B Convertible Preferred Stock; shares issued: December 31, 1997--864,568 and December 31, 1998-- none (stated at redemption and aggregate liquidation value)	10,375	--
Series C Convertible Preferred Stock; shares issued: December 31, 1997--3,529,832 and December 31, 1998-- none (stated at redemption and aggregate liquidation value)	74,126	--
Total redeemable preferred stock	160,749	201,063
Stockholders' equity:		
Common stock, $.01 par value; 690,000,000 shares authorized:		
Class A Common Stock; shares issued: December 31, 1997--1,041,565 and December 31, 1998--none	2	--
Class B Common Stock; shares issued: December 31, 1997--9,367,165 and December 31, 1998--none	19	--
Common Stock; shares issued: December 31, 1997--none and December 31, 1998--83,123,873	--	831
Class A Common Stock; shares issued: December 31, 1997--none and December 31, 1998--11,340,000	--	113
Additional paid-in capital	58,248	795,153
Cumulative foreign currency translation adjustment	562	1,690
Accumulated deficit	(17,039)	(60,225)

Total stockholders' equity	41,792	737,562
	$371,391	$1,523,230

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS

(In thousands of dollars, except per share amounts)

	Years Ended December 31,		
	1996	1997	1998
Net revenues:			
Site rental and broadcast transmission	$5,615	$ 11,010	$ 75,028
Network services and other	592	20,395	38,050
	6,207	31,405	113,078
Operating expenses:			
Costs of operations (exclusive of depreciation and amortization):			
Site rental and broadcast transmission	1,292	2,213	26,254
Network services and other	8	13,137	21,564
General and administrative	1,678	6,824	23,571
Corporate development	1,324	5,731	4,625
Non-cash compensation charges	--	--	12,758
Depreciation and amortization	1,242	6,952	37,239
	5,544	34,857	126,011
Operating income (loss)	663	(3,452)	(12,933)
Other income (expense):			
Equity in earnings (losses) of unconsolidated affiliate	--	(1,138)	2,055
Interest and other income (expense)	193	1,951	4,220
Interest expense and amortization of deferred financing costs	(1,803)	(9,254)	(29,089)
Loss before income taxes and minority interests	(947)	(11,893)	(35,747)
Provision for income taxes	(10)	(49)	(374)
Minority interests	--	--	(1,654)
Net loss	(957)	(11,942)	(37,775)
Dividends on preferred stock	--	(2,199)	(5,411)
Net loss after deduction of dividends on preferred stock	$ (957)	$(14,141)	$(43,186)
Net loss	$ (957)	$(11,942)	$(37,775)
Other comprehensive income:			
Foreign currency translation adjustments	--	562	1,128
Comprehensive loss	$ (957)	$(11,380)	$(36,647)
Loss per common share--basic and diluted	$(0.27)	$ (2.27)	$ (1.02)
Common shares outstanding--basic and diluted (in thousands)	3,503	6,238	42,518

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands of dollars)

	Years Ended December 31,		
	1996	1997	1998
Cash flows from operating activities:			
Net loss	$ (957)	$(11,942)	$(37,775)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities:			
Depreciation and amortization	1,242	6,952	37,239
Amortization of deferred financing costs and discounts on long-term debt	55	2,159	17,910
Non-cash compensation charges	--	--	12,758
Minority interests	--	--	1,654
Equity in losses (earnings) of unconsolidated affiliate	--	1,138	(2,055)
Changes in assets and liabilities, excluding the effects of acquisitions:			
Increase in accounts payable	323	1,824	15,373
Increase (decrease) in deferred rental revenues and other liabilities	219	(240)	5,847
Increase (decrease) in accrued interest	306	(396)	5,835
Decrease (increase) in receivables	(1,695)	1,353	(7,450)
Increase in inventories, prepaid expenses and other assets	(23)	(1,472)	(4,360)
Net cash provided by (used for) operating activities	(530)	(624)	44,976
Cash flows from investing activities:			
Capital expenditures	(890)	(18,035)	(138,759)
Acquisitions of businesses, net of cash acquired	(10,925)	(33,962)	(10,489)
Investments in affiliates	(2,101)	(59,487)	--
Net cash used for investing activities	(13,916)	(111,484)	(149,248)
Cash flows from financing activities:			
Proceeds from issuance of capital stock	10,503	139,867	339,929
Net borrowings (payments) under revolving credit agreements	11,000	(6,223)	9,212
Incurrence of financing costs	(180)	(7,798)	(3,010)
Purchase of capital stock	--	(2,132)	(883)
Proceeds from issuance of long-term debt	--	150,010	--
Principal payments on long-term debt	(130)	(113,881)	--
Net cash provided by financing activities	21,193	159,843	345,248
Effect of exchange rate changes on cash	--	--	396
Net increase in cash and cash equivalents	6,747	47,735	241,372
Cash and cash equivalents at beginning of year	596	7,343	55,078
Cash and cash equivalents at end of year	$ 7,343	$ 55,078	$296,450
Supplementary schedule of noncash investing and financing activities:			
Conversion of stockholder's Convertible Secured Subordinated Notes to Series A Convertible Preferred Stock	--	$ 3,657	--
Amounts recorded in connection with acquisitions (see Note 2):			
Fair value of net assets acquired, including goodwill and other intangible assets	10,958	197,235	431,453
Issuance of common stock	--	57,189	420,964
Issuance of long-term debt	--	78,102	--
Assumption of long-term debt	--	27,982	--
Amounts due to seller	33	--	--
Supplemental disclosure of cash flow information:			
Interest paid	$ 1,442	$ 7,533	$ 6,276
Income taxes paid	--	26	446

See notes to consolidated financial statements.

CROWN CASTLE INTERNATIONAL CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)

(In thousands of dollars, except share amounts)

	Class A Common Stock		Class B Common Stock		Common Stock		Class A Common Stock		
	Shares	($.01 Par)	Shares	($.01 Par)	Shares	($.01 Par)	Shares	($.01 Par)	Additional Paid-In Capital
Balance, January 1, 1996	1,350,000	$ 3	1,433,330	$ 3	--	$ --	--	$ --	$ 634
Issuances of capital stock	--	--	55,000	--	--	--	--	--	128
Net loss	--	--	--	--	--	--	--	--	--
Balance, December 31, 1996	1,350,000	3	1,488,330	3	--	--	--	--	762
Issuances of capital stock	--	--	8,228,835	17	--	--	--	--	57,696
Purchase of capital stock	(308,435)	(1)	(350,000)	(1)	--	--	--	--	(210)
Foreign currency translation adjustments	--	--	--	--	--	--	--	--	--
Dividends on preferred stock	--	--	--	--	--	--	--	--	--
Net loss	--	--	--	--	--	--	--	--	--
Balance, December 31, 1997	1,041,565	2	9,367,165	19	--	--	--	--	58,248
Conversion of preferred stock to Common Stock	--	--	--	--	38,517,865	385	--	--	164,712
Conversion of Class A Common Stock and Class B Common Stock to Common Stock	(1,041,565)	(2)	(9,367,165)	(19)	10,953,625	109	--	--	(88)
Issuances of capital stock	--	--	--	--	33,793,453	338	11,340,000	113	560,779
Purchase of capital stock	--	--	--	--	(141,070)	(1)	--	--	(882)
Non-cash compensation charges	--	--	--	--	--	--	--	--	12,384
Foreign currency translation adjustments	--	--	--	--	--	--	--	--	--
Dividends on preferred stock	--	--	--	--	--	--	--	--	--
Net loss	--	--	--	--	--	--	--	--	--
Balance, December 31, 1998	--	$ --	--	$ --	83,123,873	$831	11,340,000	$113	$795,153

	Cumulative Foreign Currency Translation Adjustment	Accumulated Deficit	Total
Balance, January 1, 1996	$ --	$ (21)	$ 619
Issuances of capital stock	--	--	128
Net loss	--	(957)	(957)
Balance, December 31, 1996	--	(978)	(210)
Issuances of capital stock	--	--	57,713
Purchase of capital stock	--	(1,920)	(2,132)
Foreign currency translation adjustments	562	--	562
Dividends on preferred stock	--	(2,199)	(2,199)
Net loss	--	(11,942)	(11,942)

Balance, December 31, 1997.....	562	(17,039)	41,792
Conversion of preferred stock to Common Stock.....	--	--	165,097
Conversion of Class A Common Stock and Class B Common Stock to Common Stock.....	--	--	--
Issuances of capital stock...	--	--	561,230
Purchase of capital stock...	--	--	(883)
Non-cash compensation charges.....	--	--	12,384
Foreign currency translation adjustments.....	1,128	--	1,128
Dividends on preferred stock.....	--	(5,411)	(5,411)
Net loss.....	--	(37,775)	(37,775)
Balance, December 31, 1998.....	$1,690	$(60,225)	$737,562

See notes to consolidated financial statements.

1. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of Crown Castle International Corp. and its majority and wholly owned subsidiaries, collectively referred to herein as the "Company." All significant intercompany balances and transactions have been eliminated in consolidation. Certain reclassifications have been made to the prior year's financial statements to be consistent with the presentation in the current year.

The Company owns, operates and manages wireless communications sites and broadcast transmission networks. The Company also provides complementary services to its customers, including network design, radio frequency engineering, site acquisition, site development and construction, antenna installation and network management and maintenance. The Company's communications sites are located throughout the United States, in Puerto Rico and in the United Kingdom. In the United States and Puerto Rico, the Company's primary business is the leasing of antenna space to wireless operators under long-term contracts. In the United Kingdom, the Company's primary business is the operation of television and radio broadcast transmission networks; the Company also leases antenna space to wireless operators in the United Kingdom.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Summary of Significant Accounting Policies

Cash Equivalents

Cash equivalents consist of highly liquid investments with original maturities of three months or less.

Inventories

Inventories are stated at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Depreciation is computed utilizing the straight-line method at rates based upon the estimated useful lives of the various classes of assets. Additions, renewals and improvements are capitalized, while maintenance and repairs are expensed. Upon the sale or retirement of an asset, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is recognized.

In March 1995, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of ("SFAS 121"). SFAS 121 requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. SFAS 121 was effective for fiscal years beginning after December 15, 1995. The adoption of SFAS 121 by the Company in 1996 did not have a material impact on its consolidated financial statements.

Goodwill and Other Intangible Assets

Goodwill and other intangible assets represents the excess of the purchase price for an acquired business over the allocated value of the related net assets (see Note 2). Goodwill is amortized on a straight-line basis over a twenty year life. Other intangible assets (principally the value of existing site rental contracts at Crown Communications) are amortized on a straight-line basis over a ten year life. The carrying value of goodwill and other intangible assets will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the acquired assets may not be recoverable. If the sum of the estimated future cash flows (undiscounted) expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset.

Deferred Financing Costs

Costs incurred to obtain financing are deferred and amortized over the estimated term of the related borrowing. At December 31, 1997, other accrued liabilities includes $1,160,000 of such costs related to the issuance of the Company's 10 5/8% Senior Discount Notes.

Revenue Recognition

Site rental revenues are recognized on a monthly basis under lease or management agreements with terms ranging from 12 months to 25 years. Broadcast transmission revenues are recognized on a monthly basis under transmission contracts with terms ranging from 8 years to 12 years.

Network services revenues from site development, construction and antennae installation activities are recognized under a method which approximates the completed contract method. This method is used because these services are typically completed in three months or less and financial position and results of operations do not vary significantly from those which would result from use of the percentage-of-completion method. These services are considered complete when the terms and conditions of the contract or agreement have been substantially completed. Costs and revenues associated with installations not complete at the end of a period are deferred and recognized when the installation becomes operational. Any losses on contracts are recognized at such time as they become known.

Network services revenues from design, engineering, site acquisition, and network management and maintenance activities are recognized under service contracts with customers which provide for billings on a time and materials, cost plus profit, or fixed price basis. Such contracts typically have terms from six months to two years. Revenues are recognized as services are performed with respect to the time and materials contracts. Revenues are recognized using the percentage-of-completion method for cost plus profit and fixed price contracts, measured by the percentage of contract costs incurred to date compared to estimated total contract costs. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined.

Corporate Development Expenses

Corporate development expenses represent costs incurred in connection with acquisitions and development of new business initiatives.

Income Taxes

The Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that

have been recognized in the Company's financial statements or tax returns. Deferred income tax assets and liabilities are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates.

Per Share Information

Per share information is based on the weighted-average number of common shares outstanding during each period for the basic computation and, if dilutive, the weighted-average number of potential common shares resulting from the assumed conversion of outstanding stock options, warrants and convertible preferred stock for the diluted computation.

A reconciliation of the numerators and denominators of the basic and diluted per share computations is as follows:

	Years Ended December 31,		
	1996	1997	1998
	(In thousands of dollars, except per share amounts)		
Net loss	$ (957)	$(11,942)	$(37,775)
Dividends on preferred stock	--	(2,199)	(5,411)
Net loss applicable to common stock for basic and diluted computations	$ (957)	$(14,141)	$(43,186)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	3,503	6,238	42,518
Loss per common share--basic and diluted	$(0.27)	$ (2.27)	$ (1.02)

The calculations of common shares outstanding for the diluted computations exclude the following potential common shares as of December 31, 1998: (i) options to purchase 16,585,197 shares of common stock at exercise prices ranging from $-0- to $17.625 per share; (ii) warrants to purchase 1,314,990 shares of common stock at an exercise price of $7.50 per share; and (iii) shares of Castle Transmission Services (Holdings) Ltd ("CTI") stock which are convertible into 17,443,500 shares of common stock. The inclusion of such potential common shares in the diluted per share computations would be antidilutive since the Company incurred net losses for each of the three years in the period ended December 31, 1998.

Foreign Currency Translation

CTI uses the British pound as the functional currency for its operations. The Company translates CTI's results of operations using the average exchange rate for the period, and translates CTI's assets and liabilities using the exchange rate at the end of the period. The cumulative effect of changes in the exchange rate is recorded as a translation adjustment in stockholders' equity.

Financial Instruments

The carrying amount of cash and cash equivalents approximates fair value for these instruments. The estimated fair value of the 10 % Senior Discount Notes and the 9% Guaranteed Bonds is based on quoted market prices, and the estimated fair value of the other long-term debt is determined based on the current rates offered for similar borrowings. The estimated fair value of the interest rate swap agreement is based on the amount that

the Company would receive or pay to terminate the agreement at the balance sheet date. The estimated fair values of the Company's financial instruments, along with the carrying amounts of the related assets (liabilities), are as follows:

	December 31, 1997		December 31, 1998	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In thousands of dollars)			
Cash and cash equivalents	$ 55,078	$ 55,078	$296,450	$296,450
Long-term debt	(156,293)	(161,575)	(429,710)	(443,379)
Interest rate swap agreement	--	(97)	--	(47)

The Company's interest rate swap agreement is used to manage interest rate risk. The net settlement amount resulting from this agreement is recognized as an adjustment to interest expense. The Company does not hold or issue derivative financial instruments for trading purposes.

Stock Options

In October 1995, the FASB issued Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation ("SFAS 123"). SFAS 123 establishes alternative methods of accounting and disclosure for employee stock-based compensation arrangements. The Company has elected to continue the use of the "intrinsic value based method" of accounting for its employee stock option plans (see Note 9). This method does not result in the recognition of compensation expense when employee stock options are granted if the exercise price of the options equals or exceeds the fair market value of the stock at the date of grant. See Note 9 for the disclosures required by SFAS 123.

Recent Accounting Pronouncements

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income ("SFAS 130"). SFAS 130 establishes standards for the reporting and display of comprehensive income in a company's financial statements. Comprehensive income includes all changes in a company's equity accounts (including net income or loss) except investments by, or distributions to, the company's owners. Items which are components of comprehensive income (other than net income or loss) include foreign currency translation adjustments, minimum pension liability adjustments and unrealized gains and losses on certain investments in debt and equity securities. The components of comprehensive income must be reported in a financial statement that is displayed with the same prominence as other financial statements. SFAS 130 is effective for fiscal years beginning after December 15, 1997. The Company has adopted the requirements of SFAS 130 in its financial statements for 1998.

In June 1997, the FASB issued Statement of Financial Accounting Standards No. 131, Disclosures about Segments of an Enterprise and Related Information ("SFAS 131"). SFAS 131 establishes standards for the way that public companies report, in their annual financial statements, certain information about their operating segments, their products and services, the geographic areas in which they operate and their major customers. SFAS 131 also requires that certain information about operating segments be reported in interim financial statements. SFAS 131 is effective for periods beginning after December 15, 1997. The Company has adopted the requirements of SFAS 131 in its financial statements for the year ended December 31, 1998 (see Note 13).

In April 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued Statement of Position 98-5, Reporting on the Costs of Start-Up Activities ("SOP 98-5"). SOP 98-5 requires that costs of start-up activities be charged to expense as incurred and broadly defines such

costs. The Company has deferred certain costs incurred in connection with potential business initiatives and new geographic markets, and SOP 98-5 will require that such deferred costs be charged to results of operations upon its adoption. SOP 98-5 is effective for fiscal years beginning after December 15, 1998. The Company will adopt the requirements of SOP 98-5 as of January 1, 1999. The cumulative effect of the change in accounting principle for the adoption of SOP 98-5 will result in a charge to results of operations in the Company's financial statements for the three months ending March 31, 1999; it is currently estimated that such charge will amount to approximately $2,300,000.

In June 1998, the FASB issued Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities ("SFAS 133"). SFAS 133 requires that derivative instruments be recognized as either assets or liabilities in the consolidated balance sheet based on their fair values. Changes in the fair values of such derivative instruments will be recorded either in results of operations or in other comprehensive income, depending on the intended use of the derivative instrument. The initial application of SFAS 133 will be reported as the effect of a change in accounting principle. SFAS 133 is effective for all fiscal quarters of fiscal years beginning after June 15, 1999. The Company will adopt the requirements of SFAS 133 in its financial statements for the three months ending March 31, 2000. The Company has not yet determined the effect that the adoption of SFAS 133 will have on its consolidated financial statements.

2. Acquisitions

During the three years in the period ended December 31, 1998, the Company consummated a number of business acquisitions which were accounted for using the purchase method. Results of operations and cash flows of the acquired businesses are included in the consolidated financial statements for the periods subsequent to the respective dates of acquisition.

Motorola, Inc. ("Motorola")

On June 28, 1996, the Company acquired fifteen telecommunications towers and related assets, and assets related to specialized mobile radio and microwave services, from Motorola in Puerto Rico. The purchase price consisted of $9,919,000 in cash. Motorola provided certain management services related to these assets for a period of ninety days after the closing date. Management fees for such services amounted to $57,000 for the year ended December 31, 1996.

Other Acquisitions

During 1996, the Company acquired a number of other telecommunications towers and related equipment from various sellers. The aggregate total purchase price for these acquisitions of $1,039,000 consisted of $1,006,000 in cash and a $33,000 payable to a seller.

TEA Group Incorporated and TeleStructures, Inc. (collectively, "TEA")

On May 12, 1997, the Company acquired all of the common stock of TEA. TEA provides telecommunications site selection, acquisition, design and development services. The purchase price of $14,215,000 consisted of $8,120,000 in cash (of which $2,001,000 was paid in 1996 as an option payment), promissory notes payable to the former stockholders of TEA totaling $1,872,000, the assumption of $1,973,000 in outstanding debt and 535,710 shares of the Company's Class B Common Stock valued at $2,250,000 (the estimated fair value of such common stock on that date). The Company recognized goodwill of $9,568,000 in connection with this acquisition. The Company repaid the promissory notes with a portion of the proceeds from the issuance of its 10 5/8% Senior Discount Notes (see Note 5).

Crown Communications ("CCM"), Crown Network Systems, Inc. ("CNS") and Crown Mobile Systems, Inc. ("CMS") (collectively, "Crown")

On July 11, 1997, the Company entered into an asset purchase and merger agreement with the owners of Crown. On August 15, 1997, such agreement was amended and restated, and the Company acquired (i) substantially all of the assets, net of outstanding liabilities, of CCM and (ii) all of the outstanding common stock of CNS and CMS. Crown provides network services, which includes site selection and acquisition, antenna installation, site development and construction, network design and site maintenance, and owns and operates telecommunications towers and related assets. The purchase price of $185,021,000 consisted of $27,843,000 in cash, a short-term promissory note payable to the former owners of Crown for $76,230,000, the assumption of $26,009,000 in outstanding debt and 7,325,000 shares of the Company's Class B Common Stock valued at $54,939,000 (the estimated fair value of such common stock on that date). The Company recognized goodwill and other intangible assets of $146,103,000 in connection with this acquisition. The Company financed the cash portion of the purchase price with proceeds from the issuance of redeemable preferred stock (see Note 8), and repaid the promissory note with proceeds from the issuance of additional redeemable preferred stock and borrowings under the Senior Credit Facility (see Note 5).

In 1997, the Company organized Crown Communication Inc. ("CCI," a Delaware corporation) as a wholly owned subsidiary to own the net assets acquired from CCM and the common stock of CNS and CMS. In January 1998, the Company merged Castle Tower Corporation ("CTC," a wholly owned operating subsidiary) with and into CCI, establishing CCI as the principal domestic operating subsidiary of the Company.

CTI

On April 24, 1998, the Company entered into a share exchange agreement with certain shareholders of CTI pursuant to which certain of CTI's shareholders agreed to exchange their shares of CTI for shares of the

Company. On August 18, 1998, the exchange was consummated and the Company's ownership of CTI increased from approximately 34.3% to 80%. The Company issued 20,867,700 shares of its Common Stock and 11,340,000 shares of its Class A Common Stock, with such shares valued at an aggregate of $418,700,000 (based on the price per share to the public in the Company's initial public offering as discussed in Note 9). The Company recognized goodwill of $344,204,000 in connection with this transaction, which was accounted for as an acquisition using the purchase method. CTI's results of operations and cash flows are included in the consolidated financial statements for the period subsequent to the date the exchange was consummated.

Pro Forma Results of Operations (Unaudited)

The following unaudited pro forma summary presents consolidated results of operations for the Company as if (i) the TEA and Crown acquisitions had been consummated as of January 1, 1997 and (ii) the share exchange with CTI's shareholders had been consummated as of January 1 for both 1997 and 1998. Appropriate adjustments have been reflected for depreciation and amortization, interest expense, amortization of deferred financing costs, income taxes and certain nonrecurring income and expenses recorded by the Company in connection with the investment in CTI in 1997 (see Note 4). The pro forma information does not necessarily reflect the actual results that would have been achieved, nor is it necessarily indicative of future consolidated results for the Company.

	Years Ended December 31,	
	1997	1998
	(In thousands of dollars, except per share amounts)	
Net revenues	$ 180,936	$ 210,041
Net loss	(34,601)	(46,517)
Loss per common share--basic and diluted	(0.60)	(0.72)

Agreement with Nextel Communications, Inc. ("Nextel")

On July 11, 1997, the Company entered into an agreement with Nextel (the "Nextel Agreement") whereby the Company has the option to purchase up to 50 of Nextel's existing towers which are located in Texas, Florida and the metropolitan areas of Denver, Colorado and Philadelphia, Pennsylvania. As of February 24, 1999, the Company had purchased 49 of such towers for an aggregate price of $11,019,000 in cash.

Millennium Communications Limited ("Millennium")

On October 8, 1998, the Company acquired all of the outstanding shares of Millennium. Millennium develops, owns and operates telecommunications towers and related assets in the United Kingdom. On the date of acquisition, Millennium owned 102 tower sites. Millennium is being operated as a subsidiary of CTI. The purchase price of $14,473,000 consisted of $9,813,000 in cash, the repayment of $2,396,000 in outstanding debt and 358,678 shares of the Company's common stock valued at $2,264,000 (the market value of such common stock on that date).

Agreement with Bell Atlantic Mobile ("BAM")

On December 8, 1998, the Company entered into an agreement with BAM to form a joint venture ("Crown Atlantic") to own and operate a significant majority of BAM's towers. Upon formation of Crown Atlantic (which is currently expected to occur in March 1999), (i) the Company will contribute to Crown Atlantic $250,000,000 in cash and 15,575,046 shares of its Common Stock in exchange for a 62.3% ownership interest in Crown Atlantic, (ii) Crown Atlantic will borrow $180,000,000 under a committed $250,000,000 revolving credit facility, and (iii) BAM will contribute to Crown Atlantic approximately 1,427 towers in exchange for a cash distribution of $380,000,000 from Crown Atlantic and a 37.7% ownership interest in Crown Atlantic. Upon dissolution of

Crown Atlantic, BAM would receive (i) the shares of the Company's Common Stock contributed to Crown Atlantic and (ii) a payment (either in cash or in shares of the Company's Common Stock, at the Company's election) equal to 14.0% of the fair market value of Crown Atlantic's other net assets; the Company would then receive the remaining assets and liabilities of Crown Atlantic. The Company will account for its investment in Crown Atlantic as an acquisition using the purchase method, and will include Crown Atlantic's results of operations and cash flows in the Company's consolidated financial statements for periods subsequent to formation.

3. Property and Equipment

The major classes of property and equipment are as follows:

	Estimated Useful Lives	December 31, 1997	December 31, 1998
		(In thousands of dollars)	
Land and buildings	0-50 years	$ 1,930	$ 58,767
Telecommunications towers and broadcast transmission equipment	5-20 years	76,847	532,907
Transportation and other equipment	3-10 years	4,379	11,452
Office furniture and equipment	5-7 years	3,664	12,248
		86,820	615,374
Less: accumulated depreciation		(4,852)	(22,780)
		$81,968	$592,594

Depreciation expense for the years ended December 31, 1997 and 1998 was $2,886,000 and $20,638,000, respectively. Accumulated depreciation on telecommunications towers and broadcast transmission equipment

was $4,136,000 and $15,995,000 at December 31, 1997 and 1998, respectively. At December 31, 1998, minimum rentals receivable under existing operating leases for towers are as follows: years ending December 31, 1999--$183,244,000; 2000--$187,311,000; 2001--$185,097,000; 2002--$179,641,000; 2003--$171,329,000; thereafter--$667,731,000.

4. Investments in Affiliates

Investment in CTI

On February 28, 1997, the Company used a portion of the net proceeds from the sale of the Series C Convertible Preferred Stock (see Note 8) to purchase an ownership interest of approximately 34.3% in CTI (a company incorporated under the laws of England and Wales). The Company led a consortium of investors which provided the equity financing for CTI. The funds invested by the consortium were used by CTI to purchase, through a wholly owned subsidiary, the domestic broadcast transmission division of the British Broadcasting Corporation (the "BBC"). The cost of the Company's investment in CTI amounted to approximately $57,542,000. The Company accounted for its investment in CTI utilizing the equity method of accounting prior to the consummation of the share exchange agreement with CTI's shareholders in August 1998 (see Note 2).

In March 1997, as compensation for leading the investment consortium, the Company received a fee from CTI amounting to approximately $1,165,000. This fee was recorded as other income by the Company when received. In addition, the Company received approximately $1,679,000 from CTI as reimbursement for costs incurred prior to the closing of the purchase from the BBC.

In June 1997, as compensation for the successful completion of the investment in CTI and certain other acquisitions and investments, the Company paid bonuses to two of its executive officers totaling $913,000. These bonuses are included in corporate development expenses on the Company's consolidated statement of operations.

Summarized financial information for CTI is as follows (for periods in which the Company accounted for CTI utilizing the equity method):

	December 31, 1997
	(In thousands of dollars)
Current assets	$ 37,510
Property and equipment, net	341,737
Goodwill, net	76,029
	$ 455,276
Current liabilities	$ 48,103
Long-term debt	237,299
Other liabilities	3,453
Redeemable preferred stock	174,944
Stockholders' equity (deficit)	(8,523)
	$ 455,276

	Ten Months Ended December 31, 1997	Eight Months Ended August 31, 1998
	(In thousands of dollars)	
Net revenues	$103,531	$97,228
Operating expenses	86,999	78,605
Operating income	16,532	18,623
Interest and other income	553	725
Interest expense and amortization of deferred financing costs	(20,404)	(13,378)
Provision for income taxes	--	--
Net income (loss)	$ (3,319)	$(5,970)

5. Long-term Debt

Long-term debt consists of the following:

	December 31, 1997	December 31, 1998
	(In thousands of dollars)	
Senior Credit Facility	$ 4,700	$ 5,500
10 5/8% Senior Discount Notes due 2007, net of discount	151,593	168,099
CTI Credit Facility	--	55,177
9% Guaranteed Bonds due 2007	--	200,934
	$ 156,293	$ 429,710

Senior Credit Facility

CTC had a credit agreement with a bank (as amended, the "Bank Credit Agreement") which consisted of secured revolving lines of credit (the "Revolving Credit Facility") and a $2,300,000 term note (the "Term Note"). On January 17, 1997, the Bank Credit Agreement was amended to: (i) increase the available borrowings under the Revolving Credit Facility to $50,000,000; (ii) repay the Term Note, along with accrued interest thereon, with borrowings under the Revolving Credit Facility; and (iii) extend the termination date for the Bank Credit Agreement to December 31, 2003. Available borrowings under the Revolving Credit Facility were generally to be used to construct new towers and to finance a portion of the purchase price for towers and related assets. The amount of available borrowings was determined based on the current financial performance (as defined) of: (i) the assets to be acquired; and (ii) assets acquired in previous acquisitions. In addition, up to $5,000,000 of borrowing availability under the Revolving Credit Facility could be used for letters of credit.

In October 1997, the Bank Credit Agreement was amended to (i) increase the available borrowings to $100,000,000; (ii) include the lending bank under Crown's bank credit agreement as a participating lender; and (iii) extend the maturity date to December 31, 2004 (as amended, the "Senior Credit Facility"). On October 31, 1997, additional borrowings under the Senior Credit Facility, along with the proceeds from the October issuance of Senior Preferred Stock (see Note 8), were used to repay (i) the promissory note payable to the former stockholders of Crown and (ii) the outstanding borrowings under Crown's bank credit agreement (see Note 2). In November 1997, the Company repaid all of the outstanding borrowings under the Senior Credit Facility with a portion of the proceeds from the issuance of its 10 5/8% Senior Discount Notes (as discussed below). Upon the merger of CTC into CCI in January 1998, CCI became the primary borrower under the Senior Credit Facility. In December 1998, the Company again repaid all of the outstanding borrowings under the Senior Credit Facility

with a portion of the proceeds from the issuance of its 12 3/4% Senior Exchangeable Preferred Stock (see Note 8). As of December 31, 1998, approximately $77,570,000 of borrowings was available under the Senior Credit Facility, of which $5,000,000 was available for letters of credit. There were no letters of credit outstanding as of December 31, 1998.

The amount of available borrowings under the Senior Credit Facility will decrease by $5,000,000 at the end of each calendar quarter beginning on March 31, 2001 until December 31, 2004, at which time any remaining borrowings must be repaid. Under certain circumstances, CCI may be required to make principal prepayments under the Senior Credit Facility in an amount equal to 50% of excess cash flow (as defined), the net cash proceeds from certain asset sales or the net cash proceeds from certain sales of equity or debt securities by the Company.

The Senior Credit Facility is secured by substantially all of the assets of CCI and the Company's pledge of the capital stock of CCI and its subsidiaries. In addition, the Senior Credit Facility is guaranteed by the Company. Borrowings under the Senior Credit Facility bear interest at a rate per annum, at the Company's election, equal to the bank's prime rate plus 1.5% or a Eurodollar interbank offered rate (LIBOR) plus 3.25% (9.25% and 8.32%, respectively, at December 31, 1998). The interest rate margins may be reduced by up to 2.25% (non-cumulatively) based on a financial test, determined quarterly. As of December 31, 1998, the financial test permitted a reduction of 1.5% in the interest rate margin for prime rate borrowings and 2.25% in the interest rate margin for LIBOR borrowings. Interest on prime rate loans is due quarterly, while interest on LIBOR loans is due at the end of the period (from one to three months) for which such LIBOR rate is in effect. The Senior Credit Facility requires CCI to maintain certain financial covenants and places restrictions on CCI's ability to, among other things, incur debt and liens, pay dividends, make capital expenditures, dispose of assets, undertake transactions with affiliates and make investments.

10 5/8% Senior Discount Notes due 2007 (the "Notes")

On November 25, 1997, the Company issued $251,000,000 aggregate principal amount of the Notes for cash proceeds of $150,010,000 (net of original issue discount). The Company used a portion of the net proceeds from the sale of the Notes to (i) repay all of the outstanding borrowings, including accrued interest thereon, under the Senior Credit Facility; (ii) repay the promissory notes payable, including accrued interest thereon, to the former stockholders of TEA (see Note 2); (iii) repay certain indebtedness, including accrued interest thereon, from a prior acquisition; and (iv) repay outstanding installment debt assumed in connection with the Crown acquisition (see Note 2).

The Notes will not pay any interest until May 15, 2003, at which time semi-annual interest payments will commence and become due on each May 15 and November 15 thereafter. The maturity date of the Notes is November 15, 2007. The Notes are net of unamortized discount of $99,407,000 and $82,901,000 at December 31, 1997 and 1998, respectively.

The Notes are redeemable at the option of the Company, in whole or in part, on or after November 15, 2002 at a price of 105.313% of the principal amount plus accrued interest. The redemption price is reduced annually until November 15, 2005, after which time the Notes are redeemable at par. Prior to November 15, 2000, the Company may redeem up to 35% of the aggregate principal amount of the Notes, at a price of 110.625% of the accreted value thereof, with the net cash proceeds from a public offering of the Company's common stock.

The Notes are senior indebtedness of the Company; however, they are unsecured and effectively subordinate to the liabilities of the Company's subsidiaries, which include outstanding borrowings under the Senior Credit Facility, the CTI Credit Facility and the CTI Bonds. The indenture governing the Notes (the "Indenture") places

restrictions on the Company's ability to, among other things, pay dividends and make capital distributions, make investments, incur additional debt and liens, issue additional preferred stock, dispose of assets and undertake transactions with affiliates. As of December 31, 1998, the Company was effectively precluded from paying dividends on its capital stock under the terms of the Indenture.

Reporting Requirements Under the Indenture (Unaudited)

The following information (as such capitalized terms are defined in the Indenture) is presented solely as a requirement of the Indenture; such information is not intended as an alternative measure of financial position, operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles). Furthermore, the Company's measure of the following information may not be comparable to similarly titled measures of other companies.

Upon consummation of the share exchange with CTI's shareholders (see Note 2), which increased the Company's ownership interest in CTI to 80%, the Company designated CTI as an Unrestricted Subsidiary. In addition, the net proceeds from the Company's initial public offering of common stock (see Note 9) were placed into a newly formed subsidiary that was also designated as an Unrestricted Subsidiary. Prior to these transactions, the Company did not have any Unrestricted Subsidiaries. Summarized financial information for (i) the Company and its Restricted Subsidiaries and (ii) the Company's Unrestricted Subsidiaries is as follows:

	December 31, 1998			
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidation Eliminations	Consolidated Total
	(In thousands of dollars)			
Cash and cash equivalents	$ 41,785	$ 254,665	$ --	$ 296,450
Other current assets	19,585	26,081	--	45,666
Property and equipment, net	165,205	427,389	--	592,594
Investments in Unrestricted Subsidiaries	744,941	--	(744,941)	--
Goodwill and other intangible assets, net	143,729	426,011	--	569,740
Other assets, net	15,440	3,340	--	18,780
	$1,130,685	$1,137,486	$(744,941)	$1,523,230
Current liabilities	$ 17,653	$ 75,234	$ --	$ 92,887
Long-term debt	173,599	256,111	--	429,710
Other liabilities	808	22,015	--	22,823
Minority interests	--	39,185	--	39,185
Redeemable preferred stock	201,063	--	--	201,063
Stockholders' equity	737,562	744,941	(744,941)	737,562
	$1,130,685	$1,137,486	$(744,941)	$1,523,230

	Three Months Ended December 31, 1998			Year Ended December 31, 1998		
	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total	Company and Restricted Subsidiaries	Unrestricted Subsidiaries	Consolidated Total
	(In thousands of dollars)					
Net revenues	$ 17,030	$43,787	$60,817	$ 55,023	$58,055	$113,078
Costs of operations (exclusive of depreciation and amortization)	7,069	18,117	25,186	23,446	24,372	47,818
General and administrative	6,883	1,666	8,549	21,153	2,418	23,571
Corporate development	1,787	--	1,787	4,625	--	4,625
Non-cash compensation charges	523	874	1,397	9,907	2,851	12,758
Depreciation and amortization	4,879	15,255	20,134	16,921	20,318	37,239
Operating income (loss)	(4,111)	7,875	3,764	(21,029)	8,096	(12,933)
Equity in earnings of unconsolidated affiliate	--	--	--	2,055	--	2,055
Interest and other income (expense)	(285)	2,212	1,927	1,101	3,119	4,220
Interest expense and amortization of deferred financing costs	(5,823)	(5,685)	(11,508)	(21,727)	(7,362)	(29,089)
Provision for income taxes	(156)	--	(156)	(374)	--	(374)
Minority interests	--	(1,326)	(1,326)	--	(1,654)	(1,654)
Net loss	$(10,375)	$ 3,076	$(7,299)	$(39,974)	$ 2,199	$(37,775)

Tower Cash Flow and Adjusted Consolidated Cash Flow for the Company and its Restricted Subsidiaries is as follows:

	(In thousands of dollars)
Tower Cash Flow, for the three months ended December 31, 1998	$ 3,868
Consolidated Cash Flow, for the twelve months ended December 31, 1998	$ 6,001
Less: Tower Cash Flow, for the twelve months ended December 31, 1998	(14,811)
Plus: four times Tower Cash Flow, for the three months ended December 31, 1998	15,472
Adjusted Consolidated Cash Flow, for the twelve months ended December 31, 1998	$ 6,662

CTI Credit Facility

CTI has a credit agreement with a syndicate of banks (as amended, the "CTI Credit Facility") which consists of a (Pounds)64,000,000 (approximately $106,419,000) secured revolving line of credit. Available borrowings under the CTI Credit Facility are generally to be used to finance capital expenditures and for working capital and general corporate purposes. As of December 31, 1998, approximately $51,243,000 of borrowings was available under the CTI Credit Facility.

The loan commitment under the CTI Credit Facility will be automatically reduced to zero in three equal semi-annual installments beginning on May 31, 2001 until May 31, 2002, when the CTI Credit Facility matures. Under certain circumstances, CTI may be required to make principle prepayments from the proceeds of certain asset sales.

The CTI Credit Facility is secured by substantially all of CTI's assets. Borrowings under the CTI Credit Facility bear interest at a rate per annum equal to a Eurodollar interbank offered rate (LIBOR) plus 0.85% (approximately 6.99% at December 31, 1998). Interest is due at the end of the period (from one to six months) for which such LIBOR rate is in effect. The CTI Credit Facility requires CTI to maintain certain financial covenants and places restrictions on CTI's ability to, among other things, incur debt and liens, pay dividends, make capital expenditures, dispose of assets, undertake transactions with affiliates and make investments.

9% Guaranteed Bonds due 2007 ("CTI Bonds")

CTI has issued (Pounds)125,000,000 (approximately $207,850,000) aggregate principal amount of the CTI Bonds. Interest payments on the CTI Bonds are due annually on each March 30. The maturity date of the CTI Bonds is March 30, 2007. The CTI Bonds are stated net of unamortized discount.

The CTI Bonds are redeemable, at the option of CTI, in whole or in part at any time, at the greater of their principal amount and such a price as will provide a gross redemption yield 0.5% per annum above the gross redemption yield on the benchmark gilt plus, in either case, accrued and unpaid interest. Under certain circumstances, each holder of the CTI Bonds has the right to require CTI to repurchase all or a portion of such holder's CTI Bonds at a price equal to 101% of their aggregate principal amount plus accrued and unpaid interest.

The CTI Bonds are guaranteed by CTI; however, they are unsecured and effectively subordinate to the outstanding borrowings under the CTI Credit Facility. The trust deed governing the CTI Bonds places restrictions on CTI's ability to, among other things, pay dividends and make capital distributions, make investments, incur additional debt and liens, dispose of assets and undertake transactions with affiliates.

Restricted Net Assets of Subsidiaries

Under the terms of the Senior Credit Facility, the CTI Credit Facility and the CTI Bonds, the Company's subsidiaries are limited in the amount of dividends which can be paid to the Company. For CCI, the amount of such dividends is limited to (i) $6,000,000 per year until October 31, 2002, and $33,000,000 per year thereafter, and (ii) an amount to pay income taxes attributable to the Company's Restricted Subsidiaries. CTI is effectively precluded from paying dividends. The restricted net assets of the Company's subsidiaries totaled approximately $826,321,000 at December 31, 1998.

Interest Rate Swap Agreement

The interest rate swap agreement had an outstanding notional amount of $17,925,000 at January 29, 1997 (inception) and terminated on February 24, 1999. The Company paid a fixed rate of 6.28% on the notional amount and received a floating rate based on LIBOR. This agreement effectively changed the interest rate on $17,925,000 of borrowings under the Senior Credit Facility from a floating rate to a fixed rate of 6.28% plus the applicable margin. The Company does not believe there is any significant exposure to credit risk due to the creditworthiness of the counterparty. In the event of nonperformance by the counterparty, the Company's loss would be limited to any unfavorable interest rate differential.

6. Income Taxes

The provision for income taxes consists of the following:

	Years Ended December 31,		
	1996	1997	1998
	(In thousands of dollars)		
Current:			
State	$ --	$ --	$ 365
Puerto Rico	10	49	9
	$ 10	$ 49	$ 374

A reconciliation between the provision for income taxes and the amount computed by applying the federal statutory income tax rate to the loss before income taxes is as follows:

	Years Ended December 31,		
	1996	1997	1998
	(In thousands of dollars)		
Benefit for income taxes at statutory rate	$(322)	$(4,044)	$(12,154)
Stock-based compensation	--	--	2,844
Amortization of intangible assets	--	478	604
State and foreign taxes, net of federal tax benefit	--	--	247
Expenses for which no federal tax benefit was recognized	5	28	151
Puerto Rico taxes	10	49	9
Acquisition costs	--	--	(675)
Foreign earnings not subject to tax	--	--	(584)
Changes in valuation allowances	315	3,650	9,944
Other	2	(112)	(12)
	$ 10	$ 49	$ 374

The components of the net deferred income tax assets and liabilities are as follows:

	December 31,	
	1997	1998
	(In thousands of dollars)	
Deferred income tax liabilities:		
Property and equipment	$ 2,487	$ 6,045
Puerto Rico earnings	75	84
Intangible assets	276	--
Other	38	--
Total deferred income tax liabilities	2,876	6,129
Deferred income tax assets:		
Net operating loss carryforwards	6,800	19,071
Noncompete agreement	37	464
Intangible assets	--	351
Accrued liabilities	--	68
Other	--	45
Receivables allowance	6	41
Valuation allowances	(3,967)	(13,911)
Total deferred income tax assets, net	2,876	6,129
Net deferred income tax liabilities	$ --	$ --

Valuation allowances of $3,967,000 and $13,911,000 were recognized to offset net deferred income tax assets as of December 31, 1997 and 1998, respectively.

At December 31, 1998, the Company has net operating loss carryforwards of approximately $56,000,000 which are available to offset future federal taxable income. These loss carryforwards will expire in 2010 through 2018. The utilization of the loss carryforwards is subject to certain limitations.

7. Minority Interests

Minority interests represent the minority stockholder's interest in CTI.

8. Redeemable Preferred Stock

Exchangeable Preferred Stock

On December 16, 1998, the Company issued 200,000 shares of its 12 3/4% Senior Exchangeable Preferred Stock due 2010 (the "Exchangeable Preferred Stock") at a price of $1,000 per share (the liquidation preference per share). The net proceeds received by the Company from the sale of such shares amounted to approximately $193,000,000 (after underwriting discounts of $7,000,000 but before other expenses of the offering, which amounted to approximately $8,059,000). A portion of the net proceeds was used to repay outstanding borrowings under the Senior Credit Facility of $73,750,000, and the remaining net proceeds are currently invested in short-term investments.

The holders of the Exchangeable Preferred Stock are entitled to receive cumulative dividends at the rate of 12 3/4% per share, compounded quarterly on each March 15, June 15, September 15 and December 15 of each

year, beginning on March 15, 1999. On or before December 15, 2003, the Company has the option to pay dividends in cash or in additional shares of Exchangeable Preferred Stock. After December 15, 2003, dividends are payable only in cash.

The Company is required to redeem all outstanding shares of Exchangeable Preferred Stock on December 15, 2010 at a price equal to the liquidation preference plus accumulated and unpaid dividends. On or after December 15, 2003, the shares are redeemable at the option of the Company, in whole or in part, at a price of 106.375% of the liquidation preference. The redemption price is reduced on an annual basis until December 15, 2007, at which time the shares are redeemable at the liquidation preference. Prior to December 15, 2001, the Company may redeem up to 35% of the Exchangeable Preferred Stock, at a price of 112.75% of the liquidation preference, with the net proceeds from certain public equity offerings. The shares of Exchangeable Preferred Stock are exchangeable, at the option of the Company, in whole but not in part, for 12 3/4% Senior Subordinated Exchange Debentures due 2010.

The Company's obligations with respect to the Exchangeable Preferred Stock are subordinate to all indebtedness of the Company (including the Notes), and are effectively subordinate to all debt and liabilities of the Company's subsidiaries (including the Senior Credit Facility, the CTI Credit Facility and the CTI Bonds). The certificate of designations governing the Exchangeable Preferred Stock places restrictions on the Company's ability to, among other things, pay dividends and make capital distributions, make investments, incur additional debt and liens, issue additional preferred stock, dispose of assets and undertake transactions with affiliates.

Senior Preferred Stock

In August 1997, the Company issued 292,995 shares of its Senior Convertible Preferred Stock (the "Senior Preferred Stock") at a price of $100 per share. The net proceeds received by the Company from the sale of such shares amounted to approximately $29,266,000, most of which was used to pay the cash portion of the purchase price for Crown (see Note 2). In October 1997, the Company issued an additional 364,500 shares of its Senior Preferred Stock at a price of $100 per share. The net proceeds received by the Company from the sale of such shares amounted to $36,450,000. This amount, along with borrowings under the Senior Credit Facility, was used to repay the promissory note from the Crown acquisition (see Note 2).

The holders of the Senior Preferred Stock were entitled to receive cumulative dividends at the rate of 12.5% per share, compounded annually. At the option of the holder, each share of Senior Preferred Stock (plus any accrued and unpaid dividends) was convertible, at any time, into shares of the Company's common stock at a conversion price of $7.50 (subject to adjustment in the event of an underwritten public offering of the Company's common stock). At the date of issuance of the Senior Preferred Stock, the Company believes that its conversion price represented the estimated fair value of the common stock on that date. In July 1998, all of the shares of Senior Preferred Stock were converted into shares of common stock (see Note 9).

The purchasers of the Senior Preferred Stock were also issued warrants to purchase an aggregate 1,314,990 shares of the Company's common stock at an exercise price of $7.50 per share (subject to adjustment in the event of an underwritten public offering of the Company's common stock). The warrants are exercisable, in whole or in part, at any time until August and October of 2007. At the date of issuance of the warrants, the Company believes that the exercise price represented the estimated fair value of the common stock on that date. As such, the Company has not assigned any value to the warrants in its consolidated financial statements.

Series Preferred Stock

The holders of the Company's Series A Convertible Preferred Stock (the "Series A Preferred Stock"), the Series B Convertible Preferred Stock (the "Series B Preferred Stock") and the Series C Convertible Preferred Stock (the "Series C Preferred Stock") (collectively, the "Series Preferred Stock") were entitled to receive

dividends, if and when declared, at the same rate as dividends were declared and paid with respect to the Company's common stock. Each of the outstanding shares of Series Preferred Stock was automatically converted into five shares of common stock upon consummation of the Company's initial public offering (see Note 9).

In February and April of 1997, the Company issued 3,529,832 shares of its Series C Preferred Stock at a price of $21.00 per share. The net proceeds received by the Company from the sale of the Series C Preferred Stock amounted to approximately $74,024,000. A portion of this amount was used to purchase the ownership interest in CTI (see Note 4).

9. Stockholders' Equity

Common Stock

On August 18, 1998, the Company consummated its initial public offering of common stock at a price to the public of $13 per share (the "IPO"). The Company sold 12,320,000 shares of its common stock and received proceeds of $151,043,000 (after underwriting discounts of $9,117,000 but before other expenses of the IPO, which amounted to approximately $4,116,000). The net proceeds from the IPO are currently invested in short-term investments.

In anticipation of the IPO, the Company (i) amended and restated the 1995 Stock Option Plan to, among other things, authorize the issuance of up to 18,000,000 shares of common stock pursuant to awards made thereunder and (ii) approved an amendment to its certificate of incorporation to increase the number of authorized shares of common and preferred stock to 690,000,000 shares and 10,000,000 shares, respectively, and to effect a five-for-one stock split for the shares of common stock then outstanding. The effect of the stock split has been presented retroactively in the Company's consolidated financial statements for all periods presented.

In July 1998, all of the holders of the Company's Senior Convertible Preferred Stock converted such shares into an aggregate of 9,629,200 shares of the Company's common stock. Upon consummation of the IPO, all of the holders of the Company's then-existing shares of Class A Common Stock, Class B Common Stock, Series A Convertible Preferred Stock, Series B Convertible Preferred Stock and Series C Convertible Preferred Stock converted such shares into an aggregate of 39,842,290 shares of the Company's common stock.

In March 1997, the Company repurchased, and subsequently retired, 814,790 shares of its common stock from a member of the Company's Board of Directors at a cost of approximately $3,422,000. Of this amount, $1,311,000 was recorded as compensation cost and is included in corporate development expense on the Company's consolidated statement of operations. In August 1998, the Company repurchased, and subsequently retired, 141,070 shares of its common stock from a former employee at a cost of approximately $883,000.

Class A Common Stock

Upon consummation of the share exchange agreement with CTI's shareholders (see Note 2), an affiliate of CTI's remaining minority shareholder received all of the currently outstanding shares of the Company's Class A Common Stock. Each share of Class A Common Stock is convertible, at the option of its holder at any time, into one share of Common Stock. The holder of the Class A Common Stock is entitled to one vote per share on all matters presented to a vote of the Company's shareholders, except with respect to the election of directors. The holder of the Class A Common Stock, voting as a separate class, has the right to elect up to two members of the Company's Board of Directors. The shares of Class A Common Stock also provide certain governance and anti-dilutive rights.

Compensation Charges Related to Stock Option Grants

During the period from April 24, 1998 through July 15, 1998, the Company granted options to employees and executives for the purchase of 3,236,980 shares of its common stock at an exercise price of $7.50 per share. Of such options, options for 1,810,730 shares vested upon consummation of the IPO and the remaining options for 1,426,250 shares will vest at 20% per year over five years, beginning one year from the date of grant. In addition, the Company has assigned its right to repurchase shares of its common stock from a stockholder (at a price of $6.26 per share) to two individuals (including a newly-elected director) with respect to 100,000 of such shares. Since the granting of these options and the assignment of these rights to repurchase shares occurred subsequent to the date of the share exchange agreement with CTI's shareholders and at prices substantially below the price to the public in the IPO, the Company has recorded a non-cash compensation charge related to these options and shares based upon the difference between the respective exercise and purchase prices and the price to the public in the IPO. Such compensation charge will total approximately $18.4 million, of which approximately $10.6 million was recognized upon consummation of the IPO (for such options and shares which vested upon consummation of the IPO), and the remaining $7.8 million is being recognized over five years (approximately $1.6 million per year) through the second quarter of 2003. An additional $1.6 million in non-cash compensation charges will be recognized through the third quarter of 2001 for stock options issued to certain members of CTI's management prior to the consummation of the share exchange.

Stock Options

In 1995, the Company adopted the Crown Castle International Corp. 1995 Stock Option Plan (as amended, the "1995 Stock Option Plan"). Up to 18,000,000 shares of the Company's common stock were reserved for awards granted to certain employees, consultants and non-employee directors of the Company and its subsidiaries or affiliates. These options generally vest over periods of up to five years from the date of grant (as determined by the Company's Board of Directors) and have a maximum term of ten years from the date of grant.

Upon consummation of the share exchange agreement with CTI's shareholders (see Note 2), the Company adopted each of the various CTI stock option plans. All outstanding options to purchase shares of CTI under such plans have been converted into options to purchase shares of the Company's common stock. Up to 4,392,451 shares of the Company's common stock were reserved for awards granted under the CTI plans, and these options generally vest over periods of up to three years from the date of grant.

A summary of awards granted under the various stock option plans is as follows for the years ended December 31, 1996, 1997 and 1998:

	1996		1997		1998	
	Number of Shares	Weighted-Average Exercise Price	Number of Shares	Weighted-Average Exercise Price	Number of Shares	Weighted-Average Exercise Price
Options outstanding at beginning of year	825,000	$0.53	1,050,000	$0.89	3,694,375	$4.69
Options granted	225,000	2.22	3,042,500	5.46	9,024,720	10.02
Options outstanding under CTI stock option plans	--	--	--	--	4,367,202	2.74
Options exercised	--	--	(363,125)	0.53	(216,650)	4.89
Options forfeited	--	--	(35,000)	1.20	(284,450)	5.72
Options outstanding at end of year	1,050,000	0.89	3,694,375	4.69	16,585,197	7.06
Options exercisable at end of year	721,250	0.43	728,875	2.49	7,615,649	4.75

In November 1996, options which were granted in 1995 for the purchase of 690,000 shares were modified such that those options became fully vested. In August 1998, certain outstanding options became fully or partially vested upon consummation of the IPO. A summary of options outstanding as of December 31, 1998 is as follows:

Exercise Prices	Number of Options Outstanding	Weighted-Average Remaining Contractual Life	Number of Options Exercisable
$ -0- to $ 0.40	677,108	7.0 years	494,709
1.20 to 1.60	123,750	7.1 years	123,750
2.37 to 3.09	3,316,600	7.8 years	2,266,600
4.01 to 6.00	2,607,621	8.2 years	1,833,960
7.50 to 7.77	5,694,692	9.3 years	2,821,630
10.04 to 12.50	450,426	9.9 years	--
13.00	3,590,000	9.6 years	75,000
17.63	125,000	10.0 years	--
	16,585,197	9.1 years	7,615,649

The weighted-average fair value of options granted during the years ended December 31, 1996, 1997 and 1998 was $0.50, $1.30 and $4.54, respectively. The fair value of each option was estimated on the date of grant using the Black-Scholes option-pricing model and the following weighted-average assumptions about the options (the minimum value method was used prior to the IPO):

	Years Ended December 31,		
	1996	1997	1998
Risk-free interest rate	6.4%	6.1%	5.38%
Expected life	4.0 years	4.5 years	3.6 years
Expected volatility	0%	0%	0% to 30%
Expected dividend yield	0%	0%	0%

The exercise prices for options granted during the years ended December 31, 1996 and 1997 were equal to or in excess of the estimated fair value of the Company's common stock at the date of grant. As such, no compensation cost was recognized for stock options during those years (see Note 1 and "Compensation Charges Related to Stock Option Grants"). If compensation cost had been recognized for stock options based on their fair value at the date of grant, the Company's pro forma net loss for the years ended December 31, 1996, 1997 and 1998 would have been $973,000 ($0.28 per share), $12,586,000 ($2.37 per share) and $75,660,000 ($1.91 per share), respectively. The pro forma effect of stock options on the Company's net loss for those years may not be representative of the pro forma effect for future years due to the impact of vesting and potential future awards.

Shares Reserved For Issuance

At December 31, 1998, the Company had the following shares reserved for future issuance:

Common Stock:	
Class A Common Stock	11,340,000
Shares of CTI stock which are convertible into common stock	17,443,500
Stock option plans	21,812,676
Warrants	1,314,990
	51,911,166

10. Employee Benefit Plans

The Company and its subsidiaries have various defined contribution savings plans covering substantially all employees. Depending on the plan, employees may elect to contribute up to 20% of their eligible compensation. Certain of the plans provide for partial matching of such contributions. The cost to the Company for these plans amounted to $98,000 and $197,000 for the years ended December 31, 1997 and 1998, respectively.

CTI has a defined benefit plan which covers all of its employees hired on or before March 1, 1997. Employees hired after that date are not eligible to participate in this plan. The net periodic pension cost attributable to this plan for the four months ended December 31, 1998 was $1,115,000. As of December 31, 1998, (i) the accumulated benefit obligation under this plan amounted to $13,635,000 (all of which was vested); (ii) the projected benefit obligation amounted to $15,298,000; (iii) the fair value of the plan's assets amounted to $15,848,000; and (iv) the prepaid pension cost attributable to this plan amounted to $1,704,000.

11. Related Party Transactions

The Company leases office space in a building formerly owned by its Chief Executive Officer. Lease payments for such office space amounted to $50,000 and $130,000 for the years ended December 31, 1996 and 1997, respectively.

Included in other receivables at December 31, 1997 and 1998 are amounts due from employees of the Company totaling $499,000 and $368,000, respectively.

12. Commitments and Contingencies

At December 31, 1998, minimum rental commitments under operating leases are as follows: years ending December 31, 1999--$19,721,000; 2000--$19,456,000; 2001--$19,298,000; 2002--$19,293,000; 2003--$18,996,000; thereafter--$112,848,000. Rental expense for operating leases was $277,000, $1,712,000 and $9,620,000 for the years ended December 31, 1996, 1997 and 1998, respectively.

The Company is involved in various claims, lawsuits and proceedings arising in the ordinary course of business. While there are uncertainties inherent in the ultimate outcome of such matters and it is impossible to presently determine the ultimate costs that may be incurred, management believes the resolution of such uncertainties and the incurrence of such costs should not have a material adverse effect on the Company's consolidated financial position or results of operations.

13. Operating Segments and Concentrations of Credit Risk

Operating Segments

The Company's reportable operating segments for 1998 are (i) the domestic operations of CCI and (ii) the United Kingdom operations of CTI. Financial results for the Company are reported to management and the Board of Directors in this manner, and much of the Company's current debt financing is structured along these geographic lines. In addition, the Company's financial performance is evaluated by outside securities analysts based on these operating segments. See Note 1 for a description of the primary revenue sources from these two segments.

As discussed in Note 2, CTI's results of operations are included in the Company's consolidated financial statements beginning in 1998. Prior to that time, the domestic operations of CCI represented the Company's only reportable segment.

The measurement of profit or loss currently used to evaluate the results of operations for the Company and its operating segments is earnings before interest, taxes, depreciation and amortization ("EBITDA"). The Company defines EBITDA as operating income (loss) plus depreciation and amortization and non-cash compensation charges. EBITDA is not intended as an alternative measure of operating results or cash flow from operations (as determined in accordance with generally accepted accounting principles), and the Company's measure of EBITDA may not be comparable to similarly titled measures of other companies. There are no significant revenues resulting from transactions between the Company's operating segments. Total assets for the Company's operating segments are determined based on the separate consolidated balance sheets for CCI and CTI. The results of operations and financial position for CTI reflect appropriate adjustments for their presentation in accordance with generally accepted accounting principles in the United States. The financial results for the Company's operating segments are as follows:

	Year Ended December 31, 1998			
	CCI	CTI	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)			
Net revenues:				
Site rental and broadcast transmission	$ 22,541	$ 52,487	$ --	$ 75,028
Network services and other	31,471	5,568	1,011	38,050
	54,012	58,055	1,011	113,078
Costs of operations (exclusive of depreciation and amortization)	23,076	24,372	370	47,818
General and administrative	17,929	2,418	3,224	23,571
Corporate development	--	--	4,625	4,625
EBITDA	13,007	31,265	(7,208)	37,064
Non-cash compensation charges	132	2,851	9,775	12,758
Depreciation and amortization	16,202	20,318	719	37,239
Operating income (loss)	(3,327)	8,096	(17,702)	(12,933)
Equity in earnings of unconsolidated affiliate	--	--	2,055	2,055
Interest and other income (expense)	(253)	294	4,179	4,220
Interest expense and amortization of deferred financing costs	(4,476)	(7,362)	(17,251)	(29,089)
Provision for income taxes	(374)	--	--	(374)
Minority interests	--	(1,654)	--	(1,654)
Net loss	$ (8,430)	$ (626)	$(28,719)	$ (37,775)
Capital expenditures	$ 84,911	$ 50,224	$ 3,624	$ 138,759
Total assets (at year end)	$332,555	$887,938	$302,737	$1,523,230
Investments in affiliates (at year end)	$ --	$ --	$ 2,258	$ 2,258

	Years Ended December 31,					
	1996			1997		
	CCI	Corporate Office and Other	Consolidated Total	CCI	Corporate Office and Other	Consolidated Total
	(In thousands of dollars)					
Net revenues:						
Site rental and broadcast transmission	$ 5,615	$ --	$ 5,615	$ 11,010	$ --	$ 11,010
Network services and other	592	--	592	20,066	329	20,395
	6,207	--	6,207	31,076	329	31,405
Costs of operations (exclusive of depreciation and amortization)	1,300	--	1,300	15,350	--	15,350
General and administrative	1,678	--	1,678	6,675	149	6,824
Corporate development	75	1,249	1,324	1,864	3,867	5,731
EBITDA	3,154	(1,249)	1,905	7,187	(3,687)	3,500
Depreciation and amortization	1,242	--	1,242	6,925	27	6,952
Operating income (loss)	1,912	(1,249)	663	262	(3,714)	(3,452)
Equity in earnings (losses) of unconsolidated affiliate	--	--	--	--	(1,138)	(1,138)
Interest and other income (expense)	22	171	193	(77)	2,028	1,951
Interest expense and amortization of deferred financing costs	(1,803)	--	(1,803)	(4,660)	(4,594)	(9,254)
Credit (provision) for income taxes	(59)	49	(10)	--	(49)	(49)
Net income (loss)	$ 72	$(1,029)	$ (957)	$ (4,475)	$ (7,467)	$(11,942)
Capital expenditures	$ 890	$ --	$ 890	$ 17,200	$ 835	$ 18,035
Total assets (at year end)				$250,911	$120,480	$371,391
Investments in affiliates (at year end)				$ --	$ 59,082	$ 59,082

Geographic Information

A summary of net revenues by country, based on the location of the Company's subsidiary, is as follows:

	Years Ended December 31,		
	1996	1997	1998
	(In thousands of dollars)		
United States	$5,050	$29,076	$ 51,807
Puerto Rico	1,157	2,329	2,470
Total domestic operations	6,207	31,405	54,277
United Kingdom	--	--	58,055
Other foreign countries	--	--	746
Total for all foreign countries	--	--	58,801
	$6,207	$31,405	$113,078

A summary of long-lived assets by country of location is as follows:

	December 31,	
	1997	1998
	(In thousands of dollars)	
United States	$237,125	$ 310,953
Puerto Rico	10,145	14,473
Total domestic operations	247,270	325,426
United Kingdom	56,965	855,560
Other foreign countries	--	128
Total for all foreign countries	56,965	855,688
	$304,235	$1,181,114

Major Customers

For the years ended December 31, 1996, 1997 and 1998, CCI had revenues from a single customer amounting to $2,634,000, $5,998,000 and $14,168,000, respectively. For the year ended December 31, 1998, consolidated net revenues includes $33,044,000 from a single customer of CTI.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents and trade receivables. The Company mitigates its risk with respect to cash and cash equivalents by maintaining such deposits at high credit quality financial institutions and monitoring the credit ratings of those institutions.

The Company derives the largest portion of its revenues from customers in the wireless telecommunications industry. In addition, the Company has concentrations of operations in certain geographic areas (primarily the United Kingdom, Pennsylvania, Texas, New Mexico, Arizona and Puerto Rico). The Company mitigates its concentrations of credit risk with respect to trade receivables by actively monitoring the creditworthiness of its customers. Historically, the Company has not incurred any significant credit related losses.

14. Quarterly Financial Information (Unaudited)

Summary quarterly financial information for the years ended December 31, 1997 and 1998 is as follows:

	Three Months Ended			
	March 31	June 30	September 30	December 31
	(In thousands of dollars, except per share amounts)			
1997:				
Net revenues	$ 1,994	$ 4,771	$11,481	$13,159
Operating income (loss)	(1,293)	(921)	61	(1,299)
Net loss	(443)	(1,706)	(4,001)	(5,792)
Loss per common share--basic and diluted	(0.13)	(0.51)	(0.62)	(0.69)
1998:				
Net revenues	$11,837	$11,530	$28,894	$60,817
Operating income (loss)	(2,494)	(2,197)	(12,006)	3,764
Net loss	(6,606)	(6,426)	(17,444)	(7,299)
Loss per common share--basic and diluted	(0.79)	(0.78)	(0.33)	(0.09)

15. Subsequent Events (Unaudited)

BellSouth Mobility Inc. and BellSouth Telecommunications Inc. ("BellSouth")

In March 1999, the Company entered into an agreement with BellSouth to acquire the operating rights for approximately 1,850 of their towers. The transaction is structured as a lease agreement and will be treated as a sale of the towers for tax purposes. The Company will pay BellSouth consideration of $610,000,000, consisting of $430,000,000 in cash and $180,000,000 in shares of its common stock. The Company will account for this transaction as a purchase of tower assets. The transaction is expected to close over a period of up to eight months beginning in the second quarter of 1999. Upon entering into the agreement, the Company placed $50,000,000 into an escrow account. In order to fund this escrow deposit, the Company borrowed $45,000,000 under the Senior Credit Facility.

Powertel, Inc. ("Powertel")

In March 1999, the Company entered into an agreement with Powertel to purchase approximately 650 of their towers and related assets. The purchase price for these towers will be $275,000,000 in cash. The Company will account for this transaction as an acquisition using the purchase method. Upon entering into the agreement, the Company placed $50,000,000 into an escrow account. The Company funded this escrow deposit with borrowings under a $100,000,000 loan agreement provided by a syndicate of investment banks. The remaining $50,000,000 of borrowings under this loan agreement were used to repay the amount drawn under the Senior Credit Facility in connection with the BellSouth escrow deposit.

Proposed Securities Offerings

The Company intends to offer shares of its common stock and debt securities in concurrent underwritten public offerings. The proceeds from such offerings would be used to repay amounts drawn under the loan agreement in connection with the BellSouth and Powertel transactions, and to pay the remaining purchase price for such transactions. Any securities will only be offered by means of a prospectus forming a part of a registration statement filed with the Securities and Exchange Commission. There can be no assurance that such securities offerings can be successfully completed.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors
of Castle Transmission Services (Holdings) Ltd:

We have audited the accompanying balance sheet of the BBC Home Service Transmission business ("Home Service") at March 31, 1996 and the consolidated balance sheets of Castle Transmission Services (Holdings) Ltd and its subsidiaries ("Castle Transmission") at March 31, 1997 and December 31, 1997 and the profit and loss accounts, cash flow statements and reconciliations of movements in corporate funding for Home Service for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 and the related consolidated profit and loss accounts, cash flow statements and reconciliations of movements in shareholders' funds for Castle Transmission for the period from February 28, 1997 to March 31, 1997 and the period from April 1, 1997 to December 31, 1997. These financial statements are the responsibility of Castle Transmission's and Home Service's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United Kingdom, which do not differ in any material respect from generally accepted auditing standards in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Home Service at March 31, 1996 and the consolidated financial position of Castle Transmission at March 31, 1997 and December 31, 1997 and the results of operations and cash flows of Home Service for the year ended March 31, 1996 and for the period from April 1, 1996 to February 27, 1997 and of Castle Transmission for the period from February 28, 1997 to March 31, 1997 and for the period from April 1, 1997 to December 31, 1997 in conformity with generally accepted accounting principles in the United Kingdom.

Generally accepted accounting principles in the United Kingdom vary in certain respects from generally accepted accounting principles in the United States. Application of generally accepted accounting principles in the United States would have affected results of operations for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 for Home Service and the period from February 28, 1997 to March 31, 1997 and from April 1, 1997 to December 31, 1997 for Castle Transmission and shareholders' equity at March 31, 1996 for Home Service and at March 31, 1997 and December 31, 1997 for Castle Transmission to the extent summarised in Note 27 to these financial statements.

KPMG
Chartered Accountants
Registered Auditor
London, England

March 31, 1998

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED PROFIT AND LOSS ACCOUNTS

		BBC Home Service Transmission			Castle Transmission Services (Holdings) Ltd		
	Note	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Two Months Ended February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997	Eight Months Ended August 31, 1998
		(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Turnover	3	70,367	70,614	12,805	6,433	56,752	59,033
Changes in stocks and work in progress		(635)	(554)	(150)	340	747	(1,279)
Own work capitalised		4,653	3,249	308	170	1,127	2,440
Raw materials and consumables		14	(1,155)	(387)	(446)	(2,410)	(281)
Other external charges		(34,750)	(26,191)	(4,130)	(1,668)	(13,811)	(14,900)
Staff costs	4	(17,197)	(16,131)	(3,104)	(1,421)	(14,345)	(16,032)
Depreciation and other amounts written off tangible and intangible assets	5	(12,835)	(13,038)	(2,464)	(1,819)	(16,854)	(15,594)
Other operating charges		(1,832)	(2,792)	(181)	(344)	(2,430)	(2,175)
		(62,582)	(56,612)	(10,108)	(5,188)	(47,976)	(47,821)
Operating profit		7,785	14,002	2,697	1,245	8,776	11,212
Other interest receivable and similar income		--	--	--	49	288	440
Interest payable and similar charges	7	--	--	--	(969)	(12,419)	(9,507)
Profit/(loss) on ordinary activities before and after taxation	3-6, 8	7,785	14,002	2,697	325	(3,355)	2,145
Additional finance cost of non-equity shares		--	--	--	(318)	(2,862)	--
Retained profit/(loss) for the period		7,785	14,002	2,697	7	(6,217)	2,145

Neither BBC Home Service nor Castle Transmission have any recognised gains or losses other than those reflected in the profit and loss accounts.

The accompanying notes are an integral part of these consolidated financial statements.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED BALANCE SHEETS

	Note	BBC Home Service Transmission	Castle Transmission Services (Holdings) Ltd		
		At March 31, 1996	At March 31, 1997	At December 31, 1997	At August 31, 1998
		(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Fixed assets					
Intangible	9	--	46,573	46,056	44,404
Tangible	10	202,592	206,162	206,134	229,124
		202,592	252,735	252,190	273,528
Current assets					
Stocks	11	1,750	807	1,340	2,620
Debtors	12	4,714	10,344	13,230	11,639
Amounts owed by group undertakings		--	--	--	1,273
Cash at bank and in hand		--	9,688	8,152	9,198
		6,464	20,839	22,722	24,730
Creditors: amounts falling due within one year	13	(6,627)	(14,820)	(29,139)	(36,514)
Net current assets/(liabilities)		(163)	6,019	(6,417)	(11,784)
Total assets less current liabilities		202,429	258,754	245,773	261,744
Creditors: amounts falling due after more than one year	14	--	(154,358)	(143,748)	(149,535)
Provisions for liabilities and charges	15	--	(1,723)	(2,157)	(2,461)
Net assets		202,429	102,673	99,868	109,748
Capital and reserves					
Corporate funding		202,429	--	--	--
Called up share capital	16	--	102,348	102,898	108,303
Profit and loss account	17	--	325	(3,030)	1,445
		202,429	102,673	99,868	109,748
Shareholders' funds/(deficit)					
Equity			109	(6,107)	109,748
Non-equity			102,564	105,975	--
			102,673	99,868	109,748

The accompanying notes are an integral part of these consolidated financial statements.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED CASH FLOW STATEMENTS

		BBC Home Service Transmission			Castle Transmission Services (Holdings) Ltd		
	Note	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Two Months Ended February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997	Eight Months Ended August 31, 1998
		(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Cash inflow from operating activities...	21	24,311	26,427	5,161	5,756	27,983	37,302
Returns on investment and servicing of finance.....	22	--	--	--	(885)	(2,428)	(10,076)
Capital expenditure and financial investments..	22	(17,190)	(20,092)	(711)	(748)	(14,361)	(36,135)
Acquisitions and disposals.....	22	--	--	--	(251,141)	(307)	--
Cash inflow/(outflow)...		7,121	6,335	4,450	(247,018)	10,887	(8,909)
Financing.....	22						
Net (decrease) in corporate funding.....		(7,121)	(6,335)	(4,450)	--	--	--
Issuance of shares.....		--	--	--	102,348	550	5,405
Increase/(decrease) in debt.....		--	--	--	154,358	(12,973)	5,000
Capital element of finance lease rentals.....		--	--	--	--	--	(450)
		(7,121)	(6,335)	(4,450)	256,706	(12,423)	9,955
Increase/(decrease) in cash.....		--	--	--	9,688	(1,536)	1,046
Reconciliation of net cash flow to movement in net debt.....	23						
Increase/(decrease) in cash in the period.....		--	--	--	9,688	(1,536)	1,046
Cash (inflow)/outflow from (increase)/decrease in debt.....		--	--	--	(154,358)	12,973	(4,550)
Change in net debt resulting from cash flow.....		--	--	--	(144,670)	11,437	(3,504)
New finance leases.....		--	--	--	--	(711)	(797)
Amortisation of bank loan issue costs.....		--	--	--	--	(2,087)	(159)
Amortisation of Guaranteed Bonds.....		--	--	--	--	(55)	(179)
Movement in net debt in the period.....		--	--	--	(144,670)	8,584	(4,639)
Net debt at beginning of the period.....		--	--	--	--	(144,670)	(136,086)
Net debt at end of the period.....		--	--	--	(144,670)	(136,086)	(140,725)

The accompanying notes are an integral part of these consolidated financial statements.

CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD AND SUBSIDIARIES AND
THE BBC HOME SERVICE TRANSMISSION BUSINESS

CONSOLIDATED RECONCILIATION OF MOVEMENTS IN CORPORATE
FUNDING/SHAREHOLDERS' FUNDS

	BBC Home Service Transmission			Castle Transmission Services (Holdings) Ltd		
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Two Months Ended February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997	Eight Months Ended August 31, 1998
	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Profit/(loss) for the period	7,785	14,002	2,697	325	(3,355)	2,145
Net (decrease) in corporate funding	(7,121)	(6,335)	(4,450)	--	--	--
New share capital subscribed	--	--	--	102,348	550	5,405
Charge on share option arrangements	--	--	--	--	--	2,330
Net additions/(deductions) to corporate funding/shareholders' funds	664	7,667	(1,753)	102,673	(2,805)	9,880
Opening corporate funding/shareholders' funds	201,765	202,429	211,849	--	102,673	99,868
Closing corporate funding/shareholders' funds	202,429	210,096	210,096	102,673	99,868	109,748

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of preparation

As used in the financial statements and related notes, the terms "Castle Transmission" or "the Group" refers to the operations of Castle Transmission Services (Holdings) Ltd and its subsidiaries, Castle Transmission International Ltd ("CTI") which is the successor business and Castle Transmission (Finance) plc ("CTF"). The term "Home Service" refers to the operations of the Home Service Transmission business of the British Broadcasting Corporation ("BBC") which was the predecessor business.

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") applicable in the United Kingdom (UK) and comply with the financial reporting standards of the Institute of Chartered Accountants in England and Wales. A summary of the differences between UK GAAP and United States (US) GAAP as applicable to Castle Transmission is set out in Note 27.

Castle Transmission Services (Holdings) Ltd (the "Company") was incorporated on August 27, 1996 and did not trade in the period to February 27, 1997. CTI was incorporated by the BBC on May 9, 1996 and did not trade in the period to February 27, 1997. On February 27, 1997, the assets and liabilities of Home Service were transferred to CTI. On February 28, 1997 CTI was acquired by the Company. During the period between August 27, 1996 and February 27, 1997 Castle Transmission did not trade and received no income and incurred no expenditure. Accordingly the first consolidated profit and loss account for Castle Transmission represents the trading of Castle Transmission for the period from February 28, 1997 to March 31, 1997. CTF was incorporated April 9, 1997.

The financial statements for the year ended March 31, 1996 and the period from April 1, 1996 to February 27, 1997 represent the profit and loss accounts, balance sheet, cash flow statements and reconciliations of movements in corporate funding of Home Service. They have been prepared from the separate financial records and management accounts of Home Service.

Home Service was charged a management fee by the BBC representing an allocation of certain costs including pension, information technology, occupancy and other administration costs which were incurred centrally by the BBC but which were directly attributable to Home Service. Management believes such allocation is reasonable. Such costs are based on the pension arrangement and the cost structure of the BBC and are not necessarily representative of such costs of Castle Transmission under separate ownership.

Home Service did not incur any costs in relation to financing as necessary funding was provided from the BBC through the corporate funding account. No interest is charged by the BBC on such funds because there is no debt at BBC which is attributable to Home Service.

Home Service was not a separate legal entity and therefore was not directly subject to taxation on its results. The BBC is a not-for-profit organisation and is not subject to taxation except to the extent of activities undertaken with the objective of making a profit, including all external activities (principally site sharing and commercial projects). The tax charge attributable to Home Service has been calculated as if Home Service were under separate ownership since April 1, 1994 and as if all of its results of operations were subject to normal taxation.

Redundancy costs were incurred by the BBC which related to Home Service staff. The redundancy costs amounted to (Pounds)1.1m in 1996 and (Pounds)0.6m in the period from April 1, 1996 to February 27, 1997. The redundancy programmes were controlled by the BBC and the costs were not recharged to Home Service. No adjustment has been made in the Home Service financial statements for these costs because any costs incurred would have been reflected in the cost base of Home Service, and as described in note 25 would have been off-set by an increase in turnover from the BBC.

The consolidated financial statements for the two months ended February 27, 1997 and as of and for the eight months ended August 31, 1998 are unaudited; however, in the opinion of all the directors, all adjustments

(consisting of normal recurring adjustments) necessary for a fair presentation have been made. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year end. Operating results for the eight month period ended August 31, 1998 are not necessarily indicative of the results that may be expected for the year ending December 31, 1998.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements of Home Service and the consolidated financial statements of Castle Transmission.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to March 31, 1997 and December 31, 1997 after elimination of all significant inter-company accounts and transactions. The acquisition method of accounting has been adopted. Under this method, the results of subsidiaries acquired or disposed of in the period are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Goodwill

Purchased goodwill on acquisitions (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised and amortised over 20 years, the period over which the Directors consider that the Group will derive economic benefits.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Land and buildings

	Home Service	Castle Transmission
Freehold and long leasehold buildings...	50 years	50 years
Freehold and long leasehold improvements.....	20 years	20 years
Short leasehold land and buildings.....	Unexpired term	Unexpired term
No depreciation is provided on freehold land.....		

Plant and equipment

	Home Service	Castle Transmission
Transmitters and power plant.....	25 years	20 years
Electric and mechanical infrastructure.....	10-20 years	10-20 years
Other plant and machinery.....	3-10 years	3-10 years
Computer equipment.....	5 years	5 years
Motor vehicles.....	--	3 years

Strategic spares, which comprise those spares that are vital to the operation of the transmission system, are included in the capitalised value of the asset to which they relate and are depreciated over the life of the asset.

Assets under construction are included within fixed assets. The associated labour costs are capitalised using a predetermined labour rate, and any over or under recoveries are recognised in the profit and loss account in the period in which they arise.

Foreign currencies

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities, to the extent that they are denominated in foreign currency, are retranslated at the rate of exchange ruling at the balance sheet date and gains or losses are included in the profit and loss account.

Leases

Where the Company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease'. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its useful life or term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

The pension costs charged in the period include costs incurred, at the agreed employer's contribution rate. See note 20 for further details.

Stocks

Stocks held are general maintenance spares and manufacturing stocks. Stocks are stated at the lower of weighted average cost and net realisable value.

Work in progress

For individual projects, the fees on account and project costs are recorded in work in progress. When a project is complete, the project balances are transferred to turnover and cost of sales as appropriate, and the net profit is recognised. Where the payments on account are in excess of project costs, these are recorded as payments on account.

Provision is made for any losses as soon as they are foreseen.

Taxation

The charge for taxation is based on the result for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of transmission and maintenance contracts, site sharing arrangements and commercial projects. Revenue is recognised on the basis of contracts or as services are provided to customers.

Issue costs

Costs incurred in raising funds are deducted from the amount raised and amortised over the life of the debt facility on a constant yield basis.

3 Analysis of turnover

	Home Service		Castle Transmission	
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
By activity				
BBC	45,704	49,903	3,982	35,640
Other--non BBC	24,663	20,711	2,451	21,112
	70,367	70,614	6,433	56,752

4 Staff numbers and costs

The average number of persons employed by the Group (including directors) during the period, analysed by category was as follows:

	Home Service		Castle Transmission	
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
Operational staff	381	357	313	289
Project staff	154	125	108	97
Management, finance, personnel and other support services	53	70	69	89
	588	552	490	475

The aggregate payroll costs of these persons were as follows:

	Home Service		Castle Transmission	
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Wages and salaries	15,517	14,579	1,189	12,087
Social security costs	1,159	1,061	76	768
Other pension costs	521	491	156	1,490
	17,197	16,131	1,421	14,345

5 Profit/(loss) on ordinary activities before taxation

	Home Service		Castle Transmission	
	Years Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Profit (loss) on ordinary activities before taxation is stated after charging:				
Depreciation and other amounts written off tangible fixed assets:				
Owned	12,835	13,038	1,624	14,953
Leased	--	--	--	147
Goodwill amortisation	--	--	195	1,754
Hire of plant and machinery--rentals payable under operating leases		112	53	79
Hire of other assets--under operating leases		396	36	530

The information in respect of hire of plant and machinery and other assets under operating leases is not available for the year ended March 31, 1996.

6 Remuneration of directors

There were no directors of Home Service.

The directors of Castle Transmission received no emoluments for the period February 28, 1997 to March 31, 1997 and (Pounds)277,000 for the period April 1, 1997 to December 31, 1997. The amounts paid to third parties in respect of directors' services were (Pounds)2,000 for the period from February 28, 1997 to March 31, 1997 and (Pounds)23,000 for the period from April 1, 1997 to December 31, 1997.

The aggregate emoluments of the highest paid director were (Pounds)170,000. The highest paid director is not a member of any Group pension scheme.

Pension entitlements

On retirement the directors participating in the Group defined benefit scheme are entitled to 1/60th of their final pensionable salary for each year of service.

7 Interest payable and similar charges

	Home Service		Castle Transmission	
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
On bank loans and overdrafts	--	--	934	3,315
On all other loans	--	--	--	6,934
Finance charges payable in respect of finance leases and hire purchase contracts	--	--	--	28
Finance charges amortised in respect of bank loans (see note 14)	--	--	35	2,087
Finance charges amortised in respect of the Bonds	--	--	--	55
	--	--	969	12,419

8 Taxation

Home Service

There is no tax charge in respect of the results of Home Service for the year ended March 31, 1996 or for the period from April 1, 1996 to February 27, 1997. As a separate legal entity subject to normal taxation, Home Service would have capital allowances available as discussed below which would result in taxable losses for all periods. Deferred tax assets have not been recognised on such tax losses as management has concluded that it is not likely that the deferred tax asset would be realised.

Castle Transmission

There is no tax charge in respect of the period from February 28, 1997 to March 31, 1997 and April 1, 1997 to December 31, 1997. Based on an agreement with the Inland Revenue Service, Castle Transmission will have capital allowances available on capital expenditure incurred by Home Service and the BBC prior to the acquisition of approximately (Pounds)179 million. The accelerated tax deductions associated with such capital allowances result in a taxable loss for both periods. Deferred tax assets have not been recognised on such tax losses as management has concluded that it is not likely that the deferred tax asset would be realised based on the limited operating history of Castle Transmission.

9 Intangible assets

Castle Transmission

	As at March 31, 1997	As at December 31, 1997
	(Pounds)000	(Pounds)000
Goodwill		
Cost		
At beginning of period	--	46,768
Arising on acquisition of Home Service	46,768	--
Adjustment to the allocation of fair value arising on acquisition of Home Service (see notes 18 and 24)	--	1,237
At end of the period	46,768	48,005
Amortisation		
At beginning of period	--	195
Charged in period	195	1,754
At end of the period	195	1,949
Net book value		
At end of the period	46,573	46,056

10 Tangible fixed assets

Home Service

	Land and buildings	Plant and machinery	Computer equipment	Assets under construction	Total
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
(i) Year ended March 31, 1996					
Cost or valuation					
At April 1, 1995	26,789	178,205	1,337	22,309	228,640
Additions	--	111	40	17,928	18,079
Disposals	--	--	(1,325)	--	(1,325)
Transfers	474	13,354	--	(13,828)	--
At March 31, 1996	27,263	191,670	52	26,409	245,394
Depreciation					
At April 1, 1995	7,291	22,671	441	--	30,403
Charge for period	819	12,008	8	--	12,835
On disposal	--	--	(436)	--	(436)
At March 31, 1996	8,110	34,679	13	--	42,802
Net book value					
At March 31, 1996	19,153	156,991	39	26,409	202,592

	Land and buildings	Plant and machinery	Computer equipment	Assets under construction	Total
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
(ii) Period ended February 27, 1997					
Cost or valuation					
At April 1, 1996.....	27,263	191,670	52	26,409	245,394
Additions.....	--	24	179	14,283	14,486
Disposals.....	--	(1,816)	--	(1,718)	(3,534)
Transfers.....	2,585	23,972	252	(26,809)	--
Transfer between business units.....	10,824	(2,061)	(4)	612	9,371
At February 27, 1997....	40,672	211,789	479	12,777	265,717
Depreciation					
At April 1, 1996.....	8,110	34,679	13	--	42,802
Charge for period.....	807	12,158	73	--	13,038
On disposal.....	--	(1,816)	--	--	(1,816)
Transfers.....	46	(108)	62	--	--
Transfers between business units.....	2,185	(137)	(1)	--	2,047
At February 27, 1997....	11,148	44,776	147	--	56,071
Net book value					
At February 27, 1997....	29,524	167,013	332	12,777	209,646

The transfers between business units reflect transactions made between the predecessor business and other business units of the BBC, in preparation for the sale of Home Service. These include the transfer of the head office at Warwick into the books of Home Service prior to the sale.

Castle Transmission

	Land and buildings	Plant and machinery	Computer equipment	Assets under construction	Total
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
(i) Period ended March 31, 1997					
Cost					
On acquisition.....	30,373	163,556	332	12,777	207,038
Additions.....	--	56	--	692	748
Transfers.....	17	59	--	(76)	--
At March 31, 1997.....	30,390	163,671	332	13,393	207,786
Depreciation					
On acquisition.....	--	--	--	--	--
Charge for period.....	86	1,529	9	--	1,624
At March 31, 1997.....	86	1,529	9	--	1,624
Net book value					
At March 31, 1997.....	30,304	162,142	323	13,393	206,162
(ii) Period ended December 31, 1997					
Cost					
At April 1, 1997.....	30,390	163,671	332	13,393	207,786
Addition.....	10	3,602	582	10,878	15,072
Transfers.....	651	12,772	--	(13,423)	--
At December 31, 1997....	31,051	180,045	914	10,848	222,858
Depreciation					
At April 1, 1997.....	86	1,529	9	--	1,624
Charge for period.....	847	13,975	278	--	15,100
At December 31, 1997....	933	15,504	287	--	16,724
Net book value					
At December 31, 1997....	30,118	164,541	627	10,848	206,134

The net book value of land and buildings comprises:

	Home Service	Castle Transmission	
	At March 31, 1996	At March 31, 1997	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Freehold	16,268	21,558	21,375
Long leasehold	1,540	7,468	7,472
Short leasehold	1,345	1,278	1,271
	19,153	30,304	30,118

Included within fixed assets are the following assets held under finance leases:

	Home Service	Castle Transmission	
	At March 31, 1996	At March 31, 1997	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Motor vehicles	--	--	270
Computer equipment	--	--	441
	--	--	711

11 Stocks

	Home Service	Castle Transmission		
	At March 31, 1996	At March 31, 1997	At December 31, 1997	At August 31, 1998
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Work in progress (see note 13)	--	--	274	1,421
Spares and manufacturing stocks	1,750	807	1,066	1,199
	1,750	807	1,340	2,620

12 Debtors

	Home Service	Castle Transmission	
	At March 31, 1996	At March 31, 1997	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Trade debtors	3,780	7,503	10,250
Other debtors	212	2,259	2,200
Prepayments and accrued income	722	582	780
	4,714	10,344	13,230

13 Creditors: amounts falling due within one year

	Home Service	Castle Transmission	
	At March 31, 1996	At March 31, 1997	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Payments on account	426	347	--
Obligations under finance leases			

and hire purchase contracts.....	--	--	490
Trade creditors.....	872	4,123	1,916
Other creditors.....	--	1,519	2,153
Accruals and deferred income.....	5,329	8,831	24,580
	6,627	14,820	29,139

Payments on account (and work in progress) relate to commercial projects and are shown net in the financial statements. The gross billings amount to (Pounds)3,222,000 in 1996, (Pounds)3,836,000 in March 1997 and (Pounds)2,458,000 in December 1997. The related gross costs amounted to (Pounds)2,796,000 in 1996, (Pounds)3,489,000 in March 1997 and (Pounds)2,732,000 in December 1997.

14 Creditors: amounts falling due after more than one year

	Castle Transmission		
	At March 31, 1997	At December 31, 1997	At August 31, 1998
	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Guaranteed Bonds	--	120,582	120,761
Bank loans and overdrafts	154,358	22,945	28,104
Obligations under finance leases and hire purchase contracts	--	221	670
	154,358	143,748	149,535
Debts can be analysed as falling due:			
in one year or less, or on demand	--	--	
between one and two years	7,244	59	
between two and five years	29,160	162	
in five years or more	117,954	143,527	
	154,358	143,748	

On May 21, 1997, CTF issued and Castle Transmission guaranteed, (Pounds)125,000,000 9 percent Guaranteed Bonds due 2007 (the "Guaranteed Bonds"). The Guaranteed Bonds are redeemable at their principal amount, unless previously redeemed or purchased and cancelled, on March 30, 2007.

The Guaranteed Bonds may be redeemed in whole but not in part, at the option of CTF, at their principal amount plus accrued interest if, as a result of certain changes in the laws and regulations of the United Kingdom, CTF or Castle Transmission becomes obliged to pay additional amounts.

The Guaranteed Bonds may be redeemed in whole or in part, at the option of CTF, at any time at the higher of their principal amount and such a price as will provide a gross redemption yield 0.50 percent per annum above the gross redemption yield on the benchmark gilt plus (in either case) accrued interest.

Bondholders may, in certain circumstances including but not limited to a change in control of CTF, or the early termination of the agreement between CTI and the BBC relating to the domestic analogue transmission of radio and television programmes by CTI, require the Guaranteed Bonds to be redeemed at 101 percent of their principal amount plus accrued interest.

The Guaranteed Bonds were issued at an issue price of 99.161 percent. The Guaranteed Bonds are shown net of unamortised discount and issue costs. Interest accrues from the date of issue and is payable in arrears on March 30 each year commencing March 30, 1998.

On February 28, 1997 the Group entered into term and revolving loan facilities with a syndicate of banks. There are three facilities. Facility A and Facility B are (Pounds)122,500,000 and (Pounds)35,000,000 term loan facilities. Facility A is repayable in instalments, the last of which is due in June 2004, and Facility B is repayable in two instalments in December 2004 and June 2005. These facilities were made available to finance the amount owed to the BBC on the acquisition of the Home Service transmission business and were drawn down in full on February 28, 1997.

The third facility, Facility C, is a (Pounds)5,000,000 revolving loan facility maturing in June 2005 under which advances are to be made to the Group to finance its working capital requirements and for general corporate purposes. This facility was undrawn at March 31, 1997.

Borrowings under the facilities are secured by fixed and floating charges over substantially all of the assets and undertakings of the Group and bear interest at 2.25 percent above LIBOR for Facility B and between 0.875 percent and 1.75 percent above LIBOR (depending on the annualised debt coverage and the outstanding percentage of the facilities) for Facilities A and C.

The net proceeds of the Guaranteed Bonds were used to repay substantially all of the amounts outstanding under Facilities A, B and C. The remaining balance of Facilities A, B and C was replaced by a (Pounds)64,000,000 revolving loan facility maturing in May 2002 (the "New Facility"), under which advances will be made to CTI to finance its working capital requirements and finance capital expenditures in respect of Digital Terrestrial Television.

Borrowings under the New Facility are secured by fixed and floating charges over substantially all of the assets and undertakings of Castle Transmission and bear interest at LIBOR plus the applicable margin plus cost rate.

Included within bank loans and overdrafts is an amount of (Pounds)3,142,000 at March 31, 1997 and (Pounds)1,055,000 at December 31, 1997 representing finance costs deferred to future accounting periods in accordance with FRS4. As a result of the issuance of the Guaranteed Bonds and the New Facility, the remaining deferred financing costs of (Pounds)1,930,000, relating to Facilities A, B and C were charged to the profit and loss account during the period from April 1, 1997 to December 31, 1997.

15 Provision for liabilities and charges

	Castle Transmission	
	At March 31, 1997	At December 31, 1997
	(Pounds)000	(Pounds)000
On acquisition/at the start of the period.....	1,723	1,723
Fair value adjustments (see note 24).....	--	1,016
Established in the period (see below).....	--	417
Utilised in the period.....	--	(999)
At the end of the period.....	1,723	2,157

Home Service did not make any provisions for liabilities and charges. On the acquisition by Castle Transmission, a provision was established for costs associated with the split of the BBC transmission business between Home Service and World Service comprising redundancy costs and costs relating to the relocation and reorganisation of shared sites. No payments or additional provisions were made in the one month period and the balance on acquisition and at March 31, 1997 was (Pounds)1,723,000.

As a result of the completion of the fair value exercise this provision was reduced by (Pounds)234,000 and a further provision was made of (Pounds)1,250,000 in respect of a contingent liability for wind loading fees that existed at February 27, 1997. See notes 18 and 24 for further details.

A further provision of (Pounds)417,000, in respect of these wind loading fees, was charged to the profit and loss account during the period from April 1, 1997 to December 31, 1997.

16 Share capital

	At March 31, 1997 Number of shares	At December 31, 1997 Number of shares	At March 31, 1997 (Pounds)000	At December 31, 1997 (Pounds)000
Authorised				
Equity: Ordinary Shares of 1 pence each.....	11,477,290	11,477,290	115	115
Non-equity: Redeemable Preference Shares of 1 pence each.....	11,465,812,710	11,465,812,710	114,658	114,658
	11,477,290,000	11,477,290,000	114,773	114,773
Allotted, called up and fully paid				
Equity: Ordinary Shares of 1 pence each.....	10,234,790	10,289,790	102	103
Non-equity: Redeemable Preference Shares of 1 pence each.....	10,224,555,210	10,279,500,210	102,246	102,795
	10,234,790,000	10,289,790,000	102,348	102,898

On incorporation the Company had an authorised share capital of 100 Ordinary Shares of (Pounds)1 each of which 1 share was allotted, called up and fully paid.

On January 23, 1997, the 100 issued and unissued Ordinary Shares of (Pounds)1 each were subdivided into Ordinary Shares of 1 pence each and the authorised share capital of the Company was increased to (Pounds)114,772,900 by the creation of 11,467,290 additional Ordinary Shares of 1 pence each and by the creation of 11,465,812,710 Redeemable Preference Shares of 1 pence each.

On February 28, 1997 the Company issued for cash 10,234,690 Ordinary Shares of 1 pence each at par and 10,224,555,210 Redeemable Preference Shares of 1 pence each at par.

On September 19, 1997 a further 55,000 Ordinary Shares of 1 pence each and 54,945,000 Redeemable Preference Shares of 1 pence each were issued at par for cash. These shares were issued to certain members of the management team. Management believes that this sale price reflects the fair value of the shares at that date.

The Redeemable Preference Shares are redeemable on December 31, 2050. The Company may also redeem any number of Redeemable Preference Shares at any time by giving at least two business days' notice in writing to the holders. In addition, the Company shall redeem in full all the Redeemable Preference Shares on or before the earlier or any listing or sale of 87.5 percent or more of the issued share capital. No premium is payable on redemption.

The holders of the Redeemable Preference Shares are entitled to receive a dividend in respect of periods from January 1, 2004 at a rate of 5 percent per annum. Dividends shall accrue on a daily basis and shall, unless the Company is prohibited from paying dividends by the Companies Act 1985 or is not permitted by any financing agreement to which it is a party to pay such dividend, become a debt due from and payable to the holders of the Redeemable Preference Shares on January 1 of each year beginning January 1, 2005.

In accordance with FRS4: Capital Instruments, a finance cost has been calculated to result in a constant rate of return over the period and carrying amount for these Redeemable Preference Shares and has been included in the profit and loss account as an appropriation.

On a winding up of the Company, the holders of the Redeemable Preference Shares would be entitled, in priority to any payment to the holders of the Ordinary Shares, to receive an amount equal to the nominal amount paid up on each Redeemable Preference Share together with all arrears and accruals of the preferential dividend payable thereon, whether or not such dividend has become due and payable.

The holders of the Redeemable Preference Shares have no right to vote at any general meeting of the Company.

At December 31, 1997 two of the shareholders held share warrants which entitled them to a maximum of 772,500 Ordinary Shares and 771,727,500 Redeemable Preference Shares issued at par. These are subject to adjustment in accordance with the conditions set out in the warrant instrument which relate to any reorganisation of the Company's share capital. The rights under the share warrants can be exercised by giving 7 days' notice to the Company. The rights lapse on the earliest of the following dates: the date of a listing of any part of the share capital on the Official List of the London Stock Exchange or any other stock exchange; the date of any sale of 85 percent or more of the issued share capital of the Company; the date on which the Company goes into liquidation; and February 28, 2007.

17 Reserves

	Castle Transmission	
	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000
Profit and loss account		
At the start of the period.....	--	325
Retained profit/(loss) for the period..	7	(6,217)
Additional finance cost of non-equity shares.....	318	2,862
At the end of the period.....	325	(3,030)

18 Acquisition

On February 28, 1997 the Company acquired the entire share capital of CTI. CTI had itself acquired the assets and liabilities of Home Service on February 27, 1997, with the intention of CTI's ensuing disposal to the Company.

As the two transactions were enacted for the purpose of the sale and purchase of Home Service, a provisional fair value exercise was performed by CTI on the acquisition of the trade and net assets of Home Service on 27 February 1997, giving rise to acquisition goodwill of (Pounds)39.6 million.

The fair value exercise was only provisional at March 31, 1997 as the elapsed time had not been sufficient to form a final judgement on the fair value adjustments. The fair value exercise has now been finalised and as a result goodwill has been increased by (Pounds)1.2 million. See note 24.

The consideration paid for the acquisition of the shares of CTI by the Company amounted to (Pounds)45 million plus fees of (Pounds)7.5 million. (Pounds)7.2 million had been paid or accrued at March 31, 1997, which gave rise to additional goodwill of (Pounds)7.5 million.

In addition, the BBC was paid (Pounds)199 million by CTI as a repayment of the loan made by the BBC on the transfer of the assets and liabilities of Home Service. The total consideration paid by the Group amounted to (Pounds)244 million (excluding fees), which resulted in total goodwill in the Consolidated Financial Statements of (Pounds)48 million. This goodwill has been capitalised and will be written off over 20 years, the period over which the Directors consider that the Group will derive economic benefits.

19 Commitments

(a) Capital commitments at the end of the financial period for which no provision has been made, were as follows:

	Home Service	Castle Transmission	
	At March 31, 1996	At March 31, 1997	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Contracted	4,192	4,785	11,431
Authorised but not contracted	7,969	6,490	89,729

(b) Annual commitments under non-cancellable operating leases were as follows:

	Castle Transmission	
	At December 31, 1997	
	Land and buildings	Other
	(Pounds)000	(Pounds)000
Operating leases which expire:		
Within one year	90	159
In the second to fifth years inclusive	343	385
Over five years	235	--
	668	544

20 Pension scheme

Home Service

Home Service participated in a multi-employer pension scheme operated by the BBC. The scheme is a defined benefit scheme whereby retirement benefits are based on the employees' final remuneration and length of service and is funded through a separate trustee administered scheme. Contributions to the scheme are based on pension costs for all members of the scheme across the BBC and are made in accordance with the recommendations of independent actuaries who value the scheme at regular intervals, usually triennially. Pension scheme assets are not apportioned between different parts of the BBC.

The pension rate charged to Home Service was 4.5 percent for the year ended March 31, 1996 and for the period from April 1, 1996 to February 27, 1997. This charge took into account the surplus shown by the last actuarial valuation of the BBC scheme. Amounts charged were as follows: (Pounds)521,000 in 1996 and (Pounds)491,000 in the period from April 1, 1996 to February 27, 1997.

Castle Transmission

The pension charge is not comparable between Home Service and Castle Transmission due to the former having a reduced charge as a result of the surplus in the BBC Pension scheme.

Under the terms of the sale agreement Castle Transmission was temporarily participating in the BBC Pension scheme until July 31, 1997. From August 1, 1997 the Group was committed under the sale agreement to establish its own pension scheme.

In respect of past service benefits, members were able to choose between transferring past service benefits to the Group scheme or leaving them in the BBC Pension scheme. To the extent that past service benefits were transferred, the BBC Pension scheme made a full transfer payment to the Group scheme calculated in accordance with the actuarial basis as set out in the sale agreement.

The pension charge for the period from February 28, 1997 to March 31, 1997 included in the accounts represented contributions payable to the BBC Pension scheme and amounted to (Pounds)156,000. Contributions are calculated at the employers' contribution rate of 17.7 per cent of pensionable salary. The contribution rate has been determined by a qualified actuary and is specified in the sale agreement.

At August 1, 1997 Castle Transmission established its own pension scheme. This is a defined benefit scheme and assets were transferred from the BBC Pension scheme to the extent that members chose to transfer past benefits. From August 1, the Castle Transmission Pension Scheme will be liable in respect of future pension benefits. The pension charge for the period from April 1, 1997 to December 31, 1997 was (Pounds)1,490,000.

There were no outstanding or prepaid contributions at either the beginning or end of the financial periods.

The Group also established a defined contribution scheme which will have a backdated start date of August 1, 1997. This scheme will be open to employees joining the Group after March 1, 1997. The defined benefit scheme will not be open to these employees. The pensionable charge for the period from April 1, 1997 to December 31, 1997 represents contributions under this scheme amounting to (Pounds)nil.

21 Reconciliation of operating profit to operating cash flows

	Home Service		Castle Transmission	
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Operating profit.....	7,785	14,002	1,245	8,776
Depreciation and amortisation charge....	12,835	13,038	1,819	16,854
(Increase)/Decrease in stocks.....	(678)	294	(2)	(746)
Decrease/(Increase) in debtors.....	2,571	(258)	(5,372)	(2,937)
Increase/(Decrease) in creditors.....	1,798	(649)	8,066	6,036
Cash inflow from operating activities...	24,311	26,427	5,756	27,983

22 Analysis of cash flows for headings noted in the cash flow statement

	Home Service		Castle Transmission	
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Returns on investment and servicing of finance				
Interest received.....	--	--	49	242
Interest paid.....	--	--	(934)	(2,670)
Net cash outflow for returns on investment and servicing of finance.....	--	--	(885)	(2,428)
Capital expenditure and financial investments				
Purchase of tangible fixed assets.....	(18,079)	(21,810)	(748)	(14,361)
Proceeds on disposal of tangible fixed assets..	889	1,718	--	--
Net cash outflow for capital expenditure and financial investments..	(17,190)	(20,092)	(748)	(14,361)
Acquisitions and disposals				
Purchase of subsidiary undertaking (see note 24).....	--	--	(52,141)	(307)
Amount paid to BBC on acquisition.....	--	--	(199,000)	--
Net cash outflow for acquisition and disposals.....	--	--	(251,141)	(307)
Financing				
Issue of shares.....	--	--	102,348	550
Increase/(decrease) in corporate funding.....	(7,121)	(6,335)	--	--
Debt due beyond a year:				
Facility A (net of issue costs).....	--	--	120,056	--
Facility B (net of issue costs).....	--	--	34,302	--
Repayment of Facility A and B.....	--	--	--	(157,500)
New Facility.....	--	--	--	24,000
Guaranteed Bonds.....	--	--	--	120,527
Net cash inflow/(outflow) from financing.....	(7,121)	(6,335)	256,706	(12,423)

23 Analysis of net debt due after one year

	At February 27, 1997	Cashflow	Other non-cash changes	At March 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Cash at bank and in hand.....	--	9,688	--	9,688
Debt due after 1 year...	--	(154,358)	--	(154,358)
	--	(144,670)	--	(144,670)

	At March 31, 1997	Cashflow	non-cash changes	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
Cash at bank and in hand	9,688	(1,536)	--	8,152
Finance leases	--	--	(711)	(711)
Debt due after 1 year	(154,358)	12,973	(2,142)	(143,527)
	(144,670)	11,437	(2,853)	(136,086)

24 Purchase of subsidiary undertaking

	At March 31, 1997	Fair value adjustments	At December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000
Net assets acquired:			
Tangible fixed assets	207,038	--	207,038
Stocks	119	134	253
Debtors	4,972	(97)	4,875
Creditors--trade	(6,033)	49	(5,984)
--owed to BBC on acquisition	(199,000)	--	(199,000)
Provisions (see note 15)	(1,723)	(1,016)	(2,739)
Adjusted net assets acquired	5,373	(930)	4,443
Goodwill	46,768	1,237	48,005
Cost of acquisition including related fees	52,141	307	52,448
Satisfied by:			
Cash	52,141	307	52,448

The total consideration paid by Castle Transmission included the assumption and subsequent repayment of (Pounds)199 million paid to the BBC, see note 18.

Fair value adjustments

The fair value adjustments result from the completion of the fair value exercise performed by CTI on the acquisition of Home Service and the under accrual of fees by the Company, in relation to the acquisition of CTI, at March 31, 1997. The (Pounds)1,237,000 increase in goodwill relates predominantly to the provision of (Pounds)1,250,000 in respect of a dispute over wind loading fees. This dispute was an existing contingent liability at the date of acquisition and consequently provision has been made against the fair value of the assets and liabilities of Home Service at February 27, 1998.

25 Related party disclosures

Home Service

Throughout the year ended March, 31 1996 and the period from April 1, 1996 to February 27, 1997, Home Service entered into a number of transactions with other parts of the BBC. Substantially all of these transactions are exempt from the disclosure provisions of FRS 8 "Related Party Disclosures" as they have been undertaken between different parts of the BBC, and are eliminated in the consolidated accounts of the BBC. However, brief details of the nature of these transactions are set out below.

The majority of Home Service's income arises from trading with other parts of the BBC. Prices are set at BBC group level on the basis of cost budgets prepared by Home Service. The aggregate value of such sales in each of the years covered by the combined financial statements is given in Note 3.

Administrative costs include expenses re-charged to Home Service by the BBC. These re-charges related to costs incurred centrally in respect of pension, information technology, occupancy and other administration costs. These charges amounted to (Pounds)5.8 million in 1996 and (Pounds)1.2 million in the period between April 1, 1996 and February 27, 1997. The reduced charge for the period to February 27, 1997 is a result of more functions being carried out by employees of Home Service in preparation for the change to a stand alone entity.

In addition, re-charges were also made for distribution costs relating to telecommunication links between the BBC and the transmitting stations and these were then internally re-charged to other parts of the BBC. The charges amounted to (Pounds)5.6 million in 1996 and (Pounds)6.4 million in the period between April 1, 1996 and February 27, 1997.

Castle Transmission

The Shareholders of Castle Transmission are:

Crown Castle International Corp. ("CCIC", formerly Castle Tower Holding Corp.), Candover Investments plc and funds managed by it ("Candover"), TeleDiffusion de France International S.A ("TdF") and Berkshire Partners LLC and funds managed by it ("Berkshire"). They are considered to be related parties as they are the consortium who own 99 percent of the shares of the Company.

Castle Transmission paid fees to shareholders in respect of expenses incurred during the acquisition and success fees. Castle Transmission also has management agreements with CCIC (for commercial and financial advice and training and consultancy) and TdF (for technical advice and consulting), these agreements run for five years from February 28, 1997. Fees are payable on the basis of an annual fee for agreed services provided to Castle Transmission, together with fees on a commercial arm's length basis for any additional services provided. In addition Castle Transmission has agreed to reimburse shareholders' expenses in relation to attendance at board meetings. The amounts paid and accrued by the Company during the period were as follows:

Related party	Amounts expensed	Amounts capitalised	Amounts paid	Total amounts payable at March 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
CCIC	20	1,763	1,763	20
Candover	1	244	244	1
TdF	--	129	--	129
Berkshire	1	315	316	--
	22	2,451	2,323	150

Related party	Total amounts payable at March 31, 1997	Amounts expensed	Amounts capitalised	Amounts paid	Total amounts payable at December 31, 1997
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000
CCIC	20	253	--	246	27
Candover	1	16	--	13	4
TdF	129	--	--	129	--
Berkshire	--	55	--	43	12
	150	324	--	431	43

Ongoing BBC relationship

At the time of the acquisition of Home Service, Castle Transmission entered into a ten year transmission contract with the BBC for the provision of domestic terrestrial analogue television and radio transmission services expiring on March 31, 2007. Thereafter, the contract continues until terminated by twelve months notice by either party on March 31 in any contract year from and including March 31, 2007. It may also be terminated early if certain conditions are met.

The contract provides for charges of approximately (Pounds)46 million to be payable by the BBC to Castle Transmission for the year to March 31, 1998. Castle Transmission's charges for subsequent years of the contract are largely determined by a formula which escalates the majority of the charges by a factor which is 1% below the rate of increase in the Retail Price Index over the previous calendar year. Those elements of the charges which are subject to the escalation formula for the contract year commencing April 1, 1998 amount to approximately (Pounds)46 million.

26 Post balance sheet events

On January 23, 1998, the Board of Directors adopted: (i) the All Employee Share Option Scheme; (ii) the Management Share Option Scheme; and (iii) individual share option arrangements for certain directors of the Company.

The All Employee Share Option Scheme provides for an unlimited number of shares to be granted to all employees of the Company. The Board may select any number of individuals to apply for the grant of an option. Not later than thirty days following the date by which an application must be made, the Board may grant to each applicant the number of options specified in his application. These options may be exercised at the earliest of the third anniversary of the date of grant, in the event of a flotation or in the event of a take-over, reconstruction, liquidation or option exchange as set out in the Scheme rules. For options granted under this scheme the option price and the number of shares will not change during the life of the option.

Under the terms of the Management Share Option Scheme and the individual share option arrangements, share options may be granted to employees or directors of the Company as determined by the Board of Directors up to a maximum of 460,000 Ordinary Shares and 459,540,000 Redeemable Preference Shares. Options will vest over periods of up to four years and have a maximum term of up to nine years. For options over 223,333 Ordinary Shares and 223,110,000 Redeemable Preference Shares, the option price and the number of shares will not change during the life of the option. The remaining options are subject to certain performance criteria.

On January 23, 1998 and January 30, 1998 the Company granted options to purchase an aggregate of 460,000 Ordinary Shares and 459,540,000 Redeemable Preference Shares under the terms of the individual share option arrangements and the Management Share Option Scheme, respectively. The weighted average price for such options is 1.16 pence for Ordinary Shares and 1.16 pence for Redeemable Preference Shares. The weighted average vesting period for such options is 1.13 years. Any accounting charge resulting from a difference between the fair value of the rights to the shares at the date of grant and the amount of consideration to be paid for the shares will be charged to the profit and loss account in the year to December 31, 1998 and subsequent years according to the vesting provisions of the arrangements. Where the options are subject to performance criteria, the amount initially recognised will be based on a reasonable expectation of the extent to which these criteria will be met and will be subject to subsequent adjustments as necessary to deal with changes in the probability of performance criteria being met.

Update of post balance sheet events (Unaudited)

On March 23, 1998, the Company granted options to purchase an aggregate of 40,750 Ordinary Shares and 40,709,250 Redeemable Preference Shares under the terms of the All Employee Share Option Scheme. The price for such options is 1.00 pence for both Ordinary Shares and Redeemable Preference Shares. The vesting period for such options is three years.

The accounting charge related to all share options included within the unaudited consolidated financial statements for the eight months ended August 31, 1998 is (Pounds)2,330,000.

On April 23, 1998, the Board of Directors adopted share option arrangements for certain individuals. On that same date, the Company granted options to purchase 60,000 Ordinary Shares and 59,940,000 Redeemable Preference Shares under the terms of such share option arrangements. These options will vest over a period of four years and have a maximum term of six years. The weighted average price of such options is 1.75 pence for both Ordinary Shares and Redeemable Preference Shares. The weighted average vesting period for such options is two years.

On July 1, 1998 and July 15, 1998, CCIC granted options to purchase 59,932 ordinary shares in CCIC to employees of CTI under terms of individual share option arrangements. The weighted average price for such options is $37.54. These options vested on August 18, 1998. The accounting charge related to these options included in the unaudited consolidated financial statements for the eight months ended August 31, 1998 is (Pounds)978,000.

On July 15, 1998, the Board of Directors of the Company resolved that the Management Share Option Scheme would not be subject to any performance criteria and would vest on a time basis only.

An August 11, 1998, the Company granted options to purchase 15,690 Ordinary Shares and 15,674,310 Redeemable Preference Shares under the terms of the Management Share Option Scheme. The weighted average price for such options is 2.5 pence for both Ordinary Shares and Redeemable Preference Shares. The weighted average vesting period for such options is 2.7 years.

On August 21, 1998, the Company issued 515,000 Ordinary Shares and 514,485,000 Redeemable Preference Shares to CCIC for cash at par under the terms of the warrant. In addition, CCIC subscribed for 10,210 Ordinary Shares and 10,199,790 Redeemable Preference Shares for cash at a premium of 1.5 pence per share.

On August 21, 1998, the Company became an 80% owned subsidiary of CCIC. On that same date, (i) all issued and unissued Redeemable Preference Shares were redesignated as Ordinary Shares; and (ii) all existing options to purchase shares in the Company were converted into options to purchase shares in CCIC at the rate of 7 shares in CCIC for every 1000 shares in the Company.

27 Summary of differences between United Kingdom and United States generally accepted accounting principles

These consolidated financial statements have been prepared in accordance with UK GAAP, which differ in certain respects from US GAAP. The differences that affect Home Service and Castle Transmission are set out below:

(a) Tangible fixed assets

During 1993 Home Service revalued upwards its investments in certain identifiable tangible fixed assets. Such upward revaluation is not permissible under US GAAP. Rather, depreciated historical cost must be used in financial statements prepared in accordance with US GAAP.

In the period between April 1, 1996 and February 27, 1997 there were a number of transfers of fixed assets to and from other parts of the BBC as explained in note 10. For US GAAP purposes these transfers have been accounted for under the as-if-pooling-of-interests method for transactions between entities under common control.

(b) Deferred taxation

Under UK GAAP, deferred taxes are accounted for to the extent that it is considered probable that a liability or asset will crystallise in the foreseeable future. Under US GAAP, deferred taxes are accounted for on all timing differences and a valuation allowance is established in respect of those deferred tax assets where it is more likely than not that some portion will remain unrealised. Deferred tax also arises in relation to the tax effect of other US GAAP adjustments.

(c) Pensions

The Group accounts for costs of pensions under the rules set out in the UK accounting standards. US GAAP is more prescriptive in respect of actuarial assumptions and the allocation of costs to accounting periods.

(d) Capitalised interest

Under US GAAP, interest incurred during the construction periods of tangible fixed assets is capitalised and depreciated over the life of the assets.

(e) Redeemable preference shares

Under UK GAAP, preference shares with mandatory redemption features or redeemable at the option of the security holder are classified as a component of total shareholders' funds. US GAAP requires such redeemable preference shares to be classified outside of shareholders' funds.

(f) Cash flow statement

Under US GAAP various items would be reclassified within the consolidated cash flow statement. In particular, interest received, interest paid and taxation would be part of net cash flows from operating activities, and dividends paid would be included within net cash flow from financing. In addition, under US GAAP, acquisitions and disposals would be included as investing activities.

Movements in those current investments which are included under the heading of cash under US GAAP form part of the movements entitled "Management of liquid resources" in the consolidated cash flow statements.

Summary combined statements of cash flows for Castle Transmission prepared in accordance with US GAAP are set out below:

	Home Service			Castle Transmission		
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Two Months Ended February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997	Eight Months Ended August 31, 1998
	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Net cash provided by operating activities...	24,311	28,146	5,161	4,871	25,555	27,226
Net cash used by investing activities...	(17,190)	(21,811)	(711)	(52,889)	(14,668)	(36,135)
Net cash (used)/provided by financing activities.....	(7,121)	(6,335)	(4,450)	57,706	(12,423)	9,955
Net increase/(decrease) in cash and cash equivalents.....	--	--	--	9,688	(1,536)	1,046
Cash and cash equivalents at beginning of period....	--	--	--	--	9,688	8,152
Cash and cash equivalents at end of period.....	--	--	--	9,688	8,152	9,198

The following is a summary of the approximate effect on Home Service's and Castle Transmission's net profit and corporate funding/shareholders' funds of the application of US GAAP.

	Home Service			Castle Transmission		
	Year Ended March 31, 1996	Period from April 1, 1996 to February 27, 1997	Two Months Ended February 27, 1997	Period from February 28, 1997 to March 31, 1997	Period from April 1, 1997 to December 31, 1997	Eight Months Ended August 31, 1998
	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Net profit/(loss) as reported in the profit and loss accounts.....	7,785	14,002	2,697	325	(3,355)	2,145
US GAAP adjustments:						
Depreciation adjustment on tangible fixed assets.....	3,707	3,993	726	--	--	--
Pensions.....	--	--	--	--	65	108
Capitalised interest..	--	--	--	78	801	1,385
Net income/(loss) under US GAAP.....	11,492	17,995	3,423	403	(2,489)	3,638
Additional finance cost of non-equity shares...	--	--	--	(318)	(2,862)	--
Net income/(loss) attributable to ordinary shareholders under US GAAP.....	11,492	17,995	3,423	85	(5,351)	3,638

	Home Service	Castle Transmission		
	At March 31,			
	1996	1997	At December 31, 1997	At August 31, 1998
	(Pounds)000	(Pounds)000	(Pounds)000	(Pounds)000 (Unaudited)
Corporate funding/shareholders' funds as reported in the balance sheets.....	202,429	102,673	99,868	109,748
US GAAP adjustments:				
Depreciation adjustment on tangible fixed assets.....	(35,945)	--	--	--
Pensions.....	--	--	65	173
Capitalised interest..	--	78	879	2,264
Redeemable preference shares (including additional finance cost of non-equity shares).....	--	(102,564)	(105,975)	--
Corporate funding/shareholders' funds/(deficit) under US GAAP.....	166,484	187	(5,163)	112,185

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and
Stockholders of Crown Castle
International Corp.:

We have audited the accompanying statement of net assets of Bell Atlantic Mobile Tower Operations as of December 31, 1998, and the related statements of revenues and direct expenses for each of the years in the two-year period ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of net assets and the related statements of revenues and direct expenses are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of net assets and the related statements of revenues and direct expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of net assets and the related statements of revenues and direct expenses. We believe that our audit provides a reasonable basis for our opinion.

The statements of net assets and revenues and direct expenses were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission. As discussed in note 1, such statements do not reflect certain corporate overhead expenses incurred by Bell Atlantic Mobile, the contributor of the net assets, on behalf of the tower operations.

In our opinion, the statements referred to above present fairly, in all material respects, the net assets of Bell Atlantic Mobile Tower Operations as of December 31, 1998, and the related revenues and direct expenses for each of the years in the two-year period ended December 31, 1998, in conformity with generally accepted accounting principles.

KPMG LLP

March 4, 1998

BELL ATLANTIC MOBILE
TOWER OPERATIONS

STATEMENT OF NET ASSETS
(In thousands of dollars)

December 31, 1998

Property and equipment, net	$83,557
Net Assets	$83,557

See notes to financial statements.

BELL ATLANTIC MOBILE
TOWER OPERATIONS

STATEMENTS OF REVENUES AND DIRECT EXPENSES
(In thousands of dollars)

	Years ended December 31,	
	1997	1998
Site rental revenues	$ 6,480	$ 11,183
Costs of operations	15,131	14,941
Depreciation and amortization	7,221	6,278
Loss from Tower Operations	$ (15,872)	$ (10,036)

See notes to financial statements.

BELL ATLANTIC MOBILE TOWER OPERATIONS
NOTES TO FINANCIAL STATEMENTS
(In thousands of dollars)

1. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

On December 8, 1998 Crown Castle International Corp. ("CCIC") and Bell Atlantic Mobile and certain entities controlled by Bell Atlantic Mobile ("BAM") entered into a formation agreement in order to create Crown Atlantic Company LLC ("Crown Atlantic"). Under the terms of the agreement, BAM will contribute tower structures and certain related assets while CCIC will contribute cash and shares of its common stock to Crown Atlantic and its parent company, respectively. The tower structures and related assets consist of the tower facilities that were previously part of BAM's cellular operations. Their locations span New York, New England, Philadelphia, Pittsburgh, Washington-Baltimore and certain areas in the Southeast and Southwest.

Under the formation agreement, Crown Atlantic will assume all obligations of BAM as landlord, licensor or tenant relating to the tower space leases with respect to the period after the closing date. Crown Atlantic will also assume all obligations of BAM subsequent to the closing date relating to the operation of the towers and any contracts entered into by BAM during the ordinary course of business of BAM relating to the towers but only to the extent that such contracts were chosen to be included in the obligations assumed by Crown Atlantic. Under the terms of the formation agreement, Crown Atlantic did not assume certain liabilities as defined in the actual terms of the formation agreement.

The accompanying statement of net assets reflects the assets to be contributed by BAM to Crown Atlantic pursuant to the formation agreement. The statement of net assets reflects BAM's historical carrying values of the contributed assets, adjusted to exclude certain assets which will not be contributed as part of the formation agreement.

The accompanying statements of revenue and direct expenses reflect operations related to the tower assets to be contributed by BAM to Crown Atlantic per the formation agreement. Certain direct and indirect operating costs of BAM have been allocated and included in the costs of operations. The allocated amounts totaled $3,501 and $3,694 for the years ended December 31, 1997 and 1998, respectively. Such allocations are based on determinations that management believes are reasonable, but may not be necessarily indicative of such costs incurred by Crown Atlantic in the future. The statements of revenues and direct expenses do not include allocated costs related to general corporate overhead, interest expense and income taxes and therefore may not be indicative of future operations.

The accompanying statement of net assets and the related statements of revenues and direct expenses were prepared for the purpose of complying with the requirements of the Securities and Exchange Commission and are not intended to be a complete presentation of Bell Atlantic Mobile's assets and liabilities or revenues and expenses.

Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Site rental revenues are recognized on a monthly basis under lease or management agreements. Site rental revenues represent charges for tower usage billed to third party customers under lease arrangements.

(In thousands of dollars)

2. Property and Equipment

Property and equipment are stated at historical costs. Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives of the assets. Property and equipment at December 31, 1998 consisted of the following:

	Estimated Useful Lives	
Land		$ 21,798
Telecommunication towers and related equipment	12 years	97,035
		118,833
Less: accumulated depreciation		(35,276)
		$ 83,557

3. Commitments

At December 31, 1998, minimum rental commitments under operating leases are as follows:

Years ending December 31,	
1999	12,235
2000	10,200
2001	8,118
2002	5,512
2003	2,762

4. Site Rental Revenues

At December 31, 1998, minimum amounts receivable under third party lease agreements are as follows:

Years ending December 31,	
1999	12,214
2000	11,948
2001	10,952
2002	6,997
2003	2,207

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders of

Crown Castle International Corp.

We have audited the accompanying statement of net assets of Powertel Tower Operations as of December 31, 1998, and the related statement of revenues and direct expenses for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of net assets and the related statement of revenues and direct expenses are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of net assets and the related statement of revenues and direct expenses. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement of net assets and the related statement of revenues and direct expenses. We believe that our audits provide a reasonable basis for our opinion.

The statements of net assets and revenues and direct expenses were prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission. As discussed in note 1, such statements do not reflect certain corporate overhead expenses incurred by Powertel, Inc., the owner of the net assets, on behalf of the tower operations.

In our opinion, the statements referred to above present fairly, in all material respects, the net assets of Powertel Tower Operations as of December 31, 1998, and the related revenues and direct expenses for the year then ended in conformity with generally accepted accounting principles.

KPMG LLP

February 5, 1999

POWERTEL TOWER OPERATIONS

STATEMENT OF NET ASSETS

(In thousands of dollars)

DECEMBER 31, 1998

Prepaid expenses and other current assets	$ 2,031
Property and equipment, net	121,490
Total assets	123,521
Deferred revenues	309
Net assets	$123,212

See notes to financial statements.

POWERTEL TOWER OPERATIONS

STATEMENT OF REVENUES AND DIRECT EXPENSES

(In thousands of dollars)

YEAR ENDED DECEMBER 31, 1998

Site rental revenues	$ 1,865
Cost of operations	6,167
Depreciation	7,534
Loss from tower operations	$(11,836)

See notes to financial statements.

POWERTEL TOWER OPERATIONS

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars)

1. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

On March 15, 1999, Crown Castle International Corp. ("CCIC") and Powertel, Inc. ("Powertel") entered into an asset purchase agreement, whereby Powertel will sell tower structures and certain related assets to CCIC. The tower structures and related assets consist of the tower facilities that were previously part of Powertel's PCS and cellular operations. Their locations span Atlanta, Georgia; Jacksonville, Florida; Memphis, Tennessee; Jackson, Mississippi; and Birmingham, Alabama and certain areas in Kentucky and Tennessee.

The accompanying statement of net assets reflects the assets to be sold by Powertel to CCIC pursuant to the asset purchase agreement. The statement of net assets reflects Powertel's historical carrying values of the tower assets, adjusted to exclude certain assets which will not be contributed as part of the asset purchase agreement.

The accompanying statement of revenues and direct expenses reflects operations related to the tower assets to be sold by Powertel to CCIC per the asset purchase agreement. The statement of revenues and direct expenses does not include allocated costs related to general corporate overhead, interest expense and income taxes and therefore may not be indicative of future operations.

The accompanying statement of net assets and the related statement of revenues and direct expenses were prepared for the purpose of complying with the requirements of the Securities and Exchange Commission and are not intended to be a complete presentation of Powertel's assets and liabilities or revenues and expenses.

Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Site rental revenues are recognized on a monthly basis under lease agreements. Site rental revenues represent charges for tower usage billed to third party customers under lease arrangements. Revenue amounts received in advance are deferred and recognized over the term of the lease agreement.

(In thousands of dollars)

2. Property and Equipment

Property and equipment are stated at historical costs. Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives of the assets. Property and equipment at December 31, 1998 consisted of the following:

	Estimated Useful Lives	
Land		$ 859
Telecommunication towers and related equipment.....	15 years	134,757
		135,616
Less: accumulated depreciation		(14,126)
		$121,490

3. Commitments

At December 31, 1998, minimum rental commitments under operating leases are as follows:

Year ending December 31,	
1999	$4,120
2000	4,093
2001	3,276
2002	1,929
2003	626
Thereafter	185

4. Site Rental Revenues

At December 31, 1998, minimum amounts receivable under third party lease agreements are as follows:

Year ending December 31,	
1999	$2,690
2000	2,677
2001	2,610
2002	2,131
2003	948
Thereafter	485

$200,000,000

CROWN CASTLE INTERNATIONAL CORP.

Offer to Exchange all Outstanding 12 3/4% Senior Exchangeable Preferred Stock due 2010 for 12 3/4% Senior Exchangeable Preferred Stock due 2010, which have been Registered under the Securities Act of 1933

Prospectus

, 1999

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 20. Indemnification of Directors and Officers

Section 145 of the General Corporation Law of the State of Delaware ("DGCL") provides that a corporation has the power to indemnify any director or officer, or former director or officer, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) against the expenses (including attorney's fees), judgments, fines or amounts paid in settlement actually and reasonably incurred by them in connection with the defense of any action by reason of being or having been directors or officers, if such person shall have acted in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding; provided that such person had no reasonable cause to believe his conduct was unlawful, except that, if such action shall be in the right of the corporation, no such indemnification shall be provided as to any claim, issue or matter as to which such person shall have been judged to have been liable to the corporation unless and to the extent that the Court of Chancery of the State of Delaware (the "Court of Chancery"), or any court in such suit or action was brought, shall determine upon application that, in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnify for such expenses as such court shall deem proper.

Accordingly, the Restated Certificate of Incorporation of the Company (filed herewith as Exhibit 3.1) provide that the Company shall, to the maximum extent permitted under the DGCL indemnify each person who is or was a director or officer of the Company. The Company may, by action of the Board of Directors, indemnify other employees and agents of the Corporation, directors, officers, employees or agents of a subsidiary, and each person serving as a director, officer, partner, member, employee or agent or another corporation, partnership, limited liability company, joint venture, trust or other enterprise, at the request of the Company, with the same scope and effect as the indemnification of directors and officers of the Company. Notwithstanding the foregoing, the Company shall be required to indemnify any person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors or is a proceeding to enforce such person's claim to indemnification pursuant to the rights granted by the Restated Certificate of Incorporation or otherwise by the Company. The Company may also enter into one or more agreements with any person which provide for indemnification greater or different than that provided in the Restated Certificate of Incorporation.

Furthermore, a director of the Company shall not be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (1) for any breach of the director's duty of loyalty to the Company or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL, or (4) for any transaction from which the director derived an improper personal benefit.

The Company's By-laws provide that each person who was or is made a party or is threatened to be made a party to or is involved in any manner in any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative ("Proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative is or was a director or officer of the Company or, while a director or officer of the Company, a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall be indemnified and held harmless by the Company to the fullest extent permitted by the DGCL. Such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that the Company shall indemnify any such person seeking indemnification in connection with a Proceeding (or part thereof) initiated by such person only if such Proceeding (or part thereof) was authorized by the Board of Directors or is a Proceeding to enforce such person's claim to indemnification pursuant to the rights granted by the Company's By-laws. The Company shall pay the expenses incurred by any person described in the first two sentences of this paragraph in defending any such Proceeding in advance of its final disposition upon, to the extent such an

undertaking is required by applicable law, receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Company as authorized in the Company's By-laws or otherwise.

The Company's By-laws further provide that the indemnification and the advancement of expenses incurred in defending a Proceeding prior to its final disposition provided by, or granted pursuant to, the Company's By-laws shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Restated Certificate of Incorporation, other provision of the Company's By-laws or otherwise. The Company may also maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, partner, member, employee or agent of the Company or a subsidiary or of another corporation, partnership, limited liability company, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the DGCL.

The Company's By-laws further provide that the Company may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and rights to be paid by the Company the expenses incurred in defending any Proceeding in advance of its final disposition, to any person who is or was an employee or agent (other than a director or officer) of the Company or a subsidiary thereof and to any person who is or was serving at the request of the Company or a subsidiary thereof as a director, officer, partner, member, employee or agent of another corporation, partnership, limited liability company, joint venture, trust or other enterprise, including service with respect to employee benefit plans maintained or sponsored by the Company or a subsidiary thereof, to the fullest extent of the provisions of the Company's By-laws with respect to the indemnification and advancement of expenses of directors and officers of the Company.

Item 21. Exhibits and Financial Statement Schedules

(a) Exhibits

Exhibit No.	Description of Exhibit
**2.1	Asset Purchase and Merger Agreement among Crown Network Systems, Inc., Crown Mobile Systems, Inc., Robert A. Crown, Barbara Crown and Castle Acquisition Corp. I, Castle Acquisition Corp. II, Castle Tower Holding Corp. dated July 11, 1997
**2.2	First Amended and Restated Asset Purchase and Merger Agreement among Crown Network Systems, Inc., Crown Mobile Systems, Inc., Robert A. Crown, Barbara Crown and Castle Acquisition Corp. I, Castle Acquisition Corp. II, Castle Tower Holding Corp. dated July 11, 1997, as amended and restated on August 14, 1997
**2.3	Stock Purchase Agreement by and between Castle Tower Holding Corp., Bruce W. Neurohr, Charles H. Jones, Ronald J. Minnich, Ferdinand G. Neurohr and Terrel W. Pugh dated May 12, 1997 ("TEA Stock Purchase Agreement")
***2.4	Share Exchange Agreement among Castle Transmission Services (Holdings) Ltd., Crown Castle International Corp., T 1 Diffusion de France International S.A., Digital Future Investments B.V. and certain shareholders of Castle Transmission Services (Holdings) Ltd. dated as of April 24, 1998
+3.1	Restated Certificate of Incorporation of Crown Castle International Corp. dated August 21, 1998
+3.2	Amended and Restated By-laws of Crown Castle International Corp. dated August 21, 1998
+3.3	Certificate of Designations, Preferences and Relative, Participating, Optional and other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions thereof of 12 3/4% Senior Exchangeable Preferred Stock due 2010 and 12 3/4% Series B Senior Exchangeable Preferred Stock due 2010 of Crown Castle International Corp.
**4.1	Indenture dated as of November 25, 1997 between Crown Castle International Corp. and United States Trust Company of New York, as Trustee (including exhibits).

Exhibit No.	Description of Exhibit
**4.2	Amended and Restated Stockholders Agreement among Castle Tower Holding Corp., Edward C. Hutcheson, Jr., Ted B. Miller, Jr., Robert A. Crown and Barbara Crown and the persons listed on Schedule I thereto dated August 15, 1997
**4.3	Article Fourth of Certificate of Incorporation of Castle Tower Holding Corp. (included in Exhibits 3.1 and 3.3)
**4.4	Trust Deed related to (Pounds)125,000,000 9 percent. Guaranteed Bonds due 2007 among Castle Transmission (Finance) PLC, as Issuer, Castle Transmission International Ltd. and Castle Transmission Services (Holdings) Ltd., as Guarantors, and The Law Debenture Trust Corporation p.l.c., as Trustee, dated May 21, 1997
**4.5	First Supplemental Trust Deed related to (Pounds)125,000,000 9 percent Guaranteed Bonds due 2007 among Castle Transmission (Finance) PLC, as Issuer, Castle Transmission International Ltd. and Castle Transmission Services (Holdings) Ltd., as Guarantors, and The Law Debenture Trust Corporation p.l.c., as Trustee, dated October 17, 1997
***4.6	Specimen Certificate of Common Stock
4.7	Indenture dated as of December 21, 1998 between Crown Castle International Corp. and the United States Trust Company, as Trustee (including exhibits)
*5	Opinion of Cravath, Swaine & Moore.
**10.1	Registration Rights Agreement by and among Crown Castle International Corp. and Lehman Brothers Inc. and Credit Suisse First Boston Corporation dated as of November 25, 1997
***10.2	Amended and Restated Loan Agreement by and among Crown Communication Inc., Crown Castle International Corp. de Puerto Rico, Key Corporate Capital Inc. and certain lenders dated July 10, 1998
**10.8	Amended and Restated Limited Holdco Guaranty by Crown Castle International Corp., in favor of KeyBank National Association, as Agent, dated November 25, 1997
**10.9	Memorandum of Understanding regarding Management and Governance of Castle Tower Holding Corp. and Crown Communications, Inc. dated August 15, 1997
**10.10	Site Commitment Agreement between Nextel Communications, Inc. and Castle Tower Corporation dated July 11, 1997
**10.11	Independent Contractor Agreement by and between Crown Network Systems, Inc. and Sprint Spectrum L.P. dated July 8, 1996, including addendum dated November 12, 1997
**10.12	Independent Contractor Agreement between Crown Network Systems, Inc. and Powerfone, Inc. d/b/a Nextel Communications dated September 30, 1996
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**10.14	Master Lease Agreement between Sprint Spectrum, L.P. and Robert Crown d/b/a Crown Communications dated June 11, 1996 ("Sprint Master Lease Agreement")
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**10.18	Master Lease Agreement between APT Pittsburgh Limited Partnership and Robert Crown d/b/a Crown Communications dated December 3, 1996
**10.19	Master Tower Lease Agreement between Cellco Partnership d/b/a Bell Atlantic NYNEX Mobile, Pittsburgh SMSA, L.P. and Pennsylvania RSN No. 6(II) and Robert A. Crown d/b/a Crown Communications dated December 29, 1995, as amended by a letter agreement dated as of October 28, 1997

Exhibit No.	Description of Exhibit
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**10.21	Castle Tower Holding Corp. 1995 Stock Option Plan (Third Restatement)
**10.22	Services Agreement between Castle Transmission International Ltd. (formerly known as Castle Transmission Services Ltd.) and Castle Tower Holding Corp. dated February 28, 1997
**10.23	Shareholders Agreement among Berkshire Fund IV Investment Corp., Berkshire Investors LLC, Berkshire Partners LLC, Candover Investments PLC, Candover (Trustees) Limited, Candover Partners Limited (as general partner for four limited partnerships), Castle Tower Holding Corp., T 1 Diffusion de France International S.A., and Diohold Limited (now known as Castle Transmission Services (Holdings) Ltd.) dated January 23, 1997
**10.24	First Amendment to Amended and Restated Stockholders Agreement by and among Crown Castle International Corp., Edward C. Hutcheson, Jr., Ted B. Miller, Jr., Robert A. Crown and Barbara Crown and the persons listed as Investors dated January 28, 1998
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***10.27	Agreement among Castle Transmission Services (Holdings) Ltd., Digital Future Investments B.V., Berkshire Partners LLC and certain shareholders of Castle Transmission Services (Holdings) Ltd. for the sale and purchase of certain shares of Castle Transmission Services (Holdings) Ltd., for the amendment of the Shareholders Agreement in respect of Castle Transmission Services (Holdings) Ltd. and for the granting of certain options dated April 24, 1998
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***10.41	Castle Transmission Services (Holdings) Ltd. All Employee Share Option Scheme dated as of January 23, 1998
***10.42	Rules of the Castle Transmission Services (Holdings) Ltd. Bonus Share Plan
10.43	Employee Benefit Trust between Castle Transmission Services (Holdings) Ltd. and Castle Transmission (Trustees) Limited
***10.44	Castle Transmission Services (Holdings) Ltd. Unapproved Share Option Scheme dated as of January 23, 1998
***10.45	Amending Agreement between the British Broadcasting Corporation and Castle Transmission International Limited dated July 16, 1998
+10.46	Rights Agreement dated as of August 21, 1998, between Crown Castle International Corp. and Chasemellon Shareholder Services, L.L.C.
***10.47	Deed of Grant of Option between Castle Transmission Series (Holdings) Ltd. and George Reese dated January 23, 1998
***10.48	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and David Ivy dated January 23, 1998
***10.49	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and David Ivy dated April 23, 1998
***10.50	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and Ted B. Miller, Jr., dated April 23, 1998
***10.51	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and Ted B. Miller, Jr., dated January 23, 1998
***10.52	Memorandum Regarding Proposed Initial Public Offering and Certain Transitional Changes Affecting Management dated July 2, 1998, between Crown Castle International Corp. and Robert A. and Barbara A. Crown
***10.53	Services Agreement dated July 2, 1998, by and between Crown Castle International Corp. and Robert A. and Barbara A. Crown
+10.56	Registration Rights Agreement dated as of December 21, 1998 by and among Crown Castle International Corp. and Lehman Brothers, Salomon Smith Barney and Goldman, Sachs & Co.
****10.57	Formation Agreement relating to the formation of Crown Atlantic Company LLC, Crown Atlantic Holding Sub LLC, and Crown Atlantic Holding Company LLC dated December 1998 (including exhibits)
*****10.58	Letter of Agreement between Crown Castle International Corp. and BellSouth Mobility Inc. dated March 5, 1999 (including the Form of Sublease)
******10.59	Asset Purchase Agreement among Crown Castle International Corp., CCP Inc., Powertel Atlanta Towers, LLC, Powertel Birmingham Towers, LLC, Powertel Jacksonville Towers, LLC, Powertel Kentucky Towers, LLC, Powertel Memphis Towers, LLC and Powertel, Inc. dated March 15, 1999
10.60	Framework Agreement between One2One and Castle Transmission International Ltd. dated March 5, 1999

Exhibit No.	Description of Exhibit
10.61	Indenture between Crown Castle International Corp. and United States Trust Company of New York dated March 15, 1999
10.62	Registration Rights Agreement among Crown Castle International Corp. and Goldman Sachs Credit Partners LP, Salomon Brothers Holding Company Inc. and Credit Suisse First Boston dated March 15, 1999
10.63	Escrow Agreement among Crown Castle International Corp., Goldman Sachs Credit Partners LP, Salomon Brothers Holding Company Inc., Credit Suisse First Boston and United States Trust Company of New York dated March 15, 1999
10.64	Term Loan Agreement among Crown Castle International Corp. and Goldman Sachs Credit Partners LP, Salomon Brothers Holding Company Inc. and Credit Suisse First Boston dated March 15, 1999
11	Computation of Net Loss per Common Share
12	Computation of Ratio of Earnings to Fixed Charges
21	Subsidiaries of Crown Castle International Corp.
+23.1	Consent of KPMG LLP
*23.2	Consent of Cravath, Swaine & Moore (included in Exhibit 5)
27.1	Financial Data Schedule

- --------

+ Previously filed.
* To be filed by amendment.
** Incorporated by reference to the exhibits with the corresponding exhibit numbers in the Registration Statement on Form S-4 previously filed by the Registrant (Registration No. 333-43873).
*** Incorporated by reference to the exhibits with the corresponding exhibit numbers in the Registration Statement on Form S-1 previously filed by the Registrant (Registration No. 333-57283).

**** Incorporated by reference to the exhibit previously filed by the Registrant on Form 8-K (Registration No. 0-24737) dated December 9, 1998.

***** Incorporated by reference to the exhibit previously filed by the Registrant on Form 8-K (Registration No. 0-24737) dated March 8, 1999.

****** Incorporated by reference to the exhibit previously filed by the Registrant on Form 8-K (Registration No. 0-24737) dated March 15, 1999.

Schedule I--Condensed Financial Information of Registrant

All other schedules are omitted because they are not applicable or because the required information is contained in the financial statements or notes thereto included in this Registration Statement.

Item 22. Undertakings

The undersigned Registrant hereby undertakes that insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions described under Item 20 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted against the Registrant by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes (i) to respond to requests for information that are incorporated by reference into the Prospectus pursuant to Item 4, 10(b), 11, or 13 of Form S-4, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This undertaking also includes documents filed subsequent to the effective date of the Registration Statement through the date of responding to the request.

The undersigned Registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the Registration Statement when it became effective.

The undersigned Registrant hereby undertakes as follows: that prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this Registration Statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the undersigned undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other Items of the applicable form.

The undersigned Registrant hereby undertakes that every prospectus: (i) that is filed pursuant to the immediately preceding paragraph or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act of 1933 and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, State of Texas, on this 16th day of March, 1999

Crown Castle International Corp.,

/s/ Charles C. Green, III
by: _____
Name: Charles C. Green, III
Title: Executive Vice President
and Chief Financial Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated on this 16th day of March, 1999.

Signature	Title
/s/ Ted B. Miller, Jr. Ted B. Miller, Jr.	Chief Executive Officer and Vice Chairman of the Board (Principal Executive Officer)
/s/ David L. Ivy David L. Ivy	President and Director
/s/ Charles C. Green, III Charles C. Green, III	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ Wesley D. Cunningham Wesley D. Cunningham	Vice President, Chief Accounting Officer and Corporate Controller (Principal Accounting Officer)
/s/ Carl Ferenbach Carl Ferenbach	Chairman of the Board
/s/ Michel Azibert Michel Azibert	Director
/s/ Bruno Chetaille Bruno Chetaille	Director
/s/ Robert A. Crown Robert A. Crown	Director

Signature	Title
/s/ Bruno Chetaille Bruno Chetaille	Director
/s/ Robert A. Crown Robert A. Crown	Director
/s/ Randall A. Hack Randall A. Hack	Director
/s/ Robert F. McKenzie Robert F. McKenzie	Director
/s/ William A. Murphy William A. Murphy	Director
/s/ Jeffrey H. Schutz Jeffrey H. Schutz	Director
/s/ Charles C. Green, III Charles C. Green, III Attorney-in-Fact	

CROWN CASTLE INTERNATIONAL CORP.

SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT

BALANCE SHEET (Unconsolidated)

(In thousands of dollars, except share amounts)

	December 31,	
	1997	1998
ASSETS		
Current assets:		
Cash and cash equivalents	$ 53,092	$ 37,907
Receivables and other current assets	424	957
Advances to subsidiaries, net	2,611	13,711
Total current assets	56,127	52,575
Property and equipment, net of accumulated depreciation of $27 and $875 at December 31, 1997 and 1998, respectively	808	4,255
Investment in subsidiaries	232,229	1,041,788
Investments in affiliates	59,082	2,258
Deferred financing costs and other assets, net of accumulated amortization of $69 and $814 at December 31, 1997 and 1998, respectively	7,075	7,227
	$ 355,321	$1,108,103
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and other accrued liabilities	$ 1,187	$ 1,379
Total current liabilities	1,187	1,379
Long-term debt	151,593	168,099
Total liabilities	152,780	169,478
Redeemable preferred stock, $.01 par value; 10,000,000 shares authorized:		
12 3/4% Senior Exchangeable Preferred Stock; shares issued: December 31, 1997--none and December 31, 1998--200,000 (stated at mandatory redemption and aggregate liquidation value)	--	201,063
Senior Convertible Preferred Stock; shares issued: December 31, 1997--657,495 and December 31, 1998--none (stated at redemption value; aggregate liquidation value of $68,916)	67,948	--
Series A Convertible Preferred Stock; shares issued: December 31, 1997--1,383,333 and December 31, 1998--none (stated at redemption and aggregate liquidation value)	8,300	--
Series B Convertible Preferred Stock; shares issued: December 31, 1997--864,568 and December 31, 1998--none (stated at redemption and aggregate liquidation value)	10,375	--
Series C Convertible Preferred Stock; shares issued: December 31, 1997--3,529,832 and December 31, 1998--none (stated at redemption and aggregate liquidation value)	74,126	--
Total redeemable preferred stock	160,749	201,063
Stockholders' equity:		
Common stock, $.01 par value; 690,000,000 shares authorized:		
Class A Common Stock; shares issued: December 31, 1997--1,041,565 and December 31, 1998--none	2	--
Class B Common Stock; shares issued: December 31, 1997--9,367,165 and December 31, 1998--none	19	--
Common Stock; shares issued: December 31, 1997--none and December 31, 1998--83,123,873	--	831
Class A Common Stock; shares issued: December 31, 1997--none and December 31, 1998--11,340,000	--	113
Additional paid-in capital	58,248	795,153
Cumulative foreign currency translation adjustment	562	1,690
Accumulated deficit	(17,039)	(60,225)
Total stockholders' equity	41,792	737,562
	$ 355,321	$1,108,103

See notes to consolidated financial statements and accompanying notes.

CROWN CASTLE INTERNATIONAL CORP.

SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT--(Continued)

STATEMENT OF OPERATIONS (Unconsolidated)

(In thousands of dollars)

	Years Ended December 31,		
	1996	1997	1998
Other revenues	$ --	$ 329	$ 399
Interest and other income	171	2,028	1,354
General and administrative expenses	--	(149)	(2,975)
Corporate development expenses	(1,249)	(3,867)	(4,404)
Non-cash compensation charges	--	--	(9,775)
Depreciation and amortization	--	(27)	(720)
Interest expense and amortization of deferred financing costs	--	(4,594)	(17,251)
Loss before income taxes and equity in earnings (losses) of subsidiaries and unconsolidated affiliate	(1,078)	(6,280)	(33,372)
Credit (provision) for income taxes	49	(49)	--
Equity in earnings (losses) of subsidiaries	72	(4,475)	(6,458)
Equity in earnings (losses) of unconsolidated affiliate	--	(1,138)	2,055
Net loss	(957)	(11,942)	(37,775)
Dividends on preferred stock	--	(2,199)	(5,411)
Net loss after deduction of dividends on preferred stock	$ (957)	$(14,141)	$(43,186)

See notes to consolidated financial statements and accompanying notes.

CROWN CASTLE INTERNATIONAL CORP.

SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT--(Continued)

STATEMENT OF CASH FLOWS (Unconsolidated)

(In thousands of dollars)

	Years Ended December 31,		
	1996	1997	1998
Cash flows from operating activities:			
Net loss	$ (957)	$(11,942)	$(37,775)
Adjustments to reconcile net loss to net cash used for operating activities:			
Amortization of deferred financing costs and discount on long-term debt	--	1,652	17,251
Non-cash compensation charges	--	--	9,775
Equity in losses (earnings) of subsidiaries	(72)	4,475	6,458
Depreciation and amortization	--	27	720
Equity in losses (earnings) of unconsolidated affiliate	--	1,138	(2,055)
Increase (decrease) in accounts payable and other accrued liabilities	130	(103)	1,352
Decrease (increase) in receivables and other assets	(1,122)	551	(1,413)
Net cash used for operating activities	(2,021)	(4,202)	(5,687)
Cash flows from investing activities:			
Investment in subsidiaries	--	(89,989)	(332,065)
Net advances to subsidiaries	(288)	(2,223)	(11,100)
Capital expenditures	--	(835)	(3,624)
Investments in affiliates	(2,101)	(59,487)	--
Net cash used for investing activities	(2,389)	(152,534)	(346,789)
Cash flows from financing activities:			
Proceeds from issuance of capital stock	10,503	139,867	339,929
Incurrence of financing costs	--	(5,908)	(1,755)
Purchase of capital stock	--	(2,132)	(883)
Proceeds from issuance of long-term debt	--	150,010	--
Principal payments on long-term debt	--	(78,102)	--
Net cash provided by financing activities	10,503	203,735	337,291
Net increase (decrease) in cash and cash equivalents	6,093	46,999	(15,185)
Cash and cash equivalents at beginning of year	--	6,093	53,092
Cash and cash equivalents at end of year	$6,093	$ 53,092	$ 37,907
Supplementary schedule of noncash investing and financing activities:			
Issuance of long-term debt in connection with acquisitions	$ --	$ 78,102	$ --
Issuance of common stock in connection with acquisitions	--	57,189	420,964
Conversion of subsidiary's Convertible Secured Subordinated Notes to Series A Convertible Preferred Stock	--	3,657	--
Supplemental disclosure of cash flow information:			
Interest paid	$ --	$ 2,943	$ --
Income taxes paid	--	--	--

See notes to consolidated financial statements and accompanying notes.

SCHEDULE I--CONDENSED FINANCIAL INFORMATION OF REGISTRANT--(Continued)

NOTES TO FINANCIAL STATEMENTS (Unconsolidated)

1. Investment in Subsidiaries

The Company's investment in subsidiaries is presented in the accompanying unconsolidated financial statements using the equity method of accounting. Under the terms of the Senior Credit Facility, the CTI Credit Facility and the CTI Bonds, the Company's subsidiaries are limited in the amount of dividends which can be paid to the Company. For CCI, the amount of such dividends is limited to (i) $6,000,000 per year until October 31, 2002, and $33,000,000 per year thereafter, and (ii) an amount to pay income taxes attributable to the Company's Restricted Subsidiaries. CTI is effectively precluded from paying dividends. The restricted net assets of the Company's subsidiaries totaled approximately $826,321,000 at December 31, 1998.

2. Long-term Debt

Long-term debt consists of the Company's 10 5/8% Senior Discount Notes due 2007.

3. Income Taxes

Income taxes reported in the accompanying unconsolidated financial statements are determined by computing income tax assets and liabilities on a consolidated basis, for the Company and members of its consolidated federal income tax return group, and then reducing such consolidated amounts for the amounts recorded by the Company's subsidiaries on a separate tax return basis.

EXHIBIT INDEX

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**2.2	First Amended and Restated Asset Purchase and Merger Agreement among Crown Network Systems, Inc., Crown Mobile Systems, Inc., Robert A. Crown, Barbara Crown and Castle Acquisition Corp. I, Castle Acquisition Corp. II, Castle Tower Holding Corp. dated July 11, 1997, as amended and restated on August 14, 1997
**2.3	Stock Purchase Agreement by and between Castle Tower Holding Corp., Bruce W. Neurohr, Charles H. Jones, Ronald J. Minnich, Ferdinand G. Neurohr and Terrel W. Pugh dated May 12, 1997 ("TEA Stock Purchase Agreement")
***2.4	Share Exchange Agreement among Castle Transmission Services (Holdings) Ltd., Crown Castle International Corp., T 1 Diffusion de France International S.A., Digital Future Investments B.V. and certain shareholders of Castle Transmission Services (Holdings) Ltd. dated as of April 24, 1998
+3.1	Restated Certificate of Incorporation of Crown Castle International Corp. dated August 21, 1998
+3.2	Amended and Restated By-laws of Crown Castle International Corp. dated August 21, 1998
+3.3	Certificate of Designations, Preferences and Relative, Participating, Optional and other Special Rights of Preferred Stock and Qualifications, Limitations and Restrictions thereof of 12 3/4% Senior Exchangeable Preferred Stock due 2010 and 12 3/4% Series B Senior Exchangeable Preferred Stock due 2010 of Crown Castle International Corp.
**4.1	Indenture dated as of November 25, 1997 between Crown Castle International Corp. and United States Trust Company of New York, as Trustee (including exhibits).
**4.2	Amended and Restated Stockholders Agreement among Castle Tower Holding Corp., Edward C. Hutcheson, Jr., Ted B. Miller, Jr., Robert A. Crown and Barbara Crown and the persons listed on Schedule I thereto dated August 15, 1997
**4.3	Article Fourth of Certificate of Incorporation of Castle Tower Holding Corp. (included in Exhibits 3.1 and 3.3)
**4.4	Trust Deed related to (Pounds)125,000,000 9 percent. Guaranteed Bonds due 2007 among Castle Transmission (Finance) PLC, as Issuer, Castle Transmission International Ltd. and Castle Transmission Services (Holdings) Ltd., as Guarantors, and The Law Debenture Trust Corporation p.l.c., as Trustee, dated May 21, 1997
**4.5	First Supplemental Trust Deed related to (Pounds)125,000,000 9 percent Guaranteed Bonds due 2007 among Castle Transmission (Finance) PLC, as Issuer, Castle Transmission International Ltd. and Castle Transmission Services (Holdings) Ltd., as Guarantors, and The Law Debenture Trust Corporation p.l.c., as Trustee, dated October 17, 1997
***4.6	Specimen Certificate of Common Stock
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**10.1	Registration Rights Agreement by and among Crown Castle International Corp. and Lehman Brothers Inc. and Credit Suisse First Boston Corporation dated as of November 25, 1997
***10.2	Amended and Restated Loan Agreement by and among Crown Communication Inc., Crown Castle International Corp. de Puerto Rico, Key Corporate Capital Inc. and certain lenders dated July 10, 1998

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**10.8	Amended and Restated Limited Holdco Guaranty by Crown Castle International Corp., in favor of KeyBank National Association, as Agent, dated November 25, 1997
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10.40	Amended and Restated Services Agreement between Castle Transmission International Limited and T 1 Diffusion de France S.A. dated August 1998
***10.41	Castle Transmission Services (Holdings) Ltd. All Employee Share Option Scheme dated as of January 23, 1998
***10.42	Rules of the Castle Transmission Services (Holdings) Ltd. Bonus Share Plan
10.43	Employee Benefit Trust between Castle Transmission Services (Holdings) Ltd. and Castle Transmission (Trustees) Limited
***10.44	Castle Transmission Services (Holdings) Ltd. Unapproved Share Option Scheme dated as of January 23, 1998

Exhibit No.	Description of Exhibit
***10.45	Amending Agreement between the British Broadcasting Corporation and Castle Transmission International Limited dated July 16, 1998
+10.46	Rights Agreement dated as of August 21, 1998, between Crown Castle International Corp. and Chasemellon Shareholder Services, L.L.C.
***10.47	Deed of Grant of Option between Castle Transmission Series (Holdings) Ltd. and George Reese dated January 23, 1998
***10.48	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and David Ivy dated January 23, 1998
***10.49	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and David Ivy dated April 23, 1998
***10.50	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and Ted B. Miller, Jr., dated April 23, 1998
***10.51	Deed of Grant of Option between Castle Transmission Services (Holdings) Ltd. and Ted B. Miller, Jr., dated January 23, 1998
***10.52	Memorandum Regarding Proposed Initial Public Offering and Certain Transitional Changes Affecting Management dated July 2, 1998, between Crown Castle International Corp. and Robert A. and Barbara A. Crown
***10.53	Services Agreement dated July 2, 1998, by and between Crown Castle International Corp. and Robert A. and Barbara A. Crown
+10.56	Registration Rights Agreement dated as of December 21, 1998 by and among Crown Castle International Corp. and Lehman Brothers, Salomon Smith Barney and Goldman, Sachs & Co.
****10.57	Formation Agreement relating to the formation of Crown Atlantic Company LLC, Crown Atlantic Holding Sub LLC, and Crown Atlantic Holding Company LLC dated December 1998 (including exhibits)
*****10.58	Letter of Agreement between Crown Castle International Corp. and BellSouth Mobility Inc. dated March 5, 1999 (including the Form of Sublease)
******10.59	Asset Purchase Agreement among Crown Castle International Corp., CCP Inc., Powertel Atlanta Towers, LLC, Powertel Birmingham Towers, LLC, Powertel Jacksonville Towers, LLC, Powertel Kentucky Towers, LLC, Powertel Memphis Towers, LLC and Powertel, Inc. dated March 15, 1999
10.60	Framework Agreement between One2One and Castle Transmission International Ltd. dated March 5, 1999
10.61	Indenture between Crown Castle International Corp. and United States Trust Company of New York dated March 15, 1999
10.62	Registration Rights Agreement among Crown Castle International Corp. and Goldman Sachs Credit Partners LP, Salomon Brothers Holding Company Inc. and Credit Suisse First Boston dated March 15, 1999
10.63	Escrow Agreement among Crown Castle International Corp., Goldman Sachs Credit Partners LP, Salomon Brothers Holding Company Inc., Credit Suisse First Boston and United States Trust Company of New York dated March 15, 1999
10.64	Term Loan Agreement among Crown Castle International Corp. and Goldman Sachs Credit Partners LP, Salomon Brothers Holding Company Inc. and Credit Suisse First Boston dated March 15, 1999

Exhibit No.	Description of Exhibit
11	Computation of Net Loss per Common Share
12	Computation of Ratio of Earnings to Fixed Charges
21	Subsidiaries of Crown Castle International Corp.
+23.1	Consent of KPMG LLP
*23.2	Consent of Cravath, Swaine & Moore (included in Exhibit 5)
27.1	Financial Data Schedule

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+ Previously filed.

* To be filed by amendment.

** Incorporated by reference to the exhibits with the corresponding exhibit numbers in the Registration Statement on Form S-4 previously filed by the Registrant (Registration No. 333-43873).

*** Incorporated by reference to the exhibits with the corresponding exhibit numbers in the Registration Statement on Form S-1 previously filed by the Registrant (Registration No. 333-57283).

**** Incorporated by reference to the exhibit previously filed by the Registrant on Form 8-K (Registration No. 0-24737) dated December 9, 1998.

***** Incorporated by reference to the exhibit previously filed by the Registrant on Form 8-K (Registration No. 0-24737) dated March 8, 1999.

****** Incorporated by reference to the exhibit previously filed by the Registrant on Form 8-K (Registration No. 0-24737) dated March 15, 1999.

EXHIBIT 4.7

CROWN CASTLE INTERNATIONAL CORP.

As Issuer

SERIES A AND SERIES B

12 3/4% SENIOR SUBORDINATED EXCHANGE DEBENTURES DUE 2010

EXCHANGE INDENTURE

Dated as of December 21, 1998

United States Trust Company of Texas, N.A.

As Trustee

CROSS-REFERENCE TABLE*

Trust Indenture Act Section		Indenture Section
310	(a)(1)	7.10
	(a)(2)	7.10
	(a)(3)	N.A.
	(a)(4)	N.A.
	(a)(5)	7.10
	(b)	7.10
	(c)	N.A.
311	(a)	7.11
	(b)	7.11
	(c)	N.A.
312	(a)	2.05
	(b)	11.03
	(c)	11.03
313	(a)	7.06
	(b)(1)	11.03
	(b)(2)	7.07
	(c)	7.06; 11.02
	(d)	7.06
314	(a)	4.03; 11.02
	(b)	11.02
	(c)(1)	11.04
	(c)(2)	11.04
	(c)(3)	N.A.
	(d)	N.A.
	(e)	11.05
	(f)	NA
315	(a)	7.01
	(b)	7.05, 11.02
	(c)	7.01
	(d)	7.01
	(e)	6.11
316	(a)(last sentence)	2.09
	(a)(1)(A)	6.05
	(a)(1)(B)	6.04
	(a)(2)	N.A.
	(b)	6.07
	(c)	2.12
317	(a)(1)	6.08
	(a)(2)	6.09
	(b)	2.04
318	(a)	11.01
	(b)	N.A.
	(c)	11.01

N.A. means not applicable.

*This Cross-Reference Table is not part of the Indenture.

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EXHIBITS

INDENTURE dated as of December 21, 1998 between Crown Castle International Corp., a Delaware corporation (the "Company"), and United States Trust Company, as trustee (the "Trustee").

The Company and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the 12 3/4% Series A Senior Subordinated Exchange Debentures due 2010 (the "Series A Debentures") and the 12 3/4% Series B Senior Subordinated Exchange Debentures due 2010 (the "Series B Debentures" and, together with the Series A Debentures, the "Senior Subordinated Exchange Debentures"):

ARTICLE 1.

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. Definitions.

"144A Global Debenture" means a global debenture substantially in the form of Exhibit A1 hereto bearing the Global Debenture Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Debentures sold in reliance on Rule 144A.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness or Disqualified Stock of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Subsidiary of such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Adjusted Consolidated Cash Flow" has the meaning given to such term in the definition of "Debt to Adjusted Consolidated Cash Flow Ratio".

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control.

"Agent" means any Registrar, Paying Agent or co-registrar.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Certificate, the rules and procedures of the Depositary that apply to such transfer or exchange.

"Asset Sale" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights (including, without limitation, by way of a sale and leaseback), provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole shall be governed by Section 8.1 and/or Section 9.4 hereof and not by Section 8.2 hereof; and

(2) the issue or sale by the Company or any of its Restricted Subsidiaries of Equity Interests of any of the Company's Subsidiaries (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary), in the case of either clause (1) or (2), whether in a single transaction or a series of related transactions (a) that have a fair market value in excess of $1.0 million or (b) for net proceeds in excess of $1.0 million.

Notwithstanding the foregoing, the following items shall not be deemed to be Asset Sales:

(1) a transfer of assets by the Company to a Restricted Subsidiary or by a Restricted Subsidiary to the Company or to another Restricted Subsidiary;

(2) an issuance of Equity Interests by a Subsidiary to the Company or to another Restricted Subsidiary;

(3) a Restricted Payment that is permitted by Section 9.1 hereof;

(4) grants of leases or licenses in the ordinary course of business; and

(5) disposals of Cash Equivalents.

"BAM" means Cellco Partnership, a Delaware general partnership doing business as Bell Atlantic Mobile.

"Bankruptcy Law" means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

"Berkshire Group" means Berkshire Fund III, A Limited Partnership, Berkshire Fund IV, Limited Partnership, Berkshire Investors LLC and Berkshire Partners LLC.

"Board of Directors" means the Board of Directors of the Company, or any authorized committee of the Board of Directors.

"Broker-Dealer" means any broker or dealer registered under the Exchange Act.

"Business Day" means any day other than a Legal Holiday.

"Capital Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Cash Equivalents" means:
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(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than six months from the date of acquisition;

(3) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any lender party to the Senior Credit Facility or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thompson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having the highest rating obtainable from Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within six months after the date of acquisition; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1)-(5) of this definition.

"CCAIC" means CCA Investment Corp., which is an indirect wholly owned
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Subsidiary of the Company and was formed to hold the Company's Equity Interests in Crown Atlantic Holding Company LLC.

"Cedel" means Cedel Bank, S.A.

"Centennial Group" means Centennial Fund IV, L.P., Centennial Fund V, L.P.
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and Centennial Entrepreneurs Fund V, L.P.

"Certificate of Designations" means the Certificate of Designations,
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Preferences and Relative, Participating, Optional and Other Special Rights of Preferred Stock and Qualifications, Limitations and

Restrictions Thereof with respect to the Senior Exchangeable Preferred Stock, as the same may be amended from time to time.

"Change of Control" means the occurrence of any of the following:
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(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, to any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) other than a Principal or a Related Party of a Principal;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than the Principals and their Related Parties, becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition), directly or indirectly, of more than 50% of the Voting Stock of the Company (measured by voting power rather than number of shares); provided that transfers of Equity Interests in the Company between or among the beneficial owners of the Company's Equity Interests and/or Equity Interests in CTSH, in each case as of November 20, 1997, shall not be deemed to cause a Change of Control under this clause (3) so long as no single Person together with its Affiliates acquires a beneficial interest in more of the Voting Stock of the Company than is at the time collectively beneficially owned by the Principals and their Related Parties;

(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors; or

(5) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company is converted into or exchanged for cash, securities or other property, other than any such transaction where (x) the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) or (y) the Principals and their Related Parties own a majority of such outstanding shares after such transaction.

"Company" means Crown Castle International Corp. and any and all successors
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thereto.

"Consolidated Cash Flow" means, with respect to any Person for any period,
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the Consolidated Net Income of such Person for such period plus:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was included in computing such Consolidated Net Income, plus

(2) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations), to the extent that any such expense was deducted in computing such Consolidated Net Income, plus

(3) depreciation, amortization (including amortization of goodwill and other intangibles and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income, minus

(4) non-cash items increasing such Consolidated Net Income for such period (excluding any items that were accrued in the ordinary course of business), in each case on a consolidated basis and determined in accordance with GAAP.

"Consolidated Indebtedness" means, with respect to any Person as of any
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date of determination, the sum, without duplication, of:

(1) the total amount of Indebtedness of such Person and its Restricted Subsidiaries, plus

(2) the total amount of Indebtedness of any other Person, to the extent that such Indebtedness has been Guaranteed by the referent Person or one or more of its Restricted Subsidiaries, plus

(3) the aggregate liquidation value of all Disqualified Stock of such Person and all preferred stock of Restricted Subsidiaries of such Person, in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person for any period,
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the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP, provided that:

(1) the Net Income (but not loss) of any Person other than the Company that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person or a Restricted Subsidiary thereof;

(2) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition shall be excluded;

(3) the cumulative effect of a change in accounting principles shall be excluded; and

(4) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded whether or not distributed to the Company or one of its Restricted Subsidiaries.

"Consolidated Tangible Assets" means, with respect to the Company, the total consolidated assets of the Company and its Restricted Subsidiaries, less the total intangible assets of the Company and its Restricted Subsidiaries, as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries calculated on a consolidated basis in accordance with GAAP.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Company who:

(1) was a member of such Board of Directors on the Issue Date;

(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board at the time of such nomination or election; or

(3) is a designee of a Principal or was nominated by a Principal.

"Corporate Trust Office of the Trustee" shall be at the address of the Trustee specified in Section 11.02 hereof or such other address as to which the Trustee may give notice to the Company.

"Credit Facilities" means one or more debt facilities (including, without limitation, the Senior Credit Facility) or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Crown Transition Agreements" means collectively (i) the Crown Memorandum of Understanding among the Company, Robert A. Crown and Barbara A. Crown, dated as of July 2, 1998, (ii) the Crown Services Agreement between the Company and Robert A. Crown, dated as of July 2, 1998 and (iii) the Registration Rights Crown Side Letter Agreement, among the Company, Robert A. Crown and Barbara A. Crown, dated as of August 18, 1998.

"CTI" means Castle Transmission International Limited.

"CTI Operating Agreement" means the memorandum of understanding among the Company, CTSH, CTI and TdF, dated as of August 21, 1998, relating to the development of certain business opportunities outside of the United States and the provision of certain business support and technical services in connection therewith.

"CTI Services Agreement" means the amended and restated services agreement between CTI and TdF, dated as of August 21, 1998, relating to the provisions of certain services to CTI.

"CTSH" means Castle Transmission Services (Holdings) Ltd and its successors.

"CTSH Shareholders' Agreement" means the agreement entered into by the
Company, CTSH and TdF, dated as of August 21, 1998, to govern the relationship between the Company and TdF as shareholders of CTSH.

"Custodian" means the Trustee, as custodian with respect to the Debentures in global form, or any successor entity thereto.

"Debentures" means (i) the 12 3/4% Senior Subordinated Exchange Debentures due 2010 of the Company issued on the Exchange Date, (ii) any and all additional 12 3/4% Senior Subordinated Exchange Debentures due 2010 of the Company issued after the Exchange Date as payment of interest in accordance with the provisions of this Indenture and (iii) any and all New Exchange Debentures.

"Debt to Adjusted Consolidated Cash Flow Ratio" means, as of any date of determination, the ratio of:

(1) the Consolidated Indebtedness of the Company as of such date to

(2) the sum of (a) the Consolidated Cash Flow of the Company for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available, less the Company's Tower Cash Flow for such four-quarter period, plus (b) the product of four times the Company's Tower Cash Flow for the most recent quarterly period (such sum being referred to as "Adjusted Consolidated Cash Flow"),

in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above, (i) acquisitions that have been made by the Company or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the reference period and Consolidated Cash Flow for such reference period shall be calculated without giving effect to clause (ii) of the proviso set forth in definition of Consolidated Net Income, and (ii) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to Calculation Date, shall be excluded.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Definitive Debenture" means a certificated Debenture registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A1 hereto except that such Debenture shall not bear the Global Debenture Legend and shall not have the "Schedule of Exchanges of Interests in the Global Debenture" attached thereto.

"Depositary" means, with respect to the Debentures issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Debentures, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"Designated Senior Debt" with respect to the Debentures means:

(1) any Indebtedness under or in respect of the Senior Credit Facility;

(2) any Indebtedness outstanding under the Senior Discount Notes Indenture; and

(3) any other Senior Debt permitted under this Indenture the principal amount of which is $25.0 million or more and that has been designated by the Company in the instrument or agreement relating to the same as "Designated Senior Debt".

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in each case, at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the Holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Senior Exchangeable Preferred Stock or Debentures mature; provided, however, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Company to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 9.1 hereof.

"Eligible Indebtedness" means any Indebtedness other than (i) Indebtedness in the form of, or represented by, bonds or other securities or any guarantee thereof and (ii) Indebtedness that is, or may be, quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market (including, without prejudice to the generality of the foregoing, the market for securities eligible for resale pursuant to Rule 144A under the Securities Act).

"Eligible Receivables" means the accounts receivable (net of any reserves and allowances for doubtful accounts in accordance with GAAP) of the Company and its Restricted Subsidiaries that are not more than 60 days past their due date and that were entered into in the ordinary course of business on normal payment terms as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries, all calculated on a consolidated basis in accordance with GAAP.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Euroclear" means Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear system.

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

"Exchange Date" means the date on which the Company exchanges all but not less than all of the Senior Exchangeable Preferred Stock for Debentures.

"Exchange Offer" means exchange and issuance by the Company of New Preferred Stock or New Exchange Debentures, as the case may be, which shall be registered pursuant to a Registration

Statement, in an amount equal to (i) the aggregate Liquidation Preference of all shares of Senior Exchangeable Preferred Stock that are tendered by the Holders thereof or (ii) the aggregate principal amount of all Debentures that are tendered by the Holders thereof, as the case may be, in connection with such exchange and issuance.

"Exchange Offer Registration Statement" means the Registration Statement relating to the Exchange Offer, including the related Prospectus.

"Existing Indebtedness" means Indebtedness of the Company and its Subsidiaries (other than Indebtedness under the Senior Credit Facility) in existence on the Issue Date, until such amounts are repaid.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the Issue Date.

"Global Debentures" means, individually and collectively, each of the Restricted Global Debentures and the Unrestricted Global Debentures, substantially in the form of Exhibit A1 or A2 hereto issued in accordance with Section 2.01, 2.06(b)(iv), 2.06(d)(ii) or 2.06(f) hereof.

"Global Debenture Legend" means the legend set forth in Section 2.06(g)(ii), which is required to be placed on all Global Debentures issued under this Indenture.

"Governance Agreement" means the agreement among the Company, TdF and its affiliates, dated as of August 21, 1998, to provide for certain rights and obligations of the Company, TdF and its affiliates with respect to the management of the Company.

"Government Securities" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"Guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements; and

(2) other agreements or arrangements designed to protect such Person against fluctuations in interest rates or currency exchange rates.

"Holder" means a Person in whose name a Debenture is registered.

"Indebtedness" means, with respect to any Person, any indebtedness of such
Person, whether or not contingent, in respect of:

(1) borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) banker's acceptances;

(4) representing Capital Lease Obligations;

(5) the balance deferred and unpaid of the purchase price of any property; or

(6) representing any Hedging Obligations,

except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, as well as all Indebtedness of others secured by a Lien on any asset of such Person whether or not such Indebtedness is assumed by such Person (the amount of such Indebtedness as of any date being deemed to be the lesser of the value of such property or assets as of such date or the principal amount of such Indebtedness of such other Person so secured) and, to the extent not otherwise included, the Guarantee by such Person of any Indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be (i) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, and (ii) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Debenture through a Participant.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company or a Restricted Subsidiary of the Company issues any of its Equity Interests such that, in each case, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of Section 9.1 hereof.

"Issue Date" means the closing date for the sale and original issuance of the Senior Exchangeable Preferred Stock.

"Joint Venture Operating Agreement" means the Crown Atlantic Holding Company LLC Operating Agreement to be entered into by the Company and BAM, substantially in the form of Exhibit 3.5 to the Formation Agreement, dated as of December 8, 1998, by and among BAM, the Transferring Partnerships (as defined therein), the Company and CCA Investment Corp.

"Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"Letter of Transmittal" means the letter of transmittal to be prepared by the Company and sent to all Holders of the Debentures for use by such Holders in connection with the Exchange Offer.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"Liquidated Damages" means all liquidated damages then owing pursuant to Section 5 of the Registration Rights Agreement.

"Nassau Group" means Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with (a) any Asset Sale (including, without limitation, dispositions pursuant to sale and leaseback transactions) or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"Net Proceeds" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of:

(1) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof;

(2) taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements);

(3) amounts required to be applied to the repayment of Indebtedness (other than Indebtedness under a Credit Facility) secured by a Lien on the asset or assets that were the subject of such Asset Sale;

(4) all distributions and other payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale;

(5) the deduction of appropriate amounts provided by the seller as a reserve in accordance with GAAP against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale; and

(6) without duplication, any reserves that the Company's Board of Directors determines in good faith should be made in respect of the sale price of such asset or assets for post closing adjustments; provided that in the case of any reversal of any reserve referred to in clause (5) or (6) above, the amount so reserved shall be deemed to be Net Proceeds from an Asset Sale as of the date of such reversal.

"New Exchange Debentures" means the Company's 12 3/4% Senior Subordinated
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Exchange Debentures due 2010 issued pursuant to this Indenture (i) in the Exchange Offer or (ii) in connection with a resale of Debentures in reliance on a Shelf Registration Statement.

"New Preferred Stock" means the Company's 12 3/4% Senior Exchangeable
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Preferred Stock due 2010 issued pursuant to this Certificate of Designations (i) in the Exchange Offer or (ii) in connection with a resale of Senior Exchangeable Preferred Stock in reliance on a Shelf Registration Statement.

"Non-Recourse Debt" means Indebtedness:
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(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable (as a guarantor or otherwise) or (c) constitutes the lender;

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accellerated or payable prior to its stated maturity; and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries (except that

this clause (3) shall not apply to any Indebtedness incurred by CTSH and its Subsidiaries prior to August 21, 1998).

"Non-U.S. Person" means a Person who is not a U.S. Person.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"Officers' Certificate" means a certificate signed on behalf of the Company by two Officers of the Company, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Company, that meets the requirements of Section 11.05 hereof.

"Opinion of Counsel" means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 11.05 hereof. The counsel may be an employee of or counsel to the Company, any Subsidiary of the Company or the Trustee.

"Pari Passu Indebtedness" means, with respect to any Asset Sale Offer, all other senior subordinated Indebtedness of the Company containing provisions similar to those set forth in this Indenture.

"Participant" means, with respect to the Depositary, Euroclear or Cedel, a Person who has an account with the Depositary, Euroclear or Cedel, respectively (and, with respect to The Depository Trust Company, shall include Euroclear and Cedel).

"Participating Broker-Dealer" means a Broker-Dealer that participates in the Exchange Offer in accordance with Section 3(c) of the Registration Rights Agreement.

"Permitted Business" means any business conducted by the Company, its Restricted Subsidiaries or CTSH and its Subsidiaries on the Issue Date and any other business related, ancillary or complementary to any such business.

"Permitted Investments" means:

(1) Liens securing Senior Debt;

(2) any Investment in the Company or in a Restricted Subsidiary of the Company;

(3) any Investment in Cash Equivalents;

(4) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment (i) such Person becomes a Restricted Subsidiary of the Company or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or

conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(5) any Restricted Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 8.2 hereof;

(6) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(7) receivables created in the ordinary course of business;

(8) loans or advances to employees made in the ordinary course of business not to exceed $1.0 million at any one time outstanding;

(9) securities and other assets received in settlement of trade debts or other claims arising in the ordinary course of business;

(10) purchases of additional Equity Interests in CTSH for cash pursuant to the Governance Agreement as the same is in effect on the Issue Date for aggregate cash consideration not to exceed $20.0 million since the Issue Date;

(11) the Investment of up to an aggregate of $100.0 million of the net proceeds from the sale of the Senior Exchangeable Preferred Stock (i) to be used to consummate the formation of the Crown Atlantic Holding Company LLC joint venture with BAM or (ii) if the Company does not consummate the formation of the Crown Atlantic Holding Company LLC joint venture with BAM, in one or more other Subsidiaries of the Company (which may be Unrestricted Subsidiaries of the Company), each of which derives or expects to derive a majority of its revenues from one or more Permitted Businesses (each such Investment being measured as of the date made and without giving effect to subsequent changes in value);

(12) Additional Investments with the net proceeds from the sale of the Senior Exchangeable Preferred Stock in an aggregate amount equal to (x) the gross proceeds from the sale of the Senior Exchangeable Preferred Stock, minus (y) the aggregate amount of Investments made or permitted to be made pursuant to clause (11) of this paragraph, minus (z) the aggregate amount of Indebtedness incurred and/or Disqualified Stock issued pursuant to clause (11) of the second paragraph of Section 9.2 hereof (each such Investment being measured as of the date made and without giving effect to subsequent changes in value); and

(13) other Investments in Permitted Businesses not to exceed an amount equal to $10.0 million plus 10% of the Company's Consolidated Tangible Assets at any one time outstanding (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

"Permitted Junior Securities" means Equity Interests in the Company or debt
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securities that are subordinated to all Senior Debt (and any debt securities issued in exchange for Senior Debt) to substantially the same extent as, or to a greater extent than, the Debentures are subordinated to Senior Debt pursuant to this Indenture.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Company
or any of its Restricted Subsidiaries or Disqualified Stock of the Company issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness) or Disqualified Stock of the Company; provided that:

(1) the principal amount, initial accreted value or liquidation preference, as applicable, of such Permitted Refinancing Indebtedness does not exceed the principal amount, accreted value or liquidation preference, as applicable, of, plus accrued interest or accumulated dividends on, the Indebtedness or Disqualified Stock so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of expenses and prepayment premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness or Disqualified Stock being extended, refinanced, renewed, replaced, defeased or refunded;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Debentures, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Debentures on terms at least as favorable to the Holders of Debentures as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded or such Disqualified Stock is issued by the Company.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

"Principals" means Berkshire Group, Centennial Group, Nassau Group, TdF and any Related Party of the foregoing.

"Private Placement Legend" means the legend set forth in Section 2.06(g)(i) to be placed on all Debentures issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"Prospectus" means the prospectus included in a Registration Statement at the time such Registration Statement is declared effective, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

"Public Equity Offering" means an underwritten primary public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"Registration Rights Agreement" means the registration rights agreement to
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be entered into by the Company on or before the Issue relating to the registration of the Senior Exchangeable Preferred Stock and the Debentures with the Commission.

"Registration Statement" means any registration statement of the Company
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relating to an offering of New Preferred Stock or New Exchange Debentures, as the case may be, that is filed pursuant to the provisions of the Registration Rights Agreement, and includes the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Regulation S Global Debenture" means a Regulation S Temporary Global
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Debenture or Regulation S Permanent Global Debenture, as appropriate.

"Regulation S Permanent Global Debenture" means a permanent global
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Debenture substantially in the form of Exhibit A1 hereto bearing the Global Debenture Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Regulation S Temporary Global Debenture upon expiration of the Restricted Period.

"Regulation S Temporary Global Debenture" means a temporary global
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Debenture substantially in the form of Exhibit A2 hereto bearing the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Debentures initially sold in reliance on Rule 903 of Regulation S.

"Related Party" with respect to any Principal means:
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(1) any controlling stockholder, 80% (or more) owned Subsidiary of such Principal; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, members, partners, owners or Persons beneficially holding an 80% or more controlling interest of which consist of such Principal and/or such other Persons referred to in the immediately preceding clause (1).

"Representative" means the indenture trustee or other trustee, agent or
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representative for any Senior Debt.

"Responsible Officer", when used with respect to the Trustee, means any
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officer within the Corporate Trust Administration of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Restricted Definitive Debenture" means a definitive certificate evidencing
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Debentures, registered in the name of the holder thereof, in the form of Exhibit A1 or A2 hereto and bearing the Private Placement Legend.

"Restricted Global Debenture" means a 144A Global Debenture or a Regulation S Global Debenture, as appropriate.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Period" means the 40-day restricted period as defined in Regulation S.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Rights Agreement" means the agreement between the Company and ChaseMellon Shareholders Services, L.L.C., as rights agent, dated as of August 21, 1998, relating to the dividend declared by the Company consisting of the right to purchase 1/1000th of a share of the Company's Series A Participating Cumulative Preferred Stock, par value $.01 per share.

"Rule 144" means Rule 144 promulgated under the Securities Act.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"Rule 903" means Rule 903 promulgated under the Securities Act.

"Rule 904" means Rule 904 promulgated the Securities Act.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Senior Credit Facility" means that certain Amended and Restated Loan Agreement, dated as of July 10, 1998, by and among Key Corporate Capital Inc. and PNC Bank, National Association, as arrangers and agents for the financial institutions listed therein, and Crown Communication Inc. and Crown Castle International Corp. de Puerto Rico, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, modified, renewed, refunded, replaced or refinanced from time to time.

"Senior Debt" means:

(1) all Indebtedness outstanding under the Senior Credit Facility and all Hedging Obligations (including guarantees thereof) with respect thereto of the Company, whether outstanding on the Issue Date or thereafter incurred;

(2) all Indebtedness outstanding under the Senior Discount Notes or any Guarantees thereof, as the case may be;

(3) any other Indebtedness permitted to be incurred by the Company or any of its Restricted Subsidiaries under the terms of this Certificate of Designations unless the instrument under which such Indebtedness is incurred expressly provides that it is on a parity with or subordinated in right of payment to the Debentures; and

(4) all Obligations with respect to the preceding clauses (1), (2) and (3) (including any interest accruing subsequent to the filing of a petition of bankruptcy at the rate provided for in the documentation with respect thereto, whether or not such interest is an allowed claim under applicable law).

Notwithstanding anything to the contrary in the foregoing, Senior Debt shall not include:

(1) any liability for federal, state, local or other taxes owed or owing by the Company or the Restricted Subsidiaries;

(2) any Indebtedness of the Company or any Restricted Subsidiary to any of its Subsidiaries;

(3) any trade payables;

(4) any Indebtedness that is incurred in violation of this Certificate of Designations (but only to the extent so incurred); or

(5) any Capitalized Lease Obligations.

"Senior Discount Notes Indenture" means that certain Indenture, dated as of November 20, 1997, governing the Company's 10 5/8% Senior Discount Notes due 2007.

"Senior Exchangeable Preferred Stock" means (i) the 12 3/4% Senior Exchangeable Preferred Stock due 2010 of the Company issued on the Issue Date, (ii) any and all additional fully-paid and non-assessable shares of 12 3/4% Senior Exchangeable Preferred Stock due 2010 of the Company issued after the Issue Date as payment of dividends in accordance with the provisions of Section 3 hereof and (iii) any and all shares of New Preferred Stock.

"Shelf Registration Statement" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"Significant Subsidiary" means, with respect to any Person, any Restricted Subsidiary of such Person that would be a "significant subsidiary" of such Person as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof, except that all references to "10 percent" in Rule 1-02(w)(1), (2) and (3) shall mean "5 percent" and that all Unrestricted Subsidiaries of the Company shall be excluded from all calculations under Rule 1-02(w).

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Stockholders' Agreement" means the agreement among the Company and certain stockholders of the Company, dated as of August 21, 1998, to provide for certain rights and obligations of the

Company and such stockholders with respect to the governance of the Company and such stockholders' shares of Common Stock and/or Class A Common Stock of the Company.

"Strategic Equity Investment" means a cash contribution to the common equity capital of the Company or a purchase from the Company of common Equity Interests (other than Disqualified Stock), in either case by or from a Strategic Equity Investor and for aggregate cash consideration of at least $50.0 million.

"Strategic Equity Investor" means a Person engaged in a Permitted Business whose Total Equity Market Capitalization exceeds $1.0 billion.

"Subsidiary" means, with respect to any Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof).

"TdF" means TeleDiffusion de France International S.A.

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. (S)(S) 77aaa-77bbbb) as in effect on the date on which this Indenture is qualified under the TIA.

"Total Equity Market Capitalization" of any Person means, as of any day of determination, the sum of:

(1) the product of (A) the aggregate number of outstanding primary shares of common stock of such Person on such day (which shall not include any options or warrants on, or securities convertible or exchangeable into, shares of common stock of such person) multiplied by (B) the average closing price of such common stock listed on a national securities exchange or the Nasdaq National Market System over the 20 consecutive business days immediately preceding such day; plus

(2) the liquidation value of any outstanding shares of preferred stock of such Person on such day.

"Tower Asset Exchange" means any transaction in which the Company or one of its Restricted Subsidiaries exchanges assets for Tower Assets and/or cash or Cash Equivalents where the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the Tower Assets and cash or Cash Equivalents received by the Company and its Restricted Subsidiaries in such exchange is at least equal to the fair market value of the assets disposed of in such exchange.

"Tower Assets" means wireless transmission towers and related assets that
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are located on the site of a transmission tower.

"Tower Cash Flow" means, for any period, the Consolidated Cash Flow of the
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Company and its Restricted Subsidiaries for such period that is directly attributable to site rental revenue or license fees paid to lease or sublease space on communication sites owned or leased by the Company, all determined on a consolidated basis and in accordance with GAAP. Tower Cash Flow shall not include revenue or expenses attributable to non-site rental services provided by the Company or any of its Restricted Subsidiaries to lessees of communication sites or revenues derived from the sale of assets.

"Trustee" means the trustee under the indenture governing the Debentures.

"Unrestricted Definitive Certificate" means a definitive certificate
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evidencing Senior Exchangeable Preferred Stock, registered in the name of the holder thereof, substantially in the form of Exhibit A1 hereto, representing a series of Senior Exchangeable Preferred Stock that do not bear the Private Placement Legend.

"Unrestricted Global Certificate" means a permanent global certificate
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substantially in the form of Exhibit A1 attached hereto that bears the Global Certificate Legend and that has the "Schedule of Exchanges of Interests in the Global Debenture" attached thereto, and that is deposited with or on behalf of and registered in the name of the Depositary, representing a series of Senior Exchangeable Preferred Stock that do not bear the Private Placement Legend.

"Unrestricted Subsidiary" means (i) any Subsidiary of the Company that is
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designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution; but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (x) to subscribe for additional Equity Interests or (y) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries; and

(5) has at least one director on its board of directors that is not a director or executive officer of the Company or any of its Restricted Subsidiaries and has at least one executive officer that is not a director or executive officer of the Company or any of its Restricted Subsidiaries.

Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by Section 9.1 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of the Certificate of Designations and this Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under Section 9.2 hereof, the Company shall be in default of such covenant). The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (i) such Indebtedness is permitted under Section 9.2 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period, and (ii) no Default would occur or be in existence following such designation.

"U.S. Person" means a U.S. person as defined in Rule 902(o) under the Securities Act.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or series or class of preferred stock at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal or liquidation preference, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by

(2) the then outstanding principal amount of such Indebtedness or the aggregate liquidation preference of the then outstanding preferred stock, as the case may be.

"Wholly Owned Restricted Subsidiary" of any Person means a Restricted Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Restricted Subsidiaries of such Person and one or more Wholly Owned Restricted Subsidiaries of such Person.

Section 1.02. Other Definitions.

Term	Defined in Section
"Affiliate Transaction"	4.11
"Asset Sale Offer"	3.09
"Authentication Order"	2.02
"Change of Control Offer"	4.15

Section 1.03. Incorporation by Reference of Trust Indenture Act.

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Debentures;

"indenture security Holder" means a Holder of a Debenture;

"indenture to be qualified" means this Indenture;

"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the Debentures means the Company and any successor obligor upon the Debentures.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA have the meanings so assigned to them.

Section 1.04. Rules of Construction.

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) provisions apply to successive events and transactions; and

(6) references to sections of or rules under the Securities Act shall be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

Section 1.05. Effectiveness of Indenture.

The provisions of this Indenture as set forth in Article 4, Article 5 and Article 6 shall not be effective unless and until the Company issues any Debentures hereunder.

ARTICLE 2.

THE DEBENTURES

Section 2.01. Form and Dating.

(a) General.

The Debentures and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A1 or A2 hereto. The Debentures may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Debenture shall be dated the date of its authentication. The Debentures shall be in denominations of $1,000 and integral multiples thereof.

The terms and provisions contained in the Debentures shall constitute, and are hereby expressly made, a part of this Indenture and the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Debenture conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) Global Debentures.

Debentures issued in global form shall be substantially in the form of Exhibit A1 or A2 attached hereto (including the Global Debenture Legend thereon and the "Schedule of Exchanges of Interests in the Global Debenture" attached thereto). Debentures issued in definitive form shall be substantially in the form of Exhibit A1 attached hereto (but without the Global Debenture Legend thereon and without the "Schedule of Exchanges of Interests in the Global Debenture" attached thereto). Each Global Debenture shall represent such of the outstanding Debentures as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of outstanding Debentures from time to time endorsed thereon and that the aggregate principal amount of outstanding Debentures represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Debenture to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Debentures represented thereby shall be made by the Trustee or the Debenture Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) Temporary Global Debentures.

Debentures offered and sold in reliance on Regulation S shall be issued initially in the form of the Regulation S Temporary Global Debenture, which shall be deposited on behalf of the purchasers of the Debentures represented thereby with the Trustee, at its New York office or at such other office of the Trustee as the Trustee may designate, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Cedel Bank, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Restricted Period shall be terminated upon the receipt by the Trustee of (i) a written certificate from the Depositary, together with copies of certificates from Euroclear and Cedel Bank certifying that they have received certification of non-United States beneficial ownership of 100% of the aggregate principal amount of the Regulation S Temporary Global Debenture (except to the extent of any beneficial owners thereof who acquired an interest therein during the Restricted Period pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a 144A Global Debenture bearing a Private Placement Legend, all as contemplated by Section 2.06(a)(ii) hereof), and (ii) an Officers' Certificate from the Company. Following the termination of the Restricted Period, beneficial interests in the Regulation S Temporary Global Debenture shall be exchanged for beneficial interests in Regulation S Permanent Global Debentures pursuant to the Applicable Procedures. Simultaneously with the authentication of Regulation S Permanent Global Debentures, the Trustee shall cancel the Regulation S Temporary Global Debenture. The aggregate principal amount of the Regulation S Temporary Global Debenture and the Regulation S Permanent Global Debentures may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided.

(d) Euroclear and Cedel Procedures Applicable.

The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Cedel Bank" and "Customer Handbook" of Cedel Bank shall be applicable to transfers of beneficial interests in the Regulation S Temporary Global Debenture and the Regulation S Permanent Global Debentures that are held by Participants through Euroclear or Cedel Bank.

Section 2.02. Execution and Authentication.

Two Officers shall sign the Debentures for the Company by manual or facsimile signature. The Company's seal shall be reproduced on the Debentures and may be in facsimile form.

If an Officer whose signature is on a Debenture no longer holds that office at the time a Debenture is authenticated, the Debenture shall nevertheless be valid.

A Debenture shall not be valid until authenticated by the manual signature of the Trustee. The signature shall be conclusive evidence that the Debenture has been authenticated under this Indenture.

The Trustee shall, upon a written order of the Company signed by two Officers (an "Authentication Order"), authenticate Debentures for original issue
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up to the aggregate principal amount stated in paragraph 4 of the Debentures. The aggregate principal amount of Debentures outstanding at any time may not exceed such amount except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Debentures. An authenticating agent may authenticate Debentures whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03. Registrar and Paying Agent.

The Company shall maintain an office or agency where Debentures may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Debentures may be presented for payment ("Paying Agent"). The Registrar shall keep a register of the Debentures and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company shall notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company ("DTC") to act as Depositary with respect to the Global Debentures.

The Company initially appoints the Trustee to act as the Registrar and Paying Agent and to act as Debenture Custodian with respect to the Global Debentures.

Section 2.04. Paying Agent to Hold Money in Trust.

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium or Liquidated Damages, if any, or interest on the Debentures, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) shall have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee shall serve as Paying Agent for the Debentures.

Section 2.05. Holder Lists.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA (S) 312(a). If the Trustee is not the Registrar, the Company shall furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Debentures and the Company shall otherwise comply with TIA (S) 312(a).

Section 2.06. Transfer and Exchange.

(a) Transfer and Exchange of Global Debentures.

A Global Debenture may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Debentures will be exchanged by the Company for Definitive Debentures if (i) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary or (ii) the Company in its sole discretion determines that the Global Debentures (in whole but not in part) should be exchanged for Definitive Debentures and delivers a written notice to such effect to the Trustee; provided that in no event shall the Regulation S Temporary Global Debenture be exchanged by the Company for Definitive Debentures prior to (x) the expiration of the Restricted Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(c)(3)(ii)(B) under the Securities Act. Upon the occurrence of either of the preceding events in (i) or (ii) above, Definitive Debentures shall be issued in such names as the Depositary shall instruct the Trustee. Global Debentures also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Debenture authenticated and delivered in exchange for, or in lieu of, a Global Debenture or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Debenture. A Global Debenture may not be exchanged for another Debenture other than as provided in this Section 2.06(a), however, beneficial interests in a Global Debenture may be transferred and exchanged as provided in Section 2.06(b),(c) or (f) hereof.

(b) Transfer and Exchange of Beneficial Interests in the Global Debentures. The transfer and exchange of beneficial interests in the Global Debentures shall be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Debentures shall be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Debentures also shall require compliance with either subparagraph (i) or (ii) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(i) Transfer of Beneficial Interests in the Same Global Debenture. Beneficial interests in any Restricted Global Debenture may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Debenture in accordance with the transfer restrictions set forth in the Private Placement Legend; provided, however, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Temporary Regulation S Global Debenture may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Debenture may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Debenture. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(i).

(ii) All Other Transfers and Exchanges of Beneficial Interests in Global Debentures. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(i) above, the transferor of such beneficial interest must deliver to the Registrar either (A) (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial

interest in another Global Debenture in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or (B) (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Debenture in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Debenture shall be registered to effect the transfer or exchange referred to in (1) above; provided that in no event shall Definitive Debentures be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Debenture prior to (x) the expiration of the Restricted Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903 under the Securities Act. Upon consummation of an Exchange Offer by the Company in accordance with Section 2.06(f) hereof, the requirements of this Section 2.06(b)(ii) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Debentures. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Debentures contained in this Indenture and the Debentures or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Debenture(s) pursuant to Section 2.06(h) hereof.

(iii) Transfer of Beneficial Interests to Another Restricted Global Debenture. A beneficial interest in any Restricted Global Debenture may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Debenture if the transfer complies with the requirements of Section 2.06(b)(ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Debenture, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Temporary Global Debenture or the Regulation S Global Debenture, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(iv) Transfer and Exchange of Beneficial Interests in a Restricted Global Debenture for Beneficial Interests in the Unrestricted Global Debenture. A beneficial interest in any Restricted Global Debenture may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Debenture or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Debenture if the exchange or transfer complies with the requirements of Section 2.06(b)(ii) above and:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Debentures or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Participating Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Debenture proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Debenture, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Debenture proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Debenture, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Debenture has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Debentures in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

Beneficial interests in an Unrestricted Global Debenture cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Debenture.

(c) Transfer or Exchange of Beneficial Interests for Definitive Debentures.

(i) Beneficial Interests in Restricted Global Debentures to Restricted Definitive Debentures. If any holder of a beneficial interest in a Restricted Global Debenture proposes to exchange such beneficial interest for a Restricted Definitive Debenture or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Debenture, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Debenture proposes to exchange such beneficial interest for a Restricted Definitive Debenture, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Debenture to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Debenture in the appropriate principal amount. Any Definitive Debenture issued in exchange for a beneficial interest in a Restricted Global Debenture pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Debentures to the Persons in whose names such Debentures are so registered. Any Definitive Debenture issued in exchange for a beneficial interest in a Restricted Global Debenture pursuant to this Section 2.06(c)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) Notwithstanding Sections 2.06(c)(i)(A) and (C) hereof, a beneficial interest in the Regulation S Temporary Global Debenture may not be exchanged for a Definitive Debenture or transferred to a Person who takes delivery thereof in the form of a Definitive Debenture prior to (x) the expiration of the Restricted Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(c)(3)(ii)(B) under the Securities Act, except in the case of a transfer pursuant to an exemption from the registration requirements of the Securities Act other than Rule 903 or Rule 904.

(iii) Beneficial Interests in Restricted Global Debentures to Unrestricted Definitive Debentures. A holder of a beneficial interest in a Restricted Global Debenture may exchange such beneficial interest for an Unrestricted Definitive Debenture or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Debenture only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Debentures or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Participating Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Debenture proposes to exchange such beneficial interest for a Definitive Debenture that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Debenture proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a Definitive Debenture that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iv) Beneficial Interests in Unrestricted Global Debentures to Unrestricted Definitive Debentures. If any holder of a beneficial interest in an Unrestricted Global Debenture proposes to exchange such beneficial interest for a Definitive Debenture or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Debenture, then, upon satisfaction of the conditions set forth in Section 2.06(b)(ii) hereof, the Trustee shall cause the aggregate principal amount of the applicable Global Debenture to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Debenture in the appropriate principal amount. Any Definitive Debenture issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Debentures to the Persons in whose names such Debentures are so registered. Any Definitive Debenture issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall not bear the Private Placement Legend.

(d) Transfer and Exchange of Definitive Debentures for Beneficial Interests.

(i) Restricted Definitive Debentures to Beneficial Interests in Restricted Global Debentures. If any Holder of a Restricted Definitive Debenture proposes to exchange such Debenture for a beneficial interest in a Restricted Global Debenture or to transfer such Restricted Definitive Debentures to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Debenture, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Debenture proposes to exchange such Debenture for a beneficial interest in a Restricted Global Debenture, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Debenture is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Debenture is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Debenture is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Debenture is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Debenture is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cancel the Restricted Definitive Debenture, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Debenture, in the case of clause (B) above, the 144A Global Debenture, in the case of clause (C) above, the Regulation S Global Debenture, and in all other cases, the 144A Global Debenture.

(ii) Restricted Definitive Debentures to Beneficial Interests in Unrestricted Global Debentures. A Holder of a Restricted Definitive Debenture may exchange such Debenture for a beneficial interest in an Unrestricted Global Debenture or transfer such Restricted Definitive Debenture to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Debenture only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of

Transmittal that it is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Debentures or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Participating Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the Holder of such Definitive Debentures proposes to exchange such Debentures for a beneficial interest in the Unrestricted Global Debenture, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(2) if the Holder of such Definitive Debentures proposes to transfer such Debentures to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Debenture, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(ii), the Trustee shall cancel the Definitive Debentures and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Debenture.

(iii) Unrestricted Definitive Debentures to Beneficial Interests in Unrestricted Global Debentures. A Holder of an Unrestricted Definitive Debenture may exchange such Debenture for a beneficial interest in an Unrestricted Global Debenture or transfer such Definitive Debentures to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Debenture at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Debenture and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Debentures.

If any such exchange or transfer from a Definitive Debenture to a beneficial interest is effected pursuant to subparagraphs (ii)(B), (ii)(D) or (iii) above at a time when an Unrestricted Global Debenture has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Debentures in an aggregate principal amount equal to the principal amount of Definitive Debentures so transferred.

(e) Transfer and Exchange of Definitive Debentures for Definitive Debentures. Upon request by a Holder of Definitive Debentures and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar shall register the transfer or exchange of Definitive Debentures. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Debentures duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by his attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(i) Restricted Definitive Debentures to Restricted Definitive Debentures. Any Restricted Definitive Debenture may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Debenture if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A under the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(ii) Restricted Definitive Debentures to Unrestricted Definitive Debentures. Any Restricted Definitive Debenture may be exchanged by the Holder thereof for an Unrestricted Definitive Debenture or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Debenture if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (1) a broker-dealer, (2) a Person participating in the distribution of the Exchange Debentures or (3) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) any such transfer is effected by a Participating Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(1) if the Holder of such Restricted Definitive Debentures proposes to exchange such Debentures for an Unrestricted Definitive Debenture, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(2) if the Holder of such Restricted Definitive Debentures proposes to transfer such Debentures to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Debenture, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iii) Unrestricted Definitive Debentures to Unrestricted Definitive Debentures. A Holder of Unrestricted Definitive Debentures may transfer such Debentures to a Person who takes delivery thereof in the form of an Unrestricted Definitive Debenture. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Debentures pursuant to the instructions from the Holder thereof.

(f) Exchange Offer. Upon the occurrence of the Exchange Offer in accordance with the Registration Rights Agreement, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate (i) one or more Unrestricted Global Debentures in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Debentures tendered for acceptance by Persons that certify in the applicable Letters of Transmittal that (x) they are not broker-dealers, (y) they are not participating in a distribution of the Exchange Debentures and (z) they are not affiliates (as defined in Rule 144) of the Company, and accepted for exchange in the Exchange Offer and (ii) Definitive Debentures in an aggregate principal amount equal to the principal amount of the Restricted Definitive Debentures accepted for exchange in the Exchange Offer. Concurrently with the issuance of such Debentures, the Trustee shall cause the aggregate principal amount of the applicable Restricted Global Debentures to be reduced accordingly, and the Company shall execute and the Trustee shall authenticate and deliver to the Persons designated by the Holders of Definitive Debentures so accepted Definitive Debentures in the appropriate principal amount.

(g) Legends. The following legends shall appear on the face of all Global Debentures and Definitive Debentures issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(i) Private Placement Legend.

(A) Except as permitted by subparagraph (B) below, each Global Debenture and each Definitive Debenture (and all Debentures issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form.

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY MAY NOT BE

OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN ACCORDANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (SUBJECT TO THE DELIVERY OF SUCH EVIDENCE, IF ANY, REQUIRED UNDER THE CERTIFICATE OF DESIGNATIONS PURSUANT TO WHICH THIS SECURITY IS ISSUED) AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR REGULATION S THEREUNDER OR ANOTHER EXEMPTION UNDER THE SECURITIES ACT. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF CROWN CASTLE INTERNATIONAL CORP. THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1)(a) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (b) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (c) OUTSIDE THE UNITED STATES TO A FOREIGN PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 UNDER THE SECURITIES ACT OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL IF THE COMPANY SO REQUESTS), (2) TO CROWN CASTLE INTERNATIONAL CORP. OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN (A) ABOVE."

(B) Notwithstanding the foregoing, any Global Debenture or Definitive Debenture issued pursuant to subparagraphs (b)(iv), (c)(iii), (c)(iv), (d)(ii), (d)(iii), (e)(ii), (e)(iii) or (f) to this Section 2.06 (and all Debentures issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(ii) Global Debenture Legend. Each Global Debenture shall bear a legend in substantially the following form:

"THIS GLOBAL DEBENTURE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS DEBENTURE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.07 OF THE INDENTURE, (II) THIS GLOBAL DEBENTURE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL DEBENTURE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE

AND (IV) THIS GLOBAL DEBENTURE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY."

(iii) Regulation S Temporary Global Debenture Legend. The Regulation S Temporary Global Debenture shall bear a legend in substantially the following form:

"THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL DEBENTURE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED DEBENTURES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL DEBENTURE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT."

(h) Cancellation and/or Adjustment of Global Debentures.

At such time as all beneficial interests in a particular Global Debenture have been exchanged for Definitive Debentures or a particular Global Debenture has been redeemed, repurchased or canceled in whole and not in part, each such Global Debenture shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Debenture is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Debenture or for Definitive Debentures, the principal amount of Debentures represented by such Global Debenture shall be reduced accordingly and an endorsement shall be made on such Global Debenture by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Debenture, such other Global Debenture shall be increased accordingly and an endorsement shall be made on such Global Debenture by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) General Provisions Relating to Transfers and Exchanges.

(i) To permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate Global Debentures and Definitive Debentures upon the Company's order or at the Registrar's request.

(ii) No service charge shall be made to a holder of a beneficial interest in a Global Debenture or to a Holder of a Definitive Debenture for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(iii) The Registrar shall not be required to register the transfer of or exchange any Debenture selected for redemption in whole or in part, except the unredeemed portion of any Debenture being redeemed in part.

(iv) All Global Debentures and Definitive Debentures issued upon any registration of transfer or exchange of Global Debentures or Definitive Debentures shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Debentures or Definitive Debentures surrendered upon such registration of transfer or exchange.

(v) The Company shall not be required (A) to issue, to register the transfer of or to exchange any Debentures during a period beginning at the opening of business 15 days before the day of any selection of Debentures for redemption under Section 3.02 hereof and ending at the close of business on the day of selection, (B) to register the transfer of or to exchange any Debenture so selected for redemption in whole or in part, except the unredeemed portion of any Debenture being redeemed in part or (c) to register the transfer of or to exchange a Debenture between a record date and the next succeeding Interest Payment Date.

(vi) Prior to due presentment for the registration of a transfer of any Debenture, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Debenture is registered as the absolute owner of such Debenture for the purpose of receiving payment of principal of and interest on such Debentures and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(vii) The Trustee shall authenticate Global Debentures and Definitive Debentures in accordance with the provisions of Section 2.02 hereof.

(viii) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07. Replacement Debentures

If any mutilated Debenture is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Debenture, the Company shall issue and the Trustee, upon receipt of an Authentication Order, shall authenticate a replacement Debenture if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Debenture is replaced. The Company may charge for its expenses in replacing a Debenture.

Every replacement Debenture is an additional obligation of the Company and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Debentures duly issued hereunder.

Section 2.08. Outstanding Debentures.

The Debentures outstanding at any time are all the Debentures authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Debenture effected by the Trustee in accordance with the provisions hereof, and those described in this Section as not outstanding. Except as set forth in Section 2.09 hereof, a Debenture does not cease

to be outstanding because the Company or an Affiliate of the Company holds the Debenture; however, Debentures held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(b) hereof.

If a Debenture is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Debenture is held by a bona fide purchaser.

If the principal amount of any Debenture is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Debentures payable on that date, then on and after that date such Debentures shall be deemed to be no longer outstanding and shall cease to accrue interest.

Section 2.09. Treasury Debentures.

In determining whether the Holders of the required principal amount of Debentures have concurred in any direction, waiver or consent, Debentures owned by the Company, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company, shall be considered as though not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Debentures that the Trustee knows are so owned shall be so disregarded.

Section 2.10. Temporary Debentures

Until certificates representing Debentures are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, shall authenticate temporary Debentures. Temporary Debentures shall be substantially in the form of certificated Debentures but may have variations that the Company considers appropriate for temporary Debentures and as shall be reasonably acceptable to the Trustee. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate definitive Debentures in exchange for temporary Debentures.

Holders of temporary Debentures shall be entitled to all of the benefits of this Indenture.

Section 2.11. Cancellation.

The Company at any time may deliver Debentures to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Debentures surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else shall cancel all Debentures surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall destroy canceled Debentures (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all canceled Debentures shall be delivered to the Company. The Company may not issue new Debentures to replace Debentures that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12. Defaulted Interest.

If the Company defaults in a payment of interest on the Debentures, it shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Debentures and in Section 4.01 hereof. The Company shall notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Debenture and the date of the proposed payment. The Company shall fix or cause to be fixed each such special record date and payment date, provided that no such special record date shall be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) shall mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

ARTICLE 3.

REDEMPTION AND PREPAYMENT

Section 3.01. Notices to Trustee.

If the Company elects to redeem Debentures pursuant to the optional redemption provisions of Section 3.07 hereof, it shall furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date, an Officers' Certificate setting forth (i) the clause of this Indenture pursuant to which the redemption shall occur, (ii) the redemption date, (iii) the principal amount of Debentures to be redeemed and (iv) the redemption price (expressed as a percentage of principal amount).

Section 3.02. Selection of Debentures to Be Redeemed

If less than all of the Debentures are to be redeemed or purchased in an offer to purchase at any time, the Trustee shall select the Debentures to be redeemed or purchased among the Holders of the Debentures in compliance with the requirements of the principal national securities exchange, if any, on which the Debentures are listed or, if the Debentures are not so listed, on a pro rata basis, by lot or in accordance with any other method the Trustee shall deem fair and appropriate; provided that no Debentures of $1,000 or less shall be redeemed in part. In the event of partial redemption by lot, the particular Debentures to be redeemed shall be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Debentures not previously called for redemption.

The Trustee shall promptly notify the Company in writing of the Debentures selected for redemption and, in the case of any Debenture selected for partial redemption, the principal amount thereof to be redeemed. Debentures and portions of Debentures selected shall be in amounts of $1,000 or whole multiples of $1,000; except that if all of the Debentures of a Holder are to be redeemed, the entire outstanding amount of Debentures held by such Holder, even if not a multiple of $1,000, shall be redeemed. Except as provided in the preceding sentence, provisions of this Indenture that apply to Debentures called for redemption also apply to portions of Debentures called for redemption.

Section 3.03. Notice of Redemption

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Company shall mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Debentures are to be redeemed at its registered address.

The notice shall identify the Debentures to be redeemed and shall state:

(a) the redemption date;

(b) the redemption price;

(c) if any Debenture is being redeemed in part, the portion of the principal amount of such Debenture to be redeemed and that, after the redemption date upon surrender of such Debenture, a new Debenture or Debentures in principal amount equal to the unredeemed portion shall be issued upon cancellation of the original Debenture;

(d) the name and address of the Paying Agent;

(e) that Debentures called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Debentures called for redemption ceases to accrue on and after the redemption date;

(g) the paragraph of the Debentures and/or Section of this Indenture pursuant to which the Debentures called for redemption are being redeemed; and

(h) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Debentures.

At the Company's request, the Trustee shall give the notice of redemption in the Company's name and at its expense; provided, however, that the Company shall have delivered to the Trustee, at least 45 days prior to the redemption date, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04. Effect of Notice of Redemption

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Debentures called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05. Deposit of Redemption Price

One Business Day prior to the redemption date, the Company shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and accrued interest on all Debentures to be redeemed on that date. The Trustee or the Paying Agent shall promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the

amounts necessary to pay the redemption price of, and accrued interest on, all Debentures to be redeemed.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption date, interest shall cease to accrue on the Debentures or the portions of Debentures called for redemption. If a Debenture is redeemed on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Debenture was registered at the close of business on such record date. If any Debenture called for redemption shall not be so paid upon surrender for redemption because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Debentures and in Section 4.01 hereof.

Section 3.06. Debentures Redeemed in Part.

Upon surrender of a Debenture that is redeemed in part, the Company shall issue and, upon the Company's written request, the Trustee shall authenticate for the Holder at the expense of the Company a new Debenture equal in principal amount to the unredeemed portion of the Debenture surrendered.

Section 3.07. Optional Redemption.

(a) Except as set forth in clause (b) of this Section 3.07, the Company shall not have the option to redeem the Debentures pursuant to this Section 3.07 prior to December 15, 2003. Thereafter, the Company shall have the option to redeem the Debentures, in whole or in part, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on December 15 of the years indicated below:

Year	Percentage
2003	106.375%
2004	104.781%
2005	103.188%
2006	101.594%
2007 and thereafter	100.000%

(b) Notwithstanding the provisions of clause (a) of this Section 3.07, during the first 36 months after the Issue Date, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Debentures originally issued at a redemption price equal to 112.750% of the principal amount thereof, plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the redemption date, with the net cash proceeds of one or more Public Equity Offerings and/or Strategic Equity Investments; provided that at least $130.0 million aggregate principal amount of Debentures remains outstanding immediately after the occurrence of such redemption (excluding Debentures held by the Company or any of its Subsidiaries);and provided, further, that such redemption shall occur within 60 days of the date of the closing of such Public Equity Offering and/or Strategic Equity Investment.

(c) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Section 3.01 through 3.06 hereof.

Section 3.08. Mandatory Redemption.

The Company shall not be required to make mandatory redemption or sinking fund payments with respect to the Debentures.

Section 3.09. Offer to Purchase by Application of Excess Proceeds.

In the event that, pursuant to Section 4.10 hereof, the Company shall be required to commence an offer to holders of Debentures and Pari Passu Indebtedness (an "Asset Sale Offer") to purchase the maximum principal amount
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(or accreted value, as applicable, of Debentures and Pari Passu Indebtedness that may be purchased out of Excess Proceeds), of Debentures and Pari Passu Indebtedness it shall follow the procedures specified below.

The Asset Sale Offer shall remain open for a period of 20 Business Days following its commencement and no longer, except to the extent that a longer period is required by applicable law (the "Offer Period"). No later than five
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Business Days after the termination of the Offer Period (the "Purchase Date"),
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the Company shall purchase the principal amount (or accreted value, as applicable) of Debentures and Pari Passu Indebtedness required to be purchased pursuant to Section 4.10 hereof (on a pro rata basis if Debentures and Pari Passu Indebtedness tendered are in excess of the Excess Proceeds) (which maximum principal amount of Debentures shall be the "Offer Amount") or, if less than the
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Offer Amount has been tendered, all Debentures and Pari Passu Indebtedness tendered in response to the Asset Sale Offer. Payment for any Debentures so purchased shall be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest shall be paid to the Person in whose name a Debenture is registered at the close of business on such record date, and no additional interest shall be payable to Holders who tender Debentures pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company shall send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice shall contain all instructions and materials necessary to enable such Holders to tender Debentures pursuant to the Asset Sale Offer. The Asset Sale Offer shall be made to all Holders. The notice, which shall govern the terms of the Asset Sale Offer, shall state:

(a) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer shall remain open;

(b) the Offer Amount, the purchase price and the Purchase Date;

(c) that any Debenture not tendered or accepted for payment shall continue to accrue interest;

(d) that, unless the Company defaults in making such payment, any Debenture accepted for payment pursuant to the Asset Sale Offer shall cease to accrue interest after the Purchase Date;

(e) that Holders electing to have a Debenture purchased pursuant to an Asset Sale Offer may only elect to have all of such Debenture purchased and may not elect to have only a portion of such Debenture purchased;

(f) that Holders electing to have a Debenture purchased pursuant to any Asset Sale Offer shall be required to surrender the Debenture, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Debenture completed, or transfer by book-entry transfer, to the Company, a depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(g) that Holders shall be entitled to withdraw their election if the Company, the depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Debenture the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Debenture purchased;

(h) that, if the aggregate principal amount (or accreted value, as applicable) of Debentures and Pari Passu Indebtedness tendered by Holders exceeds the Offer Amount, the Company shall select the Debentures to be purchased on a pro rata basis (with such adjustments as may be deemed appropriate by the Company so that only Debentures in denominations of $1,000, or integral multiples thereof, shall be purchased and Pari Passu Indebtedness); and

(i) that Holders whose Debentures were purchased only in part shall be issued new Debentures equal in principal amount to the unpurchased portion of the Debentures surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Company shall, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Debentures or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Debentures, Pari Passu Indebtedness or portions thereof tendered, and shall deliver to the Trustee an Officers' Certificate stating that such Debentures, and Pari Passu Indebtedness or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, shall promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Debentures tendered by such Holder and accepted by the Company for purchase, and the Company shall promptly issue a new Debenture, and the Trustee, upon written request from the Company shall authenticate and mail or deliver such new Debenture to such Holder, in a principal amount equal to any unpurchased portion of the Debenture surrendered. Any Debenture not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company shall publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

ARTICLE 4.

COVENANTS

Section 4.01. Payment of Debentures.

The Company shall pay or cause to be paid the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Debentures on the dates and in the manner provided in the Debentures. Principal, premium, if any, interest and Liquidated Damages, if any, shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, interest and Liquidated Damages, if any, then due. The Company shall pay all Liquidated Damages, if any, in the same manner on the dates and in the amounts set forth in the Registration Rights Agreement.

On or prior to December 15, 2003, the Company may, at its option, pay interest (1) in cash or (2) in additional Debentures having an aggregate principal amount equal to the amount of such interest. After December 15, 2003, the Company shall pay interest in cash only.

The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to 1% per annum in excess of the then applicable interest rate on the Debentures to the extent lawful; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02. Maintenance of Office or Agency.

The Company shall maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Debentures may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Debentures and this Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Debentures may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, the City of New York for such purposes. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Company in accordance with Section 2.03.

Section 4.03. Reports.

(a) Whether or not required by the rules and regulations of the SEC, so long as any Debentures are outstanding, the Company shall furnish to the Holders of Debentures:

(i) all quarterly and annual financial information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if the Company were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" that describes the financial condition and results of operations of the Company and its consolidated Subsidiaries (showing in reasonable detail, in the footnotes to the financial statements and in "Management's Discussion and Analysis of Financial Condition and Results of Operations" (in each case to the extent not prohibited by the SEC's rules and regulations), (A) the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company and (B) the Tower Cash Flow for the most recently completed fiscal quarter and the Adjusted Consolidated Cash Flow for the most recently completed four-quarter period) and, with respect to the annual information only, a report thereon by the Company's certified independent accountants; and

(ii) all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports, in each case within the time periods specified in the SEC's rules and regulations.

In addition, following consummation of the exchange offer contemplated by the Registration Rights Agreement, whether or not required by the rules and regulations of the SEC, the Company shall file a copy of all such information and reports with the SEC for public availability within the time periods specified in the SEC's rules and regulations (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. The Company shall at times comply with TIA (S) 314(a).

Section 4.04. Compliance Certificate.

(a) The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Debentures is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

(b) So long as not contrary to the then current recommendations of the American Institute of Certified Public Accountants, the year-end financial statements delivered pursuant to Section 4.03(a) above shall be accompanied by a written statement of the Company's independent public accountants (who shall be a firm of established national reputation) that in making the examination necessary for certification of such financial statements, nothing has come to their attention that would lead them to believe that the Company has violated any provisions of Article 4 or Article 5 hereof or, if any such violation has occurred, specifying the nature and period of existence thereof, it being

understood that such accountants shall not be liable directly or indirectly to any Person for any failure to obtain knowledge of any such violation.

(c) The Company shall, so long as any of the Debentures are outstanding, deliver to the Trustee, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 4.05. Taxes.

The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Debentures.

Section 4.06. Stay, Extension and Usury Laws.

The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07. Restricted Payments.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company or to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company (other than any such Equity Interests owned by the Company or any Restricted Subsidiary of the Company and other than the Senior Exchangeable Preferred Stock);

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Debentures, except a payment of interest or the payment of principal at Stated Maturity; or

(4) make any Restricted Investment, (all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"),
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unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default shall have occurred and be continuing or would occur as a consequence thereof; and

(2) the Company would have been permitted to incur at least $1.00 of additional indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of Section 4.09 hereof; provided that the Company and its Restricted Subsidiaries shall not be required to comply with this clause (2) in order to make any Restricted Investment; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (excluding Restricted Payments permitted by clauses (2), (3) and (4) of the next succeeding paragraph), is less than the sum, without duplication, of:

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after the Issue Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); plus

(b) 100% of the aggregate net cash proceeds received by the Company since the Issue Date as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than Disqualified Stock and except to the extent such net cash proceeds are used to incur new Indebtedness outstanding pursuant to clause (10) of the second paragraph of Section 4.09 hereof) or from the issue or sale of Disqualified Stock or debt securities of the Company that have been converted into such Equity Interests (other than Equity Interests (or Disqualified Stock or convertible debt securities) sold to a Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into Disqualified Stock); plus

(c) to the extent that any Restricted Investment that was made after the Issue Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (A) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (B) the initial amount of such Restricted Investment; plus

(d) to the extent that any Unrestricted Subsidiary of the Company and all of its Subsidiaries are designated as Restricted Subsidiaries after the Issue Date, the lesser of (A) the fair market value of the Company's Investments in such Subsidiaries as of the date of such designation, or (B) the sum of (x) the fair market value of the Company's Investments in such Subsidiaries as of the date on which such Subsidiaries were originally designated as Unrestricted Subsidiaries and (y) the amount of any Investments

made in such Subsidiaries subsequent to such designation (and treated as Restricted Payments) by the Company or any Restricted Subsidiary; provided that:

(i) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CTSH and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds 34.3% of the fair market value of CTSH and its Subsidiaries as a whole; and

(ii) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CCAIC and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds $250.0 million; plus

(e) 50% of any dividends received by the Company or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary of the Company, to the extent that such dividends were not otherwise included in Consolidated Net Income of the Company for such period.

The foregoing provisions shall not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of this Indenture;

(2) the making of any Investment or the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness or Equity Interests of the Company in exchange for, or out of the net cash proceeds of the sale after the Issue Date (other than to a Subsidiary of the Company) of, any Equity Interests of the Company (other than any Disqualified Stock); provided that such net cash proceeds are not used to incur new Indebtedness pursuant to clause (10) of the second paragraph of Section 4.09 hereof); and provided further that, in each such case, the amount of any such net cash proceeds that are so utilized shall be excluded from clause (3) (b) of the preceding paragraph;

(3) the defeasance, redemption, repurchase or other acquisition of subordinated Indebtedness with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend by a Restricted Subsidiary of the Company to the holders of its common Equity Interests on a pro rata basis; or

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any member of the Company's (or any of its Restricted Subsidiaries') management pursuant to any management equity subscription agreement or stock option agreement in effect as of the Issue Date; provided that the aggregate price paid for all such repurchased, redeemed, acquired or

retired Equity Interests shall not exceed (a) $500,000 in any twelve-month period and (b) $5.0 million in the aggregate.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default; provided that in no event shall the businesses operated by the Company's Restricted Subsidiaries as of November 20, 1997 be transferred to or held by an Unrestricted Subsidiary. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated shall be deemed to be Restricted Payments at the time of such designation and shall reduce the amount available for Restricted Payments under the first paragraph of this Section 4.07. All such outstanding Investments shall be deemed to constitute Investments in an amount equal to the fair market value of such Investments at the time of such designation. Such designation shall only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if such designation would not cause a Default.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any property, assets or Investments required by this Section 4.07 to be determined shall be determined by the Board of Directors whose resolution with respect thereto shall be delivered to the Trustee.

Section 4.08. Dividend and Other Payment Restrictions Affecting Subsidiaries.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to

(1) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits;

(2) pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(3) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(4) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the foregoing restrictions shall not apply to encumbrances or restrictions existing under or by reason of:

(1) Existing Indebtedness or Indebtedness under the Senior Credit Facility, in each case as in effect on the Issue Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such

dividend and other payment restrictions than those contained in the applicable series of Existing Indebtedness or in the Senior Credit Facility, in each case as in effect on the Issue Date;

(2) encumbrances and restrictions applicable to any Unrestricted Subsidiary, as the same are in effect as of the date on which such Subsidiary becomes a Restricted Subsidiary, and as the same may be amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Indebtedness of such Subsidiary as in effect on the date on which such Subsidiary becomes a Restricted Subsidiary;

(3) any Indebtedness (incurred in compliance with Section 4.09 hereof) or any agreement pursuant to which such Indebtedness is issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in such Indebtedness or agreement and such encumbrance or restriction is not materially more disadvantageous to the holders of the Debentures than is customary in comparable financings (as determined by the Company) and the Company determines that any such encumbrance or restriction will not materially affect the Company's ability to pay interest on or the principal of the Debentures;

(4) this Indenture and the Debentures;

(5) applicable law;

(6) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Indenture to be incurred;

(7) by reason of customary non-assignment provisions in leases or licenses entered into in the ordinary course of business;

(8) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (4) in the prior paragraph on the property so acquired;

(9) the provisions of agreements governing Indebtedness incurred pursuant to clause (4) of the second paragraph of Section 4.09 hereof;

(10) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale;

(11) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive,

taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(12) Liens that limit the right of the debtor to transfer the assets subject to such Liens;

(13) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements; and

(14) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Section 4.09. Incurrence of Indebtedness and Issuance of Preferred Stock.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively "incur") any Indebtedness (including Acquired Debt) and the Company shall not issue any Disqualified Stock and shall not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, that the Company may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the Company's Restricted Subsidiaries may incur Indebtedness if, in each case, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been no greater than 7.5 to 1.

The provisions of the first paragraph of this Section 4.09 shall not apply to the incurrence of any of the following items of Indebtedness or to the issuance of any of the following items of Disqualified Stock or preferred stock (collectively, "Permitted Debt"):

(1) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness (including Indebtedness under Credit Facilities) in an aggregate principal amount (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed the greater of (x) $200.0 million less the aggregate amount of all Net Proceeds of Asset Sales applied after the Issue Date to repay Indebtedness under a Credit Facility pursuant to Section 4.10 hereof and (y) 70% of the Eligible Receivables that are outstanding as of such date of incurrence;

(2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;

(3) the incurrence by the Company of Indebtedness represented by the Debentures;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business

of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (4), not to exceed $10.0 million at any one time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness of the Company or any of its Restricted Subsidiaries or Disqualified Stock of the Company (other than intercompany Indebtedness) that was permitted by this Indenture to be incurred under the first paragraph hereof or clauses (2) or (3) or this clause (5) of this paragraph;

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; provided, that (i) if the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Debentures and (ii)(A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary and (B) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be;

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of this Indenture to be outstanding or currency exchange risk;

(8) the guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of this Indenture;

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by the Company's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by the Company or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Company or one of its Restricted Subsidiaries; and provided further that, in the case of any incurrence pursuant to this clause (9), as a result of such acquisition by the Company or one of its Restricted Subsidiaries, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Acquired Debt, after giving pro forma effect to such incurrence as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been less than the Company's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence;

(10) the incurrence by the Company of Indebtedness not to exceed, at any one time outstanding, the sum of (i) 2.0 times the aggregate net cash proceeds plus (ii) 1.0 times the fair market value of non-cash proceeds (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee), in each case, from the issuance and sale, other than to a Subsidiary, of Equity Interests (other than Disqualified Stock) of the Company since the Issue Date (less the amount of such proceeds used to make Restricted Payments as provided in clause (3)(b) of the first paragraph or clause (2) of the second paragraph of Section 4.07 hereof); provided that such Indebtedness does not mature prior to the Stated Maturity of the Debentures and the Weighted Average Life to Maturity of such Indebtedness is longer than that of the Debentures; and

(11) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness and/or the issuance by the Company of Disqualified Stock in an aggregate principal amount, accreted value or liquidation preference, as applicable, at any time outstanding, not to exceed an amount equal to $100.0 million less the aggregate amount of all Investments made pursuant to clause (12) of the definition of Permitted Investments; provided that, notwithstanding the foregoing, the aggregate principal amount, accreted value or liquidation preference, as applicable, permitted to be incurred or issued pursuant to this clause (11) shall not be reduced to less than $25.0 million.

For purposes of determining compliance with this Section 4.09, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (11) above or is entitled to be incurred pursuant to the first paragraph of this Section 4.09, the Company shall, in its sole discretion, classify (or later reclassify in whole or in part) such item of Indebtedness in any manner that complies with this Section 4.09. Any Indebtedness incurred pursuant to clause (1) of the second paragraph of Section 9.2 of the Certificate of Designations shall be deemed to have been incurred under clause (1) above on the Exchange Date. Accrual of interest, accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.09.

Section 4.10. Asset Sales

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) except in the case of a Tower Asset Exchange, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

For purposes of this provision, each of the following shall be deemed to be cash:

(1) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet), of the Company or any Restricted Subsidiary (other than contingent

liabilities and liabilities that are by their terms subordinated to the Debentures or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 20 days of the applicable Asset Sale (to the extent of the cash received).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company or the applicable Restricted Subsidiary may apply such Net Proceeds to:

(1) reduce any Indebtedness of the Company that constitutes Senior Debt;

(2) reduce any Indebtedness of any of the Company's Restricted Subsidiaries;

(3) the acquisition of all or substantially all the assets of a Permitted Business;

(4) the acquisition of Voting Stock of a Permitted Business from a Person that is not a Subsidiary of the Company; provided, that, after giving effect thereto, the Company or its Restricted Subsidiary owns a majority of such Voting Stock and designates such Permitted Business as a Restricted Subsidiary; or

(5) the making of a capital expenditure or the acquisition of other long-term assets that are used or useful in a Permitted Business.

Pending the final application of any such Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest such Net Proceeds in any manner that is not prohibited by this Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the first sentence of this paragraph shall be deemed to constitute "Excess Proceeds". When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall be required to make an offer to all holders of Senior Discount Notes and may be required to make such offer to holders of other Senior Debt of the Company then outstanding (a "Senior Asset Sale Offer") to purchase the maximum principal amount of the Senior Discount Notes and such other Senior Debt, if applicable, that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest to the date of purchase, in accordance with the procedures set forth in the Senior Discount Notes Indenture and in the instruments governing such other Senior Debt. To the extent that the aggregate amount of Senior Discount Notes and such other Senior Debt tendered pursuant to a Senior Asset Sale Offer is less than the remaining Excess Proceeds ("Remaining Excess Proceeds") and the sum of (A) such amount of Remaining Excess Proceeds and (B) the Remaining Excess Proceeds from any subsequent Senior Asset Sale Offers exceeds $3.0 million, the Company shall be required to make an offer to all Holders of Debentures and all holders of other senior subordinated Indebtedness of the Company containing provisions similar to those set forth in this Indenture with respect to offers to purchase with the proceeds of sales of assets (an "Asset Sale Offer") to purchase the maximum principal amount of Debentures and such other senior subordinated Indebtedness of the Company that may be purchased out of the Remaining Excess

Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in this Indenture and such other senior subordinated Indebtedness of the Company. To the extent that any Remaining Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Debentures and such other senior subordinated Indebtedness of the Company tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Remaining Excess Proceeds, the Trustee shall select the Debentures and such other senior subordinated Indebtedness to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

The Asset Sale provisions described above shall be applicable whether or not any other provisions of this Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of this Section 4.10, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.10 by virtue thereof.

Section 4.11. Transactions with Affiliates.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:
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(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and

(2) the Company delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $1.0 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (i) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, an opinion as to the fairness to the Holders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

The following items shall not be deemed to be Affiliate Transactions and therefore shall not be subject to the provisions of the prior paragraph:

(1) any employment arrangements with any executive officer of the Company or a Restricted Subsidiary that is entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and consistent with compensation arrangements of similarly situated executive officers at comparable companies engaged in Permitted Businesses;

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) payment of directors fees in an aggregate annual amount not to exceed $25,000 per Person;

(4) Restricted Payments that are permitted by Section 4.07 hereof;

(5) the issuance or sale of Equity Interests (other than Disqualified Stock) of the Company; and

(6) transactions pursuant to the provisions of the Governance Agreement, the Rights Agreement, the Stockholders' Agreement, the CTSH Shareholders' Agreement, the CTI Services Agreement, the CTI Operating Agreement and the Crown Transition Agreements, as the same are in effect on the Issue Date.

Section 4.12. [Reserved]

Section 4.13. Business activities.

The Company shall not, and shall not permit any Subsidiary to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Subsidiaries taken as a whole.

Section 4.14. Corporate Existence.

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its corporate existence, and the corporate, partnership or other existence of each of its Significant Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Significant Subsidiary and (ii) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; provided, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Significant Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Significant Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Debentures.

Section 4.15. Offer to Repurchase Upon Change of Control.

If a Change of Control occurs, each Holder of Debentures shall have the right to require the Company to repurchase all or any part (but not any fractional shares) of such Holder's Debentures pursuant to the offer described below (the "Change of Control Offer"). In the Change of Control Offer, the
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Company shall offer a payment in cash equal to 101% of the aggregate principal amount of Senior Exchangeable Preferred Stock repurchased plus accrued and unpaid interest and Liquidated Damages

thereon, if any (subject to the right of Holders of record on the relevant record date to receive dividends and Liquidated Damages, if any, due on the relevant dividend payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company shall mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Debentures on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by this Indenture and described in such notice.

On the Change of Control Payment Date, the Company shall, to the extent lawful:

(1) accept for payment all Debentures or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Debentures or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Debentures so accepted together with an Officers' Certificate stating the aggregate principal amount of Debentures or portions thereof being purchased by the Company.

The Company shall promptly mail to each Holder of Debentures so tendered the Change of Control Payment for such Debentures, and the Trustee shall promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new certificate representing the Debentures equal in principal amount to any unpurchased portion of the Debentures surrendered, if any.

The Change of Control provisions described above shall be applicable whether or not any other provisions of this Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of this Section 4.15, the Company shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue thereof.

The Company shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Company and purchases all Debentures validly tendered and not withdrawn under such Change of Control Offer.

Section 4.16. [Reserved].

Section 4.17. Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries.

The Company:

(1) shall not, and shall not permit any Restricted Subsidiary of the Company to, transfer, convey, sell, lease or otherwise dispose of any Equity Interests in any Restricted

Subsidiary of the Company to any Person (other than the Company or a Wholly Owned Restricted Subsidiary of the Company); and

(2) shall not permit any Restricted Subsidiary of the Company to issue any of its Equity Interests (other than, if necessary, shares of its Capital Stock constituting directors' qualifying shares) to any Person other than to the Company or a Wholly Owned Restricted Subsidiary of the Company,

unless, in each such case: (a) as a result of such transfer, conveyance, sale, lease or other disposition or issuance such Restricted Subsidiary no longer constitutes a Subsidiary and (b) the cash Net Proceeds from such transfer, conveyance, sale, lease or other disposition or issuance are applied in accordance with Section 4.10.

Section 4.18. Senior Subordinated Debt.

So long as any Debentures are outstanding, the Company shall not incur any Indebtedness that is expressly made subordinated in right of payment to any Senior Debt unless such Indebtedness, by its terms and by the terms of any agreement or instrument pursuant to which such Indebtedness is outstanding, is expressly made pari passu with, or subordinate in right of payment to, the Debentures pursuant to provisions substantially similar to those contained in this Indenture; provided that the foregoing limitations shall not apply to distinctions between categories of Senior Debt that exist by reason of any Liens or Guarantees arising or created in respect of some but not all Senior Debt.

ARTICLE 5.

SUCCESSORS

Section 5.01. Merger, Consolidation or Sale of Assets.

The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless:

(1) the Company is the surviving corporation or the entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(2) the entity or Person formed by or surviving any such consolidation or merger (if other than the Company) or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Debentures and this Indenture pursuant to a supplemental indenture in a form reasonably satisfactory to the Trustee;

(3) immediately after such transaction no Default exists; and

(4) except in the case of a merger of the Company with or into a Wholly Owned Restricted Subsidiary of the Company and except in the case of a merger entered into solely for

the purpose of reincorporating the Company in another jurisdiction, the Company or the entity or Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made will, at the time of such transaction after giving pro forma effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of Section 4.09 hereof.

Section 5.02. Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the assets of the Company in accordance with Section 5.01 hereof, the successor corporation formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Company" shall refer instead to the successor corporation and not to the Company), and may exercise every right and power of the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, provided, however, that and the predecessor Company shall not be relieved from the obligation to pay the principal of and interest on the Debentures except in the case of a sale of all of the Company's assets that meets the requirements of Section 5.01 hereof.

ARTICLE 6.

DEFAULTS AND REMEDIES

Section 6.01. Events of Default.

Each of the following is an Event of Default:

(1) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Debentures;

(2) default in payment when due of the principal of or premium, if any, on the Debentures;

(3) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with the provisions of Article 5 hereof or failure by the Company to consummate a Change of Control Offer or Asset Sale Offer in accordance with the provisions of this Indenture applicable thereto;

(4) failure by the Company or any of its Subsidiaries for 60 days after notice to comply with any of its other agreements in this Indenture or the Debentures;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of its Significant Subsidiaries) whether such Indebtedness or guarantee now exists, or is created after the Issue Date, which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period

provided in such Indebtedness on the date of such default (a "Payment Default") or (b) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accellerated, aggregates $20.0 million or more;

(6) failure by the Company or any of its Significant Subsidiaries to pay final judgments aggregating in excess of $20.0 million, which judgments are not paid, discharged or stayed for a period of 60 consecutive days; or

(7) the Company or any of its Significant Subsidiaries pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a Custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Significant Subsidiary in an involuntary case;

(ii) appoints a Custodian of the Company or any Significant Subsidiary or for all or substantially all of the property of the Company or any Significant Subsidiary; or

(iii) orders the liquidation of the Company or any Significant Subsidiary;

and the order or decree remains unstayed and in effect for 60 consecutive days.

Section 6.02. Acceleration.

If any Event of Default (other than an Event of Default specified in clause (g) or (h) of Section 6.01 hereof with respect to the Company, any Significant Subsidiary or any group of Significant Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary) occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Debentures may declare all the Debentures to be due and payable immediately. Upon any such declaration, the principal of, and accrued and unpaid interest and Liquidated Damages, if any, on such Debentures shall become due and payable immediately. Notwithstanding the foregoing, if an Event of Default specified in clause

(g) or (h) of Section 6.01 hereof occurs with respect to the Company, any of its Significant Subsidiaries or any group of Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary, shall be due and payable immediately without further action or notice. The Holders of a majority in aggregate principal amount of the then outstanding Debentures by written notice to the Trustee may on behalf of all of the Holders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived.

Section 6.03. Other Remedies.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, interest and Liquidated Damages, if any, on the Debentures or to enforce the performance of any provision of the Debentures or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Debentures or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Debenture in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04. Waiver of Past Defaults.

Holders of not less than a majority in aggregate principal amount of the then outstanding Debentures by notice to the Trustee may on behalf of the Holders of all of the Debentures waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium and Liquidated Damages, if any, or interest on, the Debentures (including in connection with an offer to purchase) (provided, however, that the Holders of a majority in aggregate principal amount of the then outstanding Debentures may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration). Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. Control by Majority.

Holders of a majority in principal amount of the then outstanding Debentures may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders of Debentures or that may involve the Trustee in personal liability.

Section 6.06. Limitation on Suits.

A Holder of a Debenture may pursue a remedy with respect to this Indenture or the Debentures only if:

(a) the Holder of a Debenture gives to the Trustee written notice of a continuing Event of Default;

(b) the Holders of at least 25% in principal amount of the then outstanding Debentures make a written request to the Trustee to pursue the remedy;

(c) such Holder of a Debenture or Holders of Debentures offer and, if requested, provide to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;

(d) the Trustee does not comply with the request within 60 days after receipt of the request and the offer and, if requested, the provision of indemnity; and

(e) during such 60-day period the Holders of a majority in principal amount of the then outstanding Debentures do not give the Trustee a direction inconsistent with the request.

A Holder of a Debenture may not use this Indenture to prejudice the rights of another Holder of a Debenture or to obtain a preference or priority over another Holder of a Debenture.

Section 6.07. Rights of Holders of Debentures to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder of a Debenture to receive payment of principal, premium and Liquidated Damages, if any, and interest on the Debenture, on or after the respective due dates expressed in the Debenture (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08. Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium and Liquidated Damages, if any, and interest remaining unpaid on the Debentures and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09. Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Debentures allowed in any judicial proceedings relative to the Company (or any other obligor upon the Debentures), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all

distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Debentures or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. Priorities.

If the Trustee collects any money pursuant to this Article, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expense and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of Debentures for amounts due and unpaid on the Debentures for principal, premium and Liquidated Damages, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Debentures for principal, premium and Liquidated Damages, if any and interest, respectively; and

Third: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders of Debentures pursuant to this Section 6.10.

Section 6.11. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder of a Debenture pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in principal amount of the then outstanding Debentures.

ARTICLE 7.

TRUSTEE

Section 7.01. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(b) Except during the continuance of an Event of Default:

(i) the duties of the Trustee shall be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee shall be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02. Rights of Trustee.

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

Section 7.03. Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Debentures and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

Section 7.04. Trustee's Disclaimer.

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Debentures, it shall not be accountable for the Company's use of the proceeds from the Debentures or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Debentures or any other document in connection with the sale of the Debentures or pursuant to this Indenture other than its certificate of authentication.

Section 7.05. Notice of Defaults.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee shall mail to Holders of Debentures a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest on any Debenture, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Debentures.

Section 7.06. Reports by Trustee to Holders of the Debentures.

Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, and for so long as Debentures remain outstanding, the Trustee shall mail to the Holders of the Debentures a brief report dated as of such reporting date that complies with TIA (S) 313(a) (but if no event described in TIA (S) 313(a) has occurred within the twelve months preceding the reporting date, no report

need be transmitted). The Trustee also shall comply with TIA (S) 313(b)(2). The Trustee shall also transmit by mail all reports as required by TIA (S) 313(c).

A copy of each report at the time of its mailing to the Holders of Debentures shall be mailed to the Company and filed with the SEC and each stock exchange on which the Debentures are listed in accordance with TIA (S) 313(d). The Company shall promptly notify the Trustee when the Debentures are listed on any stock exchange.

Section 7.07. Compensation and Indemnity.

The Company shall pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Company shall indemnify the Trustee against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Company (including this Section 7.07) and defending itself against any claim (whether asserted by the Company or any Holder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to its negligence or bad faith. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations hereunder. The Company shall defend the claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

The obligations of the Company under this Section 7.07 shall survive the satisfaction and discharge of this Indenture.

To secure the Company's payment obligations in this Section, the Trustee shall have a Lien prior to the Debentures on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Debentures. Such Lien shall survive the satisfaction and discharge of this Indenture.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(g) or (h) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

The Trustee shall comply with the provisions of TIA (S) 313(b)(2) to the extent applicable.

Section 7.08. Replacement of Trustee.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section.

The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of Debentures of a majority in principal amount of the then outstanding Debentures may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10 hereof;

(b) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a Custodian or public officer takes charge of the Trustee or its property; or

(d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Debentures may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the Holders of Debentures of at least 10% in principal amount of the then outstanding Debentures may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee, after written request by any Holder of a Debenture who has been a Holder of a Debenture for at least six months, fails to comply with Section 7.10, such Holder of a Debenture may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders of the Debentures. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, provided all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee.

Section 7.09. Successor Trustee by Merger, etc.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

Section 7.10. Eligibility; Disqualification.

There shall at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $50 million as set forth in its most recent published annual report of condition.

This Indenture shall always have a Trustee who satisfies the requirements of TIA (S) 310(a)(1), (2) and (5). The Trustee is subject to TIA (S) 310(b).

Section 7.11. Preferential Collection of Claims Against Company.

The Trustee is subject to TIA (S) 311(a), excluding any creditor relationship listed in TIA (S) 311(b). A Trustee who has resigned or been removed shall be subject to TIA (S) 311(a) to the extent indicated therein.

ARTICLE 8.

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. Option to Effect Legal Defeasance or Covenant Defeasance.

When (i) the Company delivers to the Trustee all outstanding Debentures (other than Debentures replaced pursuant to Section 2.07) for cancellation or (ii) all outstanding Debentures have become due and payable, whether at maturity or as a result of the mailing of a notice of redemption pursuant to Article 3 hereof and the Company irrevocably deposits with the Trustee funds sufficient to pay at maturity or upon redemption all outstanding Debentures, including interest thereon to maturity or such redemption date (other than Debentures replaced pursuant to Section 2.07), and if in either case the Company pays all other sums payable hereunder by the Company, then this Indenture shall, subject to the proviso set forth in Section 8.02, cease to be of further effect. The Company may, at the option of its Board of Directors evidenced by a resolution set forth in an Officers' Certificate, at any time, elect to have either Section 8.02 or 8.03 hereof applied to all outstanding Debentures upon compliance with the conditions set forth below in this Article 8.

Section 8.02. Legal Defeasance and Discharge.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Debentures on the date the conditions set forth below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Debentures, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in (a) and (b) below, and to have satisfied all its other obligations under such Debentures and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same); provided that the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of outstanding Debentures to receive solely from the trust fund described in Section 8.04 hereof, and as more fully set forth in such

Section, payments in respect of the principal of, premium, if any, and interest and Liquidated Damages on such Debentures when such payments are due, (b) the Company's obligations with respect to such Debentures under Article 2 and Section 4.02 hereof, (c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's obligations in connection therewith and (d) this Article 8. Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03. Covenant Defeasance.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from its obligations under the covenants contained in Sections 4.07, 4.08, 4.09, 4.10, 4.11, 4.13, 4.15, 4.17 and 4.18 hereof with respect to the outstanding Debentures on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "Covenant Defeasance"), and the Debentures shall
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thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Debentures shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Debentures, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Debentures shall be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03 hereof, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(d) through 6.01(f) hereof shall not constitute Events of Default.

Section 8.04. Conditions to Legal or Covenant Defeasance.

The following shall be the conditions to the application of either Section 8.02 or 8.03 hereof to the outstanding Debentures:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in United States dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest and Liquidated Damages on the outstanding Debentures on the stated maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Debentures are being defeased to maturity or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Issue Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Debentures will not recognize income, gain or loss for federal income tax purposes as a result of such Legal

Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the Holders of the outstanding Debentures will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the incurrence of Indebtedness all or a portion of the proceeds of which will be used to defease the Debentures pursuant to this Article 8 concurrently with such incurrence) or insofar as Sections 6.01(g) or 6.01(h) hereof with respect to the Company are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company shall have delivered to the Trustee an Opinion of Counsel (which may be subject to customary exceptions) to the effect that on the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

(7) the Company shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company; and

(8) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05. Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") pursuant to Section 8.04 hereof in respect of the outstanding
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Debentures shall be held in trust and applied by the Trustee, in accordance with the provisions of such Debentures and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Debentures of all sums due and to become due thereon in respect of principal, premium, if any, interest and Liquidated Damages, if any, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Debentures.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the request of the Company any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06. Repayment to Company.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium, if any, or interest on any Debenture and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder of such Debenture shall thereafter, as a secured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07. Reinstatement.

If the Trustee or Paying Agent is unable to apply any United States dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Debentures shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; provided, however, that, if the Company makes any payment of principal of, premium, if any, or interest on any Debenture following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Debentures to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9.

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01. Without Consent of Holders of Debentures.

Notwithstanding Section 9.02 of this Indenture, the Company and the Trustee may amend or supplement this Indenture or the Debentures without the consent of any Holder of a Debenture:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Debentures in addition to or in place of certificated Debentures or to alter the provisions of Article 2 hereof (including the related definitions) in a manner that does not materially adversely affect any Holder;

(3) to provide for the assumption of the Company's obligations to the Holders of the Debentures by a successor to the Company pursuant to Article 5 hereof;

(4) to make any change that would provide any additional rights or benefits to the Holders of the Debentures or that does not adversely affect the legal rights hereunder of any such Holder; or

(5) to comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental Indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee shall join with the Company in the execution of any amended or supplemental Indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to enter into such amended or supplemental Indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

Section 9.02. With Consent of Holders of Debentures.

Except as provided below in this Section 9.02, this Indenture (including Section 3.09, 4.10 and 4.15 hereto) and the Debentures may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Debentures then outstanding voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Debentures) or, if no Debentures are outstanding, the holders of a majority in Liquidation Preference of the Senior Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Exchangeable Preferred Stock), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium, if any, or interest on the Debentures, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture or the Debentures may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Debentures voting as a single class (including consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Debentures) or, if no Debentures are outstanding, the holders of a majority in Liquidation Preference of the Senior Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Senior Exchangeable Preferred Stock). Section 2.08 hereof shall determine which Debentures are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental Indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Debentures as aforesaid,

and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee shall join with the Company in the execution of such amended or supplemental Indenture unless such amended or supplemental Indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such amended or supplemental Indenture.

It shall not be necessary for the consent of the Holders of Debentures under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section becomes effective, the Company shall mail to the Holders of Debentures affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amended or supplemental Indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Debentures then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Debentures. However, without the consent of each Holder affected, an amendment or waiver under this Section 9.02 may not (with respect to any Debentures held by a non-consenting Holder):

(1) reduce the principal amount of Debentures whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Debenture or alter or waive any of the provisions with respect to the redemption (but not any required repurchase in connection with an Asset Sale Offer or Change of Control Offer) of the Debentures;

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Debenture;

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Debentures (except a rescission of acceleration of the Debentures by the Holders of at least a majority in aggregate principal amount of the then outstanding Debentures and a waiver of the payment default that resulted from such acceleration);

(5) make any Debenture payable in money other than that stated in the Debentures;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Debentures to receive payments of principal of, premium, if any, or interest on the Debentures;

(7) waive a redemption payment (but not any payment upon a required repurchase in connection with an Asset Sale Offer or Change of Control Offer) with respect to any Debenture; or

(8) make any change in Section 6.04 or 6.07 hereof or in the foregoing amendment and waiver provisions.

Section 9.03. Compliance with Trust Indenture Act.

Every amendment or supplement to this Indenture or the Debentures shall be set forth in a amended or supplemental Indenture that complies with the TIA as then in effect.

Section 9.04. Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Debenture is a continuing consent by the Holder of a Debenture and every subsequent Holder of a Debenture or portion of a Debenture that evidences the same debt as the consenting Holder's Debenture, even if notation of the consent is not made on any Debenture. However, any such Holder of a Debenture or subsequent Holder of a Debenture may revoke the consent as to its Debenture if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05. Notation on or Exchange of Debentures.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Debenture thereafter authenticated. The Company in exchange for all Debentures may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Debentures that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Debenture shall not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06. Trustee to Sign Amendments, etc.

The Trustee shall sign any amended or supplemental Indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. The Company may not sign an amendment or supplemental Indenture until the Board of Directors approves it. In executing any amended or supplemental indenture, the Trustee shall be entitled to receive and (subject to Section 7.01 hereof) shall be fully protected in relying upon, in addition to the documents required by Section 11.04 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10

SUBORDINATION

Section 10.01. Agreement to Subordinate.

The Company agrees, and each Holder by accepting a Debenture agrees, that the Indebtedness evidenced by the Debentures is subordinated in right of payment, to the extent and in the manner provided in this Article 10, to the prior payment in full in cash or Cash Equivalents (other than Cash Equivalents of the type referred to in clauses (3) and (4) of the definition thereof) of all Senior Debt of the Company (whether outstanding on the date hereof or hereafter created, incurred, assumed or guaranteed), and that the subordination is for the benefit of the holders of Senior Debt.

Section 10.02. Liquidation; Dissolution; Bankruptcy.

For purposes of this Article 10, a "distribution" may consist of cash, securities or other property, by set-off or otherwise.

Upon any distribution to creditors of the Company in a liquidation or dissolution of the Company or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property, in an assignment for the benefit of creditors or any marshaling of the Company's assets and liabilities:

(i) holders of Senior Debt shall be entitled to receive payment in full in cash or Cash Equivalents (other than Cash Equivalents of the type referred to in clauses (3) and (4) of the definition thereof) of all Obligations due in respect of such Senior Debt (including interest after the commencement of any such proceeding at the rate specified in the applicable Senior Debt) before Holders of the Debentures shall be entitled to receive any payment or distribution of any kind or character with respect to the Debentures (except that Holders of Debentures may receive (A) Permitted Junior Securities and (B) payments and other distributions made from any defeasance trust created pursuant to Section 8.01 hereof); and

(ii) until all Obligations with respect to Senior Debt (as provided in clause (i) above) are paid in full, any distribution to which Holders would be entitled but for this Article 10 shall be made to holders of Senior Debt (except that Holders of Debentures may receive (A) Permitted Junior Securities and (B) payments and other distributions made from any defeasance trust created pursuant to Section 8.01 hereof), as their interests may appear.

Section 10.03. Default on Designated Senior Debt.

(a) The Company may not make any payment or distribution in respect of Obligations with respect to the Debentures and may not acquire any Debentures for cash or property (other than (A) Permitted Junior Securities and (B) payments and other distributions made from any defeasance trust created pursuant to Section 8.01 hereof) until all principal and other Obligations with respect to the Senior Debt have been paid in full if:

(i) a default in the payment of any principal or other Obligations with respect to Designated Senior Debt occurs and is continuing beyond any applicable grace period in the agreement, indenture or other document governing such Designated Senior Debt; or

(ii) a default, other than a payment default, on Designated Senior Debt occurs and is continuing that then permits holders of the Designated Senior Debt to accelerate its maturity immediately without further notice (except such notice as may be required to effect such acceleration) or the expiration of any applicable grace periods and the Trustee receives a notice of the default (a "Payment Blockage Notice") from a Person who may
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give it pursuant to Section 10.11 hereof. If the Trustee receives any such Payment Blockage Notice, no subsequent Payment Blockage Notice shall be effective for purposes of this Section unless and until at least 360 days shall have elapsed since the effectiveness of the immediately prior Payment Blockage Notice. No nonpayment default that existed or was continuing on the date of delivery of any Payment Blockage Notice to the Trustee shall be, or be made, the basis for a subsequent Payment

Blockage Notice unless such default shall have been cured or waived for a period of not less than 90 consecutive days.

(b) The Company may and shall resume payments on and distributions in respect of the Debentures and may acquire them upon:

(i) in the case of a payment default referred to in clause (i) of Section 10.03(a), the date upon which the default is cured or waived, or

(ii) in the case of a nonpayment default referred to in clause (ii) of Section 10.03(a) hereof, upon the earliest of (x) the date upon which all non-payment defaults are cured or waived, (y) 179 days after the applicable Payment Blockage Notice is received or (z) the date on which the Trustee receives notice from the holders of such Designated Senior Debt or their Representative rescinding the Payment Blockage Notice, unless the maturity of any Designated Senior Debt has been accelerated,

if this Article 10 otherwise permits the payment, distribution or acquisition at the time of such payment or acquisition.

Section 10.04. Acceleration of Debentures.

If payment of the Debentures is accelerated because of an Event of Default, the Company shall promptly notify holders of Senior Debt of the acceleration.

Section 10.05. When Distribution Must Be Paid Over.

In the event that the Trustee or any Holder receives any payment of any Obligations with respect to the Debentures at a time when the Trustee or such Holder, as applicable, has actual knowledge that such payment is prohibited by Section 10.03 hereof, such payment shall be held by the Trustee or such Holder, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to, the holders of Senior Debt as their interests may appear or their Representative under the indenture or other agreement (if any) pursuant to which Senior Debt may have been issued as their respective interests may appear, for application to the payment of all Obligations with respect to Senior Debt remaining unpaid to the extent necessary to pay such Obligations in full in accordance with their terms, after giving effect to any concurrent payment or distribution to or for the holders of Senior Debt.

With respect to the holders of Senior Debt, the Trustee undertakes to perform only such obligations on the part of the Trustee as are specifically set forth in this Article 10, and no implied covenants or obligations with respect to the holders of Senior Debt shall be read into this Indenture against the Trustee. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Debt, and shall not be liable to any such holders if the Trustee shall pay over or distribute to or on behalf of Holders or the Company or any other Person money or assets to which any holders of Senior Debt shall be entitled by virtue of this Article 10, except if such payment is made as a result of the willful misconduct or gross negligence of the Trustee.

Section 10.06. Notice by Company.

The Company shall promptly notify the Trustee and the Paying Agent of any facts known to the Company that would cause a payment of any Obligations with respect to the Debentures to violate this Article 10, but failure to give such notice shall not affect the subordination of the Debentures to the Senior Debt as provided in this Article 10.

Section 10.07. Subrogation.

After all Senior Debt is paid in full and until the Debentures are paid in full, Holders of Debentures shall be subrogated (equally and ratably with all other Indebtedness and pari passu with the Debentures) to the rights of holders of Senior Debt to receive distributions applicable to Senior Debt to the extent that distributions otherwise payable to the Holders of Debentures have been applied to the payment of Senior Debt. A distribution made under this Article 10 to holders of Senior Debt that otherwise would have been made to Holders of Debentures is not, as between the Company and Holders, a payment by the Company on the Debentures.

Section 10.08. Relative Rights.

This Article 10 defines the relative rights of Holders of Debentures and holders of Senior Debt. Nothing in this Indenture shall:

(i) impair, as between the Company and Holders of Debentures, the obligation of the Company, which is absolute and unconditional, to pay principal of and interest on the Debentures in accordance with their terms;

(ii) affect the relative rights of Holders of Debentures and creditors of the Company other than their rights in relation to holders of Senior Debt; or

(iii) prevent the Trustee or any Holder of Debentures from exercising its available remedies upon a Default, subject to the rights of holders and owners of Senior Debt to receive distributions and payments otherwise payable to Holders of Debentures.

If the Company fails because of this Article 10 to pay principal of or interest on a Debenture on the due date, the failure is still a Default.

Section 10.09. Subordination May Not Be Impaired by Company.

No right of any holder of Senior Debt to enforce the subordination of the Indebtedness evidenced by the Debentures shall be impaired by any act or failure to act by the Company or any Holder or by the failure of the Company or any Holder to comply with this Indenture.

Section 10.10. Distribution or Notice to Representative.

Whenever a distribution is to be made or a notice given to holders of Senior Debt, the distribution may be made and the notice given to their Representative.

Upon any payment or distribution of assets of the Company referred to in this Article 10, the Trustee and the Holders of Debentures shall be entitled to rely upon any order or decree made by any court of competent jurisdiction or upon any certificate of such Representative or of the liquidating trustee or agent or other Person making any distribution to the Trustee or to the Holders of Debentures for the purpose of ascertaining the Persons entitled to participate in such distribution, the holders of the Senior Debt and other Indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article 10.

Section 10.11. Rights of Trustee and Paying Agent.

Notwithstanding the provisions of this Article 10 or any other provision of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts that would prohibit the making of any payment or distribution by the Trustee, and the Trustee and the Paying Agent may continue to make payments on the Debentures, unless the Trustee shall have received at its Corporate Trust Office at least five Business Days prior to the date of such payment written notice of facts that would cause the payment of any Obligations with respect to the Debentures to violate this Article 10. Only the Company or a Representative may give the notice. Nothing in this Article 10 shall impair the claims of, or payments to, the Trustee under or pursuant to Section 7.07 hereof.

The Trustee in its individual or any other capacity may hold Senior Debt with the same rights it would have if it were not Trustee. Any Agent may do the same with like rights.

Section 10.12. Authorization to Effect Subordination.

Each Holder of Debentures, by the Holder's acceptance thereof, authorizes and directs the Trustee on such Holder's behalf to take such action as may be necessary or appropriate to effectuate the subordination as provided in this Article 10, and appoints the Trustee to act as such Holder's attorney-in-fact for any and all such purposes. If the Trustee does not file a proper proof of claim or proof of debt in the form required in any proceeding referred to in Section 6.09 hereof at least 30 days before the expiration of the time to file such claim, the Representatives are hereby authorized to file an appropriate claim for and on behalf of the Holders of the Debentures.

Section 10.13. Amendments.

The provisions of this Article 10 shall not be amended or modified without the written consent of the holders of all Senior Debt.

ARTICLE 11.

MISCELLANEOUS

Section 11.01. Trust Indenture Act Controls.

If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by TIA (S)318(c), the imposed duties shall control.

Section 11.02. Notices.

Any notice or communication by the Company or the Trustee to the others is duly given if in writing and delivered in Person or mailed by first class mail (registered or certified, return receipt

requested), telex, telecopier or overnight air courier guaranteeing next day delivery, to the others' address

If to the Company:

Crown Castle International Corp.
150 Bering Drive, Suite 500
Houston, TX 77057
Telecopier No.: 713-570-3150
Attention: Chief Financial Officer

With a copy to:

Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Telecopier No.: 212-474-3700
Attention: Stephen L. Burns

If to the Trustee:

United States Trust Company of Texas, N.A.
114 West 47th Street, 25th Floor
New York, NY 10036
Telecopier No.: 212-528-1626
Attention: Gerard F. Ganey

The Company or the Trustee, by notice to the others may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt acknowledged, if telecopied; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder shall be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Any notice or communication shall also be so mailed to any Person described in TIA (S) 313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it shall mail a copy to the Trustee and each Agent at the same time.

Section 11.03. Communication by Holders of Debentures with Other Holders of Debentures.

Holders may communicate pursuant to TIA (S) 312(b) with other Holders with respect to their rights under this Indenture or the Debentures. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA (S) 312(c).

Section 11.04. Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(a) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 11.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(b) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 11.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 11.05. Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA (S) 314(a)(4)) shall comply with the provisions of TIA (S) 314(e) and shall include:

(a) a statement that the Persons making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such Person, he, she has or they have made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(d) a statement as to whether or not, in the opinion of such Persons, such condition or covenant has been satisfied.

Section 11.06. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 11.07. No Personal Liability of Directors, Officers, Employees and Stockholders.

No past, present or future director, officer, employee, incorporator or stockholder of the Company, as such, shall have any liability for any obligations of the Company under the Debentures, this Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Debenture waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Debentures.

Section 11.08. Governing Law.

THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE DEBENTURES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 11.09. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 11.10. Successors.

All agreements of the Company in this Indenture and the Debentures shall bind its successors. All agreements of the Trustee in this Indenture shall bind its successors.

Section 11.11. Severability.

In case any provision in this Indenture or in the Debentures shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11.12. Counterpart Originals.

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

Section 11.13. Table of Contents, Headings, etc.

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

[Signatures on following page]

SIGNATURES

Dated as of December 21, 1998

CROWN CASTLE INTERNATIONAL CORP.

By: /s/ Kathy Broussard

Name: Kathy Broussard
Title: Vice President

Attest:

/s/ Cynthia Naylor
- ---
Name: Cynthia Naylor
Title: Administrative Assistant

United States Trust Company of TEXAS, N.A.

By: /s/ Gerard Ganey

Authorized Signatory

EXHIBIT A1
(Face of Debenture)

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CUSIP/CINS _____

12 3/4% Senior Subordinated Exchange Debentures due 2010

No. _____ Principal Amount $_____

CROWN CASTLE INTERNATIONAL CORP.

promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on December 15, 2010.

Interest Payment Dates: June 15 and December 15, commencing the first such date following original issuance of the Debentures.

Record Dates: June 1 and December 1

Dated: _____, _____

Crown Castle International Corp.

By:

Name:
Title:

By:

Name:
Title:

(SEAL)

This is one of the [Global]
Debentures referred to in the
within-mentioned Indenture:

United States Trust Company of TEXAS, N.A.,

as Trustee

By:

==========

(Back of Debenture)

12 3/4% Senior Subordinated Exchange Debentures due 2010

[Insert Global Debenture Legend, if applicable pursuant to the provisions of the Indenture.]

[Insert Private Placement Legend, if applicable pursuant to the provisions of the Indenture.]

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest. Crown Castle International Corp., a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Debenture at 12 3/4% per annum from the date of original issuance of this Debenture (or, if this Debenture is issued in a transfer of or exchange for another Debenture, from the date on which interest was payable with respect to such other Debenture) until maturity and shall pay the Liquidated Damages, if any, payable pursuant to Section 5 of the Registration Rights Agreement referred to below. The Company will pay interest and Liquidated Damages, if any, semi-annually on June 15 and December 15 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"); provided that the first such interest payment date shall be the first such date to occur following original issuance of this Debenture. On or prior to December 15, 2003, the Company may, at its option, pay interest in cash or in additional Debentures having an aggregate principal amount equal to the amount of such interest. After December 15, 2003, the Company shall pay interest in cash only. Interest on the Debentures will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance of Debentures. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. Method of Payment. The Company will pay interest on this Debenture (except defaulted interest) and Liquidated Damages to the Persons who are the registered Holders of this Debenture at the close of business on the June 1 or December 1 next preceding the Interest Payment Date, even if it is canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. This Debenture will be payable as to principal, premium and Liquidated Damages, if any, and interest (in the case of the payment of interest in cash) at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Liquidated Damages may be made by check mailed to the Holders at their addresses set forth in the register of Holders, and provided that payment by wire transfer of immediately available funds will be required with respect to principal of and interest (in the case of the payment of interest in cash), premium and Liquidated Damages on, all Global Debentures and all other Debentures the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided that Liquidated Damages may be paid through the issuance of additional Debentures having a principal amount at the time of issuance equal to the amount of Liquidated Damages so paid. In the case of payment of interest in additional Debentures having an

aggregate principal amount equal to the amount of such interest, such additional Debentures shall be issued and registered in the name of the registered Holder of the Debenture with respect to which such interest is being paid in the manner set forth in the first sentence of this paragraph.

3. Paying Agent and Registrar. Initially, United States Trust Company of Texas, N.A., the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

4. Indenture. The Company issued the Debentures under an Indenture dated as of December 21, 1998 ("Indenture") between the Company and the Trustee. The
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terms of the Debentures include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code (S)(S) 77aaa-77bbbb). The Debentures are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Debenture conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Debentures are obligations of the Company limited to $400.0 million in aggregate principal amount, plus amounts, if any, issued to pay Liquidated Damages on outstanding Debentures as set forth in Paragraph 2 hereof.

5. Optional Redemption.

(A) EXCEPT AS SET FORTH IN SUBPARAGRAPH (B) OF THIS PARAGRAPH 5, THE COMPANY SHALL NOT HAVE THE OPTION TO REDEEM THE DEBENTURES PURSUANT TO THIS SECTION 3.07 PRIOR TO DECEMBER 15, 2003. THEREAFTER, THE COMPANY SHALL HAVE THE OPTION TO REDEEM THE DEBENTURES, IN WHOLE OR IN PART, AT THE REDEMPTION PRICES (EXPRESSED AS PERCENTAGES OF PRINCIPAL AMOUNT) SET FORTH BELOW PLUS ACCRUED AND UNPAID INTEREST AND LIQUIDATED DAMAGES THEREON, IF ANY, TO THE APPLICABLE REDEMPTION DATE (SUBJECT TO THE RIGHT OF HOLDERS OF RECORD ON THE RELEVANT RECORD DATE TO RECEIVE INTEREST AND LIQUIDATED DAMAGES DUE ON THE RELEVANT INTEREST PAYMENT DATE), IF REDEEMED DURING THE TWELVE-MONTH PERIOD BEGINNING ON DECEMBER 15 OF THE YEARS INDICATED BELOW:

Year	Percentage
2003	106.375%
2004	104.781%
2005	103.188%
2006	101.594%
2007 and thereafter	100.000%

(B) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (A) OF THIS PARAGRAPH 5, DURING THE FIRST 36 MONTHS AFTER THE DATE OF ORIGINAL ISSUANCE OF THE DEBENTURES, THE COMPANY MAY ON ANY ONE OR MORE OCCASIONS REDEEM UP TO 35% OF THE AGGREGATE PRINCIPAL AMOUNT OF DEBENTURES THEN OUTSTANDING AT A REDEMPTION PRICE EQUAL TO 112.750% OF THE PRINCIPAL AMOUNT THEREOF ON THE REDEMPTION DATE, PLUS ACCRUED AND UNPAID INTEREST AND LIQUIDATED DAMAGES THEREON, IF ANY, TO THE REDEMPTION DATE, WITH THE NET CASH PROCEEDS OF ONE OR MORE PUBLIC EQUITY OFFERINGS AND/OR

STRATEGIC EQUITY INVESTMENTS; PROVIDED THAT AT LEAST $130.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF DEBENTURES REMAINS OUTSTANDING IMMEDIATELY AFTER THE OCCURRENCE OF SUCH REDEMPTION (EXCLUDING DEBENTURES HELD BY THE COMPANY OR ANY OF ITS SUBSIDIARIES); AND PROVIDED, FURTHER, THAT SUCH REDEMPTION SHALL OCCUR WITHIN 60 DAYS OF THE DATE OF THE CLOSING OF SUCH PUBLIC EQUITY OFFERING AND/OR STRATEGIC EQUITY INVESTMENT.

6. Mandatory Redemption.

Except as set forth in paragraph 7 below, the Company shall not be required to make mandatory redemption payments with respect to the Debentures.

7. Repurchase at Option of Holder.

(a) Upon the occurrence of a Change of Control, each Holder of Debentures shall have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of such Holder's Debentures pursuant to the offer described below (the "Change of Control Offer") at an offer price
in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company shall mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall commence an offer to all holders of Senior Discount Notes and may be required to make such offer to holders of other Senior Debt of the Company then outstanding (a "Senior Asset Sale Offer") to purchase the maximum principal amount of the Senior Discount Notes and such other Senior Debt, if applicable, that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest to the date of purchase, in accordance with the procedures set forth in the Senior Discount Notes Indenture and in the instruments governing such other Senior Debt. To the extent that the aggregate amount of Senior Discount Notes and such other Senior Debt tendered pursuant to a Senior Asset Sale Offer is less than the remaining Excess Proceeds ("Remaining Excess Proceeds") and the sum of (A) such amount of Remaining Excess Proceeds and (B) the Remaining Excess Proceeds from any subsequent Senior Asset Sale Offers exceeds $3.0 million, the Company shall commence an offer to all Holders of Debentures and all holders of other senior subordinated Indebtedness of the Company containing provisions similar to those set forth in the Indenture with respect to offers to purchase with the proceeds of sales of assets (an "Asset Sale Offer") to purchase the maximum principal amount of Debentures and such other senior subordinated Indebtedness of the Company that may be purchased out of the Remaining Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in the Indenture and such other senior subordinated Indebtedness of the Company. To the extent that any Remaining Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Debentures and such other senior subordinated Indebtedness of the

Company tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Remaining Excess Proceeds, the Trustee shall select the Debentures and such other senior subordinated Indebtedness to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero. Holders of Debentures that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Debentures purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Debentures.

The Change of Control and Asset Sale provisions described above shall be applicable whether or not any other provisions of the Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer or Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of Section 4.10 or 4.15 of the Indenture, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 4.10 or 4.15 by virtue thereof.

8. Notice of Redemption. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Debentures are to be redeemed at its registered address. Debentures in denominations larger than $1,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Debentures held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Debentures or portions thereof called for redemption.

9. Denominations, Transfer, Exchange. The Debentures are in registered form without coupons in denominations of $1,000 and integral multiples of $1,000. The transfer of Debentures may be registered and Debentures may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Debenture or portion of a Debenture selected for redemption, except for the unredeemed portion of any Debenture being redeemed in part. Also, the Company need not exchange or register the transfer of any Debentures for a period of 15 days before a selection of Debentures to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

10. Persons Deemed Owners. The registered Holder of a Debenture may be treated as its owner for all purposes.

11. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture or the Debentures may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Debentures then outstanding voting as a single class (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Debentures) or, if no Debentures are outstanding, the holders of a majority in Liquidation Preference of the Senior Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Senior Exchangeable Preferred Stock), and any existing default or compliance with any provision of the Indenture or the Debentures may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Debentures voting as a single class (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Debentures) or,

if no Debentures are outstanding, the holders of a majority in Liquidation Preference of the Senior Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Senior Exchangeable Preferred Stock). Without the consent of any Holder of a Debenture, the Indenture or the Debentures may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Debentures in addition to or in place of certificated Debentures, to provide for the assumption of the Company's obligations to Holders of the Debentures in case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the Holders of the Debentures or that does not adversely affect the legal rights under the Indenture of any such Holder, to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

12. Defaults and Remedies. Events of Default include: (i) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Debentures; (ii) default in payment when due of principal of or premium, if any, on the Debentures, (iii) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with Section 4.10 or 4.15 or Article 5 of the Indenture; (iv) failure by the Company or any of its Subsidiaries for 60 days after notice to comply with its other agreements in the Indenture or the Debentures; (v) default under certain other agreements relating to Indebtedness of the Company which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default or (b) results in the acceleration of such Indebtedness prior to its express maturity, in either case the principal amount of such Indebtedness together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been accelerated, aggregates $20.0 million or more; (vi) certain final judgments for the payment of money aggregating in excess of $20.0 million that remain undischarged for a period of 60 consecutive days; and (vii) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Debentures may declare all the Debentures to be due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, all outstanding Debentures will become due and payable without further action or notice. Holders may not enforce the Indenture or the Debentures except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Debentures may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Debentures notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the Debentures then outstanding by notice to the Trustee may on behalf of the Holders of all of the Debentures waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Debentures. The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

13. Trustee Dealings with Company. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

14. No Recourse Against Others. A director, officer, employee, incorporator or stockholder, of the Company, as such, shall not have any liability for any obligations of the Company under the Debentures or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Debenture waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Debentures.

15. Authentication. This Debenture shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

16. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. Additional Rights of Holders of Restricted Global Debentures and Restricted Definitive Debentures. In addition to the rights provided to Holders of Debentures under the Indenture, Holders of Restricted Global Debentures and Restricted Definitive Debentures shall have all the rights set forth in the A/B Exchange Registration Rights Agreement dated as of December 21, 1998, between the Company and the parties named on the signature pages thereof (the "Registration Rights Agreement").
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18. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Debentures and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Debentures or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Attention: Chief Financial Officer

Assignment Form

To assign this Debenture, fill in the form below: (I) or (we) assign and transfer this Debenture to

- ---

(Insert assignee's soc. sec. or tax I.D. no.)

- ---

- ---

- ---

- ---

(Print or type assignee's name, address and zip code)

and irrevocably appoint

---

to transfer this Debenture on the books of the Company. The agent may substitute another to act for him.

- ---

Date:

Your Signature:

(Sign exactly as your name appears on the face of this Debenture)

Signature Guarantee.

Option of Holder to Elect Purchase

If you want to elect to have this Debenture purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the box below:

[ ]Section 4.10 [ ]Section 4.15

If you want to elect to have only part of the Debenture purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased: $_____

Date: _____ Your Signature: _____

(Sign exactly as your name appears on the Debenture)

Tax Identification No: _____

Signature Guarantee.

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL DEBENTURE

The following exchanges of a part of this Global Debenture for an interest in another Global Debenture or for a Definitive Debenture, or exchanges of a part of another Global Debenture or Definitive Debenture for an interest in this Global Debenture, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Debenture	Amount of increase in Principal Amount of this Global Debenture	Principal Amount of this Global Debenture following such decrease (or increase)	Signature of authorized officer of Trustee or Debenture Custodian

EXHIBIT A2

(Face of Regulation S Temporary Global Debenture)

CUSIP/CINS _____

12 3/4% Senior Subordinated Exchange Debentures due 2010

No. ____ Principal Amount $_____

CROWN CASTLE INTERNATIONAL CORP.

promises to pay to Cede & Co., or registered assigns, the principal sum of _____ Dollars on December 15, 2010.

Interest Payment Dates: June 15 and December 15, commencing the first such date to occur following original issuance of the Debentures.

Record Dates: June 1 and December 1

Dated:
----------, ----

CROWN CASTLE INTERNATIONAL CORP.

By:

Name:
Title:

By:

Name:
Title:

[(SEAL)]

This is one of the Global Debentures referred to in the within-mentioned Indenture:

UNITED STATES TRUST COMPANY OF TEXAS, N.A., as Trustee

By:

(Back of Debenture)

12 3/4% Senior Subordinated Exchange Debentures due 2010

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL DEBENTURE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED DEBENTURES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL DEBENTURE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

THIS GLOBAL DEBENTURE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS DEBENTURE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.07 OF THE INDENTURE, (II) THIS GLOBAL DEBENTURE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL DEBENTURE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL DEBENTURE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN ACCORDANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (SUBJECT TO THE DELIVERY OF SUCH EVIDENCE, IF ANY, REQUIRED UNDER THE CERTIFICATE OF DESIGNATIONS PURSUANT TO WHICH THIS SECURITY IS ISSUED) AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR REGULATION S THEREUNDER OR ANOTHER EXEMPTION UNDER THE SECURITIES ACT. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF CROWN CASTLE INTERNATIONAL CORP. THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1)(a) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (b) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (c) OUTSIDE THE UNITED STATES TO A FOREIGN PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 UNDER THE SECURITIES ACT OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL IF THE COMPANY SO REQUESTS), (2) TO CROWN CASTLE INTERNATIONAL CORP. OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL AND

EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN (A) ABOVE.

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest. Crown Castle International Corp., a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Debenture at 12 3/4% per annum from the date of original issuance of this Debenture (or, if this Debenture is issued in a transfer of or exchange for another Debenture, from the date on which interest was payable with respect to such other Debenture) until maturity and shall pay the Liquidated Damages, if any, payable pursuant to Section 5 of the Registration Rights Agreement referred to below. The Company will pay interest and Liquidated Damages, if any, semi-annually on June 15 and December 15 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"); provided that the first such interest payment date shall be the first such date to occur following original issuance of this Debenture. On or prior to December 15, 2003, the Company may, at its option, pay interest in cash or in additional Debentures having an aggregate principal amount equal to the amount of such interest. After December 15, 2003, the Company shall pay interest in cash only. Interest on the Debentures will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance of Debentures. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Until this Regulation S Temporary Global Debenture is exchanged for one or more Regulation S Permanent Global Debentures, the Holder hereof shall not be entitled to receive payments of interest hereon; until so exchanged in full, this Regulation S Temporary Global Debenture shall in all other respects be entitled to the same benefits as other Debentures under the Indenture.

2. Method of Payment. The Company will pay interest on this Debenture (except defaulted interest) and Liquidated Damages to the Persons who are the registered Holders of this Debenture at the close of business on the June 1 or December 1 next preceding the Interest Payment Date, even if it is canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. This Debenture will be payable as to principal, premium and Liquidated Damages, if any, and interest (in the case of the payment of interest in cash) at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Liquidated Damages may be made by check mailed to the Holders at their addresses set forth in the register of Holders, and provided that payment by wire transfer of immediately available funds will be required with respect to principal of and interest (in the case of the payment of interest in cash), premium and Liquidated Damages on, all Global Debentures and all other Debentures the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided that Liquidated Damages may be paid through the issuance of additional Debentures having a principal amount at the time of issuance equal to the amount

of Liquidated Damages so paid. In the case of payment of interest in additional Debentures having an aggregate principal amount equal to the amount of such interest, such additional Debentures shall be issued and registered in the name of the registered Holder of the Debenture with respect to which such interest is being paid in the manner set forth in the first sentence of this paragraph.

3. Paying Agent and Registrar. Initially, United States Trust Company of Texas, N.A., the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

4. Indenture. The Company issued the Debentures under an Indenture dated as of December 21, 1998 ("Indenture") between the Company and the Trustee. The
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terms of the Debentures include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code (S)(S) 77aaa-77bbbb). The Debentures are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Debenture conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Debentures are obligations of the Company limited to $400.0 million in aggregate principal amount, plus amounts, if any, issued to pay Liquidated Damages on outstanding Debentures as set forth in Paragraph 2 hereof.

5. Optional Redemption.

(A) EXCEPT AS SET FORTH IN SUBPARAGRAPH (B) OF THIS PARAGRAPH 5, THE COMPANY SHALL NOT HAVE THE OPTION TO REDEEM THE DEBENTURES PURSUANT TO THIS SECTION 3.07 PRIOR TO DECEMBER 15, 2003. THEREAFTER, THE COMPANY SHALL HAVE THE OPTION TO REDEEM THE DEBENTURES, IN WHOLE OR IN PART, AT THE REDEMPTION PRICES (EXPRESSED AS PERCENTAGES OF PRINCIPAL AMOUNT) SET FORTH BELOW PLUS ACCRUED AND UNPAID INTEREST AND LIQUIDATED DAMAGES THEREON, IF ANY, TO THE APPLICABLE REDEMPTION DATE (SUBJECT TO THE RIGHT OF HOLDERS OF RECORD ON THE RELEVANT RECORD DATE TO RECEIVE INTEREST AND LIQUIDATED DAMAGES DUE ON THE RELEVANT INTEREST PAYMENT DATE), IF REDEEMED DURING THE TWELVE-MONTH PERIOD BEGINNING ON DECEMBER 15 OF THE YEARS INDICATED BELOW:

Year	Percentage
2003	106.375%
2004	104.781%
2005	103.188%
2006	101.594%
2007 and thereafter	100.000%

(B) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (A) OF THIS PARAGRAPH 5, DURING THE FIRST 36 MONTHS AFTER THE DATE OF ORIGINAL ISSUANCE OF THE DEBENTURES, THE COMPANY MAY ON ANY ONE OR MORE OCCASIONS REDEEM UP TO 35% OF THE AGGREGATE PRINCIPAL AMOUNT OF DEBENTURES THEN OUTSTANDING AT A REDEMPTION PRICE EQUAL TO 112.750% OF THE PRINCIPAL AMOUNT THEREOF ON THE REDEMPTION DATE, PLUS ACCRUED AND UNPAID INTEREST AND LIQUIDATED DAMAGES THEREON, IF ANY, TO THE REDEMPTION DATE,

WITH THE NET CASH PROCEEDS OF ONE OR MORE PUBLIC EQUITY OFFERINGS AND/OR STRATEGIC EQUITY INVESTMENTS; PROVIDED THAT AT LEAST $130.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF DEBENTURES REMAINS OUTSTANDING IMMEDIATELY AFTER THE OCCURRENCE OF SUCH REDEMPTION (EXCLUDING DEBENTURES HELD BY THE COMPANY OR ANY OF ITS SUBSIDIARIES); AND PROVIDED, FURTHER, THAT SUCH REDEMPTION SHALL OCCUR WITHIN 60 DAYS OF THE DATE OF THE CLOSING OF SUCH PUBLIC EQUITY OFFERING AND/OR STRATEGIC EQUITY INVESTMENT.

6. Mandatory Redemption.

Except as set forth in paragraph 7 below, the Company shall not be required to make mandatory redemption payments with respect to the Debentures.

7. Repurchase at Option of Holder.

(a) Upon the occurrence of a Change of Control, each Holder of Debentures shall have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of such Holder's Debentures pursuant to the offer described below (the "Change of Control Offer") at an offer price
in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company shall mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall commence an offer to all holders of Senior Discount Notes and may be required to make such offer to holders of other Senior Debt of the Company then outstanding (a "Senior Asset Sale Offer") to purchase the maximum principal amount of the Senior Discount Notes and such other Senior Debt, if applicable, that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount or accreted value thereof, as the case may be, plus accrued and unpaid interest to the date of purchase, in accordance with the procedures set forth in the Senior Discount Notes Indenture and in the instruments governing such other Senior Debt. To the extent that the aggregate amount of Senior Discount Notes and such other Senior Debt tendered pursuant to a Senior Asset Sale Offer is less than the remaining Excess Proceeds ("Remaining Excess Proceeds") and the sum of (A) such amount of Remaining Excess Proceeds and (B) the Remaining Excess Proceeds from any subsequent Senior Asset Sale Offers exceeds $3.0 million, the Company shall commence an offer to all Holders of Debentures and all holders of other senior subordinated Indebtedness of the Company containing provisions similar to those set forth in the Indenture with respect to offers to purchase with the proceeds of sales of assets (an "Asset Sale Offer") to purchase the maximum principal amount of Debentures and such other senior subordinated Indebtedness of the Company that may be purchased out of the Remaining Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in the Indenture and such other senior subordinated Indebtedness of the Company. To the extent that any Remaining Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture.

If the aggregate principal amount of Debentures and such other senior subordinated Indebtedness of the Company tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Remaining Excess Proceeds, the Trustee shall select the Debentures and such other senior subordinated Indebtedness to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero. Holders of Debentures that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Debentures purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Debentures.

The Change of Control and Asset Sale provisions described above shall be applicable whether or not any other provisions of the Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer or Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of Section 4.10 or 4.15 of the Indenture, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 4.10 or 4.15 by virtue thereof.

8. Notice of Redemption. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Debentures are to be redeemed at its registered address. Debentures in denominations larger than $1,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Debentures held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Debentures or portions thereof called for redemption.

9. Denominations, Transfer, Exchange. The Debentures are in registered form without coupons in denominations of $1,000 and integral multiples of $1,000. The transfer of Debentures may be registered and Debentures may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Debenture or portion of a Debenture selected for redemption, except for the unredeemed portion of any Debenture being redeemed in part. Also, the Company need not exchange or register the transfer of any Debentures for a period of 15 days before a selection of Debentures to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

This Regulation S Temporary Global Debenture is exchangeable in whole or in part for one or more Global Debentures only (i) on or after the termination of the 40-day restricted period (as defined in Regulation S) and (ii) upon presentation of certificates (accompanied by an Opinion of Counsel, if applicable) required by Article 2 of the Indenture. Upon exchange of this Regulation S Temporary Global Debenture for one or more Global Debentures, the Trustee shall cancel this Regulation S Temporary Global Debenture.

10. Persons Deemed Owners. The registered Holder of a Debenture may be treated as its owner for all purposes.

11. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture or the Debentures may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Debentures then outstanding voting as a single class (including,

without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Debentures) or, if no Debentures are outstanding, the holders of a majority in Liquidation Preference of the Senior Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Senior Exchangeable Preferred Stock), and any existing default or compliance with any provision of the Indenture or the Debentures may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Debentures voting as a single class (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Debentures) or, if no Debentures are outstanding, the holders of a majority in Liquidation Preference of the Senior Exchangeable Preferred Stock then outstanding (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Senior Exchangeable Preferred Stock). Without the consent of any Holder of a Debenture, the Indenture or the Debentures may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Debentures in addition to or in place of certificated Debentures, to provide for the assumption of the Company's obligations to Holders of the Debentures in case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the Holders of the Debentures or that does not adversely affect the legal rights under the Indenture of any such Holder, to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

12. Defaults and Remedies. Events of Default include: (i) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Debentures; (ii) default in payment when due of principal of or premium, if any, on the Debentures, (iii) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with Section 4.10 or 4.15 or Article 5 of the Indenture; (iv) failure by the Company or any of its Subsidiaries for 60 days after notice to comply with its other agreements in the Indenture or the Debentures; (v) default under certain other agreements relating to Indebtedness of the Company which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default or (b) results in the acceleration of such Indebtedness prior to its express maturity, in either case the principal amount of such Indebtedness together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been accelerated, aggregates $20.0 million or more; (vi) certain final judgments for the payment of money aggregating in excess of $20.0 million that remain undischarged for a period of 60 consecutive days; and (vii) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Debentures may declare all the Debentures to be due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, all outstanding Debentures will become due and payable without further action or notice. Holders may not enforce the Indenture or the Debentures except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Debentures may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Debentures notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the Debentures then outstanding by notice to the Trustee may on behalf of the Holders of all of the Debentures waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Debentures. The Company is required to deliver to the Trustee annually a statement regarding

compliance with the Indenture, and the Company is required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

13. Trustee Dealings with Company. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

14. No Recourse Against Others. A director, officer, employee, incorporator or stockholder, of the Company, as such, shall not have any liability for any obligations of the Company under the Debentures or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Debenture waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Debentures.

15. Authentication. This Debenture shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

16. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. Additional Rights of Holders of Restricted Global Debentures and Restricted Definitive Debentures. In addition to the rights provided to Holders of Debentures under the Indenture, Holders of Restricted Global Debentures and Restricted Definitive Debentures shall have all the rights set forth in the A/B Exchange Registration Rights Agreement dated as of December 21, 1998, between the Company and the parties named on the signature pages thereof (the "Registration Rights Agreement").
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18. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Debentures and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Debentures or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Attention: Chief Financial Officer

Assignment Form

To assign this Debenture, fill in the form below: (I) or (we) assign and transfer this Debenture to

- ---

(Insert assignee's soc. sec. or tax I.D. no.)

- ---

- ---

- ---

- ---

- ---

(Print or type assignee's name, address and zip code)

and irrevocably appoint

---

to transfer this Debenture on the books of the Company. The agent June substitute another to act for him.

- ---

Date:

Your Signature:

(Sign exactly as your name appears on the face of this Debenture)

Signature Guarantee.

Option of Holder to Elect Purchase

If you want to elect to have this Debenture purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

[ ]Section 4.10 [ ]Section 4.15

If you want to elect to have only part of the Debenture purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased: $_____

Date: _____ Your Signature: _____

(Sign exactly as your name appears on the Debenture)

Tax Identification No.: _____

Signature Guarantee.

SCHEDULE OF EXCHANGES OF REGULATION S TEMPORARY GLOBAL DEBENTURE

The following exchanges of a part of this Regulation S Temporary Global Debenture for an interest in another Global Debenture, or of other Restricted Global Debentures for an interest in this Regulation S Temporary Global Debenture, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Debenture	Amount of increase in Principal Amount of this Global Debenture	Principal Amount of this Global Debenture following such decrease (or increase)	Signature of authorized officer of Trustee or Debenture Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057

United States Trust Company of Texas, N.A.
114 West 47th Street, 25th Floor
New York, NY 10036

Re: 12 3/4% Senior Subordinated Exchange Debentures due 2010

Reference is hereby made to the Indenture, dated as of December 21, 1998 (the "Indenture"), between Crown Castle International Corp., as issuer (the "Company"), and United States Trust Company of Texas, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "Transferor") owns and proposes to transfer the Debenture[s] or interest in such Debenture[s] specified in Annex A hereto, in the principal amount of $_____ in such Debenture[s] or interests (the "Transfer"), to _____ (the "Transferee"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. [ ] Check if Transferee will take delivery of a beneficial interest in the 144A Global Debenture or a Definitive Debenture Pursuant to Rule 144A. The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Debenture is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Debenture for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Debenture will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Debenture and/or the Definitive Debenture and in the Indenture and the Securities Act.

2. [ ] Check if Transferee will take delivery of a beneficial interest in the Temporary Regulation S Global Debenture, the Regulation S Global Debenture or a Definitive Debenture pursuant to Regulation S. The Transfer is being effected pursuant to and in accordance with Rule 903

or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Debenture will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Debenture, the Temporary Regulation S Global Debenture and/or the Definitive Debenture and in the Indenture and the Securities Act.

3. [ ] Check and complete if Transferee will take delivery of a beneficial interest in a 144A Global Debenture or a Definitive Debenture pursuant to any provision of the Securities Act other than Rule 144A or Regulation S. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Debentures and Restricted Definitive Debentures and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) [ ] such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) [ ] such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) [ ] such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. [ ] Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Debenture or of an Unrestricted Definitive Debenture.

(a) [ ] Check if Transfer is pursuant to Rule 144. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or

Definitive Debenture will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Debentures, on Restricted Definitive Debentures and in the Indenture.

(b) [ ] Check if Transfer is Pursuant to Regulation S. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Debenture will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Debentures, on Restricted Definitive Debentures and in the Indenture.

(c) [ ] Check if Transfer is Pursuant to Other Exemption. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Debenture will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Debentures or Restricted Definitive Debentures and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By:

Name:

Title:

Dated: ,

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) [ ] a beneficial interest in the:

(i) [ ] 144A Global Debenture (CUSIP _____), or

(ii) [ ] Regulation S Global Debenture (CUSIP _____), or

(b) [ ] a Restricted Definitive Debenture.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) [ ] a beneficial interest in the:

(i) [ ] 144A Global Debenture (CUSIP _____), or

(ii) [ ] Regulation S Global Debenture (CUSIP _____), or

(iii) [ ] Unrestricted Global Debenture (CUSIP _____); or

(b) [ ] a Restricted Definitive Debenture; or

(c) [ ] an Unrestricted Definitive Debenture,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057

United States Trust Company of Texas, N.A.
114 West 47th Street, 25th Floor
New York, NY 10036

Re: 12 3/4% Senior Subordinated Exchange Debentures due 2010

(CUSIP_____)

Reference is hereby made to the Indenture, dated as of December 21, 1998 (the "Indenture"), between Crown Castle International Corp., as issuer (the "Company"), and United States Trust Company of Texas, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "Owner") owns and proposes to exchange the Debenture[s] or interest in such Debenture[s] specified herein, in the principal amount of $_____ in such Debenture[s] or interests (the "Exchange"). In connection with the Exchange, the Owner hereby certifies that:

1. Exchange of Restricted Definitive Debentures or Beneficial Interests in a Restricted Global Debenture for Unrestricted Definitive Debentures or Beneficial Interests in an Unrestricted Global Debenture

(a) [ ] Check if Exchange is from beneficial interest in a Restricted Global Debenture to beneficial interest in an Unrestricted Global Debenture. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Debenture for a beneficial interest in an Unrestricted Global Debenture in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Debentures and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the "Securities Act"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Debenture is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) [ ] Check if Exchange is from beneficial interest in a Restricted Global Debenture to Unrestricted Definitive Debenture. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Debenture for an Unrestricted Definitive Debenture, the Owner hereby certifies (i) the Definitive Debenture is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to

the Restricted Global Debentures and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Debenture is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) [ ] Check if Exchange is from Restricted Definitive Debenture to beneficial interest in an Unrestricted Global Debenture. In connection with the Owner's Exchange of a Restricted Definitive Debenture for a beneficial interest in an Unrestricted Global Debenture, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Debentures and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) [ ] Check if Exchange is from Restricted Definitive Debenture to Unrestricted Definitive Debenture. In connection with the Owner's Exchange of a Restricted Definitive Debenture for an Unrestricted Definitive Debenture, the Owner hereby certifies (i) the Unrestricted Definitive Debenture is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Debentures and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Debenture is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. Exchange of Restricted Definitive Debentures or Beneficial Interests in Restricted Global Debentures for Restricted Definitive Debentures or Beneficial Interests in Restricted Global Debentures

(a) [ ] Check if Exchange is from beneficial interest in a Restricted Global Debenture to Restricted Definitive Debenture. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Debenture for a Restricted Definitive Debenture with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Debenture is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Debenture issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Debenture and in the Indenture and the Securities Act.

(b) [ ] Check if Exchange is from Restricted Definitive Debenture to beneficial interest in a Restricted Global Debenture. In connection with the Exchange of the Owner's Restricted Definitive Debenture for a beneficial interest in the [CHECK ONE] 144A Global Debenture, Regulation S Global Debenture, with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Debentures and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the

proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Debenture and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Owner]

By:

Name:

Title:

Dated: _____, ____

EXECUTION COPY

Exhibit 10.26

STOCKHOLDERS AGREEMENT (this "Agreement"), dated as of the 21st day of August, 1998, among CROWN CASTLE INTERNATIONAL CORP. (formerly named Castle Tower Holding Corp.), a Delaware corporation (the "Company"), and each of the STOCKHOLDERS of the Company listed in Schedule I hereto (collectively, the "Stockholders" and each individually, a "Stockholder"), as amended by Amendment No. 1, dated as of the 12th day of November, 1998.

W I T N E S S E T H :

WHEREAS the Company, Castle Transmission Services (Holdings) Ltd. ("CTSH"), TeleDiffusion de France International S.A., a company incorporated in France ("TDF"), Digital Future Investments B.V. ("DFI (BV)") and certain shareholders of CTSH are parties to a Share Exchange Agreement (the "Exchange Agreement") pursuant to which DFI (BV) and such shareholders of CTSH have agreed, subject to the terms and conditions of the Exchange Agreement, to exchange (the "Exchange") their shares of capital stock of CTSH for Shares (as defined) of the Company; and

WHEREAS, as an inducement to TDF, DFI (BV) and such shareholders of CTSH to enter into the Exchange Agreement, the Company and each of the Stockholders desire to enter into this Agreement, upon and subject to the Closing of the Exchange, to provide for certain rights and obligations of the Company and the Stockholders with respect to the governance of the Company and the Stockholders' shares of Common Stock or, in the case of DFI (BV), DFI (BV)'s shares of Class A Stock, following the consummation of the Exchange.

NOW THEREFORE, the Company and each of the Stockholders, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

ARTICLE I

Definitions

SECTION 1.01. Certain Defined Terms. As used in this Agreement, capitalized terms shall have the meanings assigned to such terms as set forth below:

"Affiliate" and "Associate", when used with reference to any person, shall have the respective meanings ascribed to such terms in Rule 12b-2 of the Exchange Act, as in effect on the date of this Agreement. In addition, (i) each of the Centennial Parties shall be deemed an Affiliate of the other, (ii) each of Nassau Parties shall be deemed an Affiliate of the other, (iii) each of the Berkshire Parties and shall be deemed an Affiliate of the other, and (iv) each of the Candover Parties shall be deemed an Affiliate of the other.

"Amended and Restated Stockholders Agreement" shall mean the Amended and Restated Stockholders Agreement, dated August 15, 1997, as amended, among the Company, certain stockholders of the Company and certain investors.

"Applicable Law" shall have the meaning given to such term in the Exchange Agreement.

"BBC" shall mean The British Broadcasting Corporation.

"BBC Contracts" shall mean the BBC Analogue Transmission Contract among the BBC and Castle Transmission International Ltd. ("CTI"), dated as of February 28, 1997, and the BBC Digital Transmission Contract among the BBC and CTI, dated as of February 10, 1998.

A person shall be deemed the "beneficial owner" of, and shall be deemed to "beneficially own", and shall be deemed to have "beneficial ownership" of:

(i) any securities that such person or any of such person's Affiliates or Associates is deemed to "beneficially own" within the meaning of Rule 13d-3 under the Exchange Act, as in effect on the date of this Agreement; and

(ii) any securities (the "underlying securities") that such person or any of such person's Affiliates or Associates has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or

understanding (written or oral), or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise (it being understood that such person shall also be deemed to be the beneficial owner of the securities convertible into or exchangeable for the underlying securities).

"Berkshire Group" shall mean the Berkshire Parties, their Affiliates and their respective partners and members, collectively.

"Berkshire Parties" shall mean Berkshire Fund III, A Limited Partnership, Berkshire Investors LLC and Berkshire Fund IV, Limited Partnership.

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

"Business Combination" shall have the meaning given to it in the Governance Agreement.

"Business Day" shall mean any day that is not a Saturday, a Sunday, a bank holiday or any other day on which commercial banking institutions in New York, New York, Paris, France or London, England are not generally open for business.

"By-laws" shall mean the By-laws of the Company to be adopted with immediate effect upon the Closing, as amended from time to time in accordance with the terms of the Governance Agreement and applicable law.

"Candover Group" shall mean the Candover Parties, their Affiliates and the limited partners of the Candover Parties, collectively.

"Candover Group Interest" shall mean the percentage of Voting Power that is controlled, directly or indirectly, by the Candover Group.

"Candover Parties" shall mean Candover Investments plc, Candover (Trustees) Limited, Candover Partners Limited (a company incorporated in England and Wales as general partner of the Candover 1994 UK Limited Partnership), Candover Partners Limited (a company incorporated in England and Wales as general partner of the Candover 1994 UK No. 2 Limited Partnership), Candover Partners Limited (a company incorporated in England and Wales as general partner of the Candover 1994 US No. 1 Limited Partnership) and Candover Partners Limited (a company incorporated in England and

Wales as general partner of the Candover 1994 US No. 2 Limited Partnership).

"Centennial Group" shall mean the Centennial Parties, their Affiliates and their respective partners, collectively.

"Centennial Parties" shall mean Centennial Fund IV, L.P., Centennial Fund V, L.P. and Centennial Entrepreneurs Fund V, L.P.

"Charter" shall mean the certificate of incorporation of the Company to be adopted with immediate effect upon the Closing, as amended from time to time in accordance with the terms of the Governance Agreement and applicable law.

"Class A Stock" shall mean the Company's Class A Common Stock, $.01 par value per share, as designated in the Charter.

"Closing" shall have the meaning given to such term in the Exchange Agreement.

"Commission" shall mean the Securities and Exchange Commission, or any other Federal agency at the time administering the Securities Act and the Exchange Act.

"Common Stock" shall mean the shares of the Company's common stock, par value $.01 per share, as designated in the Charter.

"Company Call Right" shall have the meaning set forth in Section 6.02 of the Governance Agreement.

"Crown Group" shall mean the Crown Parties and their permitted transferees.

"Crown Parties" shall mean Robert A. Crown, Barbara Crown, the Grantor Retained Annuity Trust on behalf of Mr. Crown and the Grantor Retained Annuity Trust on behalf of Ms. Crown.

"CTSH Option" shall have the meaning set forth in the Governance Agreement.

"CTSH Ordinary Shares" shall mean the ordinary shares of 1p each of CTSH.

"CTSH Preference Shares" shall mean the redeemable preference shares of 1p each of CTSH.

"CTSH Warrants" shall mean the warrants dated February 28, 1997, entitling TDF to subscribe for 257,000 CTSH Ordinary Shares and 257,242,500 CTSH Preference Shares and the Company to subscribe for 515,000 CTSH Ordinary Shares and 514,485,000 CTSH Preference Shares.

"Director" shall mean a Director of the Company.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, or any similar Federal securities statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Exchange Agreement" shall mean the Share Exchange Agreement dated as of April 24, 1998, among the Company, CTSH, DFI (BV), TDF and certain shareholders of CTSH.

"Governance Agreement" shall mean the Governance Agreement, dated as of August 21, 1998, between TDF, DFI (BV) and the Company.

"group" shall have the meaning given to such term in Section 13(d)(3) of the Exchange Act.

"Group" or "Groups" shall mean any and all of the TDF Group, the Candover Group, the Crown Group, the Initial Stockholder Group, the Centennial Group, the Berkshire Group, the Nassau Group and the Management Group.

"Independent Director" shall mean a Director who is none of (i) an officer, employee, Affiliate or Associate of the Company or an officer, employee or Director of any Affiliate or Associate of the Company or (ii) an officer, employee, Director, Affiliate or Associate of any Stockholder.

"Initial Stockholder" shall mean Ted B. Miller, Jr.

"Initial Stockholder Group" shall mean the Initial Stockholder and its permitted transferees, collectively.

"IPO" shall have the meaning given to such term in the Exchange Agreement.

"Nassau Group" shall mean the Nassau Parties, their Affiliates and their respective partners, collectively.

"Nassau Parties" shall mean Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C.

"Newco" shall mean any person which becomes a holding company of the Company all the shares in which (other than shares not exceeding the Relevant Percentage (as defined in the Governance Agreement)) are held by the same persons as were stockholders in the Company prior to such person becoming a holding company of the Company.

"Original Stockholders Agreement" shall mean the Amended and Restated Stockholders Agreement, dated as of August 15, 1997, as amended, by and among the Company and certain Stockholders.

"Ownership Interest" shall mean, with respect to any person, the percentage of Total Voting Power determined on the basis of the number of shares of Voting Securities actually outstanding that is controlled, directly or indirectly, by such person.

"permitted transferee" of any person shall mean (a) if the transferor is a natural person, (i) in the case of the death of such person, such person's executors, administrators, testamentary trustees, heirs, devisees and legatees, (ii) such person's current or future spouse, parents, siblings or descendants or such parents', siblings' or descendants' spouses (each a "Family Member"), (iii) any trust for the benefit of any Family Member and (iv) any charitable organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and any charitable income or lead trust for which, under the Code and regulations thereunder and Internal Revenue Service interpretations thereof, an income, gift or estate tax charitable deduction is available to the grantor of the trust, (b) whether or not the transferor is a natural person, a corporation or corporations and a partnership or partnerships (or other entity for collective investment, such as a fund or a limited liability company) which at the date of transfer are directly or indirectly controlled by, controlling or under common control with such person and the officers, employees, general partners and limited partners of such person, and (c) if the transferor, whether or not a natural person, itself received the transferred interest as a permitted transferee as to the original transferor, a permitted transferee of such person is any person, whether or not a natural person, who would be a permitted transferee under subparagraph (a) or (b) above, as to the original transferor; provided that any such transferee shall agree in writing with the Company and the other parties to this Agreement to be bound by all of the provisions of this Agreement to the same extent as if such transferee were the individual.

"person" shall mean an individual, corporation, limited liability company, partnership, joint venture, trust or unincorporated organization, or a government or any agency or political subdivision thereof and shall include any "group" (which shall have the meaning given to such term in Section 13(d)(3) of the Exchange Act).

"Qualified" shall have the meaning given to such term in the Governance Agreement.

"Restricted Shares" shall mean the shares of Common Stock and Class A Stock of the Company which are (i) issued or issuable to any of the Stockholders of the Company and (ii) "restricted securities" as defined in Rule 144(a)(3) under the Securities Act.

"Securities Act" shall mean the Securities Act of 1933, as amended, or any similar Federal securities statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

"Shares" shall mean all shares of Common Stock (and Class A Stock, in the case of TDF and DFI (BV)).

"Subsidiary" or "Subsidiaries" when used with respect to any person shall mean (i) any other person, whether incorporated or unincorporated, which is either required to be consolidated with such person under U.S. generally accepted accounting principles or (ii) is an affiliate controlled by such person, directly or indirectly through one or more intermediaries within the meaning of Rule 1.02(x) of Regulation S-X under the Exchange Act.

"TDF CCIC Warrants" shall mean the warrants issued to TDF upon the exercise of the TDF Put Right in exchange for, and on substantially the same terms as, the TDF CTSH Warrants.

"TDF Change of Control" shall have the meaning given to such term in the Governance Agreement.

"TDF Consolidated Group Interest" shall mean the percentage of Voting Power that is controlled directly or indirectly by the TDF Group or would be controlled directly or indirectly by the TDF Group on the exercise of the TDF Put Right (assuming the exercise of the TDF CTSH Warrants).

"TDF CTSH Warrants" shall mean the CTSH Warrants beneficially owned by the TDF Group.

"TDF Group" shall mean TDF and its Affiliates (other than the Company and its Subsidiaries).

"TDF Group Interest" shall mean the percentage of Voting Power that is controlled, directly or indirectly, by the TDF Group or would be controlled, directly or indirectly, by the TDF Group (assuming the exercise of the TDF CCIC Warrants).

"TDF Put Right" shall have the meaning set forth in Section 6.01(a) of the Governance Agreement.

"TDF Rollup" shall have the meaning set forth in the Governance Agreement.

"Total Voting Power" means the aggregate number of votes entitled to be voted in an election of Directors by all the outstanding Voting Securities.

"Transaction Documents" shall have the meaning set forth in the Exchange Agreement.

"Voting Power", when used with reference to any class or series of securities of the Company, or any classes or series of securities of the Company entitled to vote together as a single class or series, shall mean the power of such class or series (or such classes or series) to vote for the election of directors. For purposes of determining the percentage of Voting Power of any class or series (or classes or series) beneficially owned by any person, any securities not outstanding which are subject to conversion rights, exchange rights, rights, warrants, options or similar securities held by such person shall be deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class or series (or classes or series) beneficially owned by such person, but shall not be deemed to be outstanding for the purpose of computing the percentage of the class or series (or classes or series) beneficially owned by any other person.

"Voting Securities", when used with reference to any person, shall mean any securities of such person having Voting Power or any securities convertible into or exchangeable for any securities having Voting Power.

SECTION 1.02. Securities Outstanding. In determining the number or other amount outstanding of any securities of the Company or the percentage of Voting Power of any class or series beneficially owned by such person, securities owned by the Company or any of its Subsidiaries shall be deemed to be not outstanding.

ARTICLE II

Securities Act; Legends

SECTION 2.01. General Restriction. Any of the Stockholders may sell or otherwise transfer any Shares or any interest therein; provided, that such sale or other transfer is in compliance with this Agreement, the other Transaction Documents and the Securities Act.

SECTION 2.02. Legends on Certificates. (a) Each Stockholder shall hold in certificate form all Shares owned by such Stockholder. Each certificate evidencing Shares issued to or beneficially owned by a person that is subject to the provisions of this Agreement shall bear the following legend:

"THE SECURITIES EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AS SET FORTH IN A STOCKHOLDERS AGREEMENT, DATED AS OF AUGUST 21, 1998, AS IT MAY BE AMENDED FROM TIME TO TIME, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL EXECUTIVE OFFICES OF THE ISSUER. NO REGISTRATION OF TRANSFER OF SUCH SECURITIES WILL BE MADE ON THE BOOKS OF THE ISSUER UNLESS AND UNTIL SUCH RESTRICTIONS SHALL HAVE BEEN COMPLIED WITH. IN ADDITION, THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO REGISTRATION OF TRANSFER OF SUCH SECURITIES WILL BE MADE ON THE BOOKS OF THE ISSUER UNLESS SUCH TRANSFER IS MADE IN CONNECTION WITH AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SUCH ACT."

(b) In the event that a Stockholder requests that the legend in Section 2.02(a) be removed, the Company shall, upon the written request of the holder thereof, issue to such holder a new certificate evidencing such Shares without the legend required by Section 2.02(a) endorsed thereon; provided; however, that such holder shall furnish the Company or its transfer agent such certificates, legal opinions or other information as the Company or its transfer agent may reasonably require to confirm that the legend is not required on such certificate.

(c) In the event that any Shares shall cease to be subject to the restrictions on transfer set forth in this Agreement, the Company shall, upon the written request of the holder thereof, issue to such holder a new certificate

evidencing such Shares without the legend required by Section 2.02(a).

SECTION 2.03. Notice of Proposed Transfer. Prior to any proposed transfer of any Shares (other than under the circumstances described in Sections 4.01, 4.02 or 4.03), the holder thereof shall give written notice to the Company of its intention to effect such transfer. Each such notice shall describe the manner of the proposed transfer and, if requested by the Company, shall be accompanied by an opinion of counsel satisfactory to the Company to the effect that the proposed transfer may be effected without registration under the Securities Act and any applicable state securities laws, whereupon the holder of such stock shall be entitled to transfer such stock in accordance with the terms of its notice; provided, however, that no such opinion of counsel shall be required for a transfer, without receipt of consideration, to an Affiliate. Each certificate for Shares transferred as above provided shall bear the legend set forth in Section 2.02, except that such certificate shall not bear such legend if (a) such transfer is in accordance with the provisions of Rule 144 (or any other rule permitting public sale without registration under the Securities Act) or (b) the opinion of counsel referred to above is to the further effect that the transferee and any subsequent transferee (other than an Affiliate of the Company) would be entitled to transfer such securities in a public sale without registration under the Securities Act. The restrictions provided for in this Section 2.03 shall not apply to securities which are not required to bear the legend prescribed by Section 2.02 in accordance with the provisions of that Section.

SECTION 2.04. Stop Transfer. (a) The Company shall not register the sale or other transfer of any Shares, unless the transferee and the transferor of such shares have furnished such certificates, legal opinions or other information as the Company or its transfer agent may reasonably require to confirm that such proposed sale or transfer is permitted by Section 2.01.

(b) The Company and each Stockholder hereby agree that any purported sale or transfer of Shares not permitted by Section 2.01 shall be deemed null and void and shall not be given effect or recognition by the Company.

SECTION 2.05. Certain Transferees to Execute Agreement. Each Stockholder agrees that it will not, directly or indirectly, sell or otherwise transfer any Shares held by such Stockholder to any of its Affiliates or permitted transferees, unless, prior to the consummation of

any such sale or transfer, the Affiliate or permitted transferee to whom such sale or transfer is proposed to be made (a "Prospective Transferee") (i) executes and delivers to the Company and each other party to this Agreement a counterpart hereof and (ii) represents and warrants in writing to the Company that such counterpart has been duly authorized, executed and delivered by such Prospective Transferee and is a legal, valid and binding obligation of such Prospective Transferee enforceable against it in accordance with its terms, subject to insolvency, bankruptcy and other laws affecting creditors generally. Upon the execution and delivery by such Prospective Transferee of the documents referred to in the preceding sentence, such Prospective Transferee shall be deemed a "Stockholder" for the purposes of this Agreement, and shall have the rights and be subject to the obligations of a Stockholder hereunder with respect to the Shares held by such Prospective Transferee. Notwithstanding the foregoing or any other provision of this Agreement, from and after the time immediately prior to any transfer of Shares by any Candover Party to any of its limited partners, no member of the Candover Group shall have any rights or obligations under Article III or V hereof with respect to any Shares.

SECTION 2.06. Sale to a Third Party. If a sale or transfer of Shares is made by a Stockholder to a third party (except for transfers within the TDF Group, the Berkshire Group, the Centennial Group, the Candover Group, the Nassau Group or otherwise to an Affiliate or to any permitted transferee)(a "Third Party Transferee"), such Shares shall immediately cease to be subject to this Agreement and such Third Party Transferee will not become a Stockholder for purposes of this Agreement. If a sale or transfer of Shares results in the selling Stockholder or a permitted transferee ceasing to own any Shares, such selling Stockholder shall cease to be a Stockholder for purposes of this Agreement.

ARTICLE III

Governance

SECTION 3.01. Board of Directors. The Board shall consist of 12 members.

SECTION 3.02. Board Representation. (a) At all times from and after the date hereof, the Directors shall be nominated as follows (it being understood that such nomination shall include any nomination of any incumbent Director for reelection to the Board):

(i) so long as TDF is Qualified, TDF shall have the right to appoint two Directors pursuant to the terms of the Class A Stock set forth in the Charter (the "TDF Designees") and the initial TDF Designees shall be Michel Azibert and Bruno Chetaille; provided, however, that if TDF is not Qualified, such members of the TDF Group shall, so long as the Ownership Interest of the TDF Group is at least 5.0%, have the right to appoint a Director pursuant to the terms of such Class A Stock (the "TDF Designee");

(ii) so long as the Crown Group has beneficial ownership of at least 555,555 shares of Common Stock (as adjusted from time to time to take into account any stock split, stock dividend, recapitalization or other similar transaction) the members of the Crown Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Crown Group shall have the right to designate one nominee for election as a Director (the "Crown Designee");

(iii) so long as the Initial Stockholder Group maintains an Ownership Interest, the members of the Initial Stockholder Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Initial Stockholder Group shall have the right to designate one nominee for election as a Director (the "Initial Stockholder Designee"), it being understood that the Initial Stockholder may be such nominee;

(iv) the Chief Executive Officer of the Company shall have the right to designate one nominee for election as a Director (the "CEO Designee");

(v) so long as the Ownership Interest of the Centennial Group is at least 5.0%, the members of the Centennial Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Centennial Group shall have the right to designate one nominee for election as a Director (the "Centennial Designee");

(vi) so long as the Ownership Interest of the Berkshire Group is at least 5.0%, the members of the Berkshire Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Berkshire Group shall have the right to designate one nominee for election as a Director (the "Berkshire Designee");

(vii) so long as the Ownership Interest of the Nassau Group is not less than the Ownership Interest of the Nassau Group immediately following the closing of the IPO, the members of the Nassau Group holding in the aggregate a majority of the aggregate number of Shares held of record by the Nassau Group shall have the right to designate one nominee for election as a Director (the "Nassau Designee"); and

(viii) all Directors other than the Designees ("General Directors") shall be nominated in accordance with the Charter and By-laws; provided, however, that immediately upon the effectiveness of this Agreement, the Company, through the Board, shall cause to be duly appointed to the Board at least four Independent Directors (including for the avoidance of doubt, the Independent Director designated for nomination by TDF as set forth below); provided, however, that TDF shall have a one-time right, exercisable upon the Closing, to designate one such Independent Director for nomination as a Director, which designee shall be Mr. William A. Murphy. For purposes of this Section 3.02(a)(viii), Mr. Robert F. McKenzie, Mr. J. Landis Martin and Mr. Edward C. Hutcheson, Jr. shall be deemed to be Independent Directors.

(b) Without limiting the generality of Section 3.02(a), in the event that at any time after the date hereof the number of Directors designated by a Group pursuant to Section 3.02(a) differs from the number that such Group has the right (and desire) to designate, (i) if the number of such Directors exceeds such number, such Group shall promptly take all appropriate action to cause to resign that number of Directors designated by such Group as is required to make the remaining number of such Directors conform to the provisions of this Agreement or (ii) if the number of such Directors otherwise is less than such number, the Board shall take all necessary action to create sufficient vacancies on the Board to permit such Group to designate the full number of Directors which it is entitled (and desires) to designate pursuant to the provisions of this Agreement (such action may include but need not be limited to seeking the resignation or removal of Directors or, at the request of such Group and/or calling a special meeting of the stockholders of the Company for the purpose of removing Directors to create such vacancies to the extent permitted by applicable law). Upon the creation of any vacancy pursuant to the preceding sentence, such Group shall designate a nominee to fill any such vacancy in accordance with the provisions of this Agreement and the Board shall elect each nominee so designated.

(c) Subject to TDF's right pursuant to Section 3.02(a)(viii), no Group shall be entitled to designate any nominee for election as a Director under more than one paragraph of this Section 3.02.

SECTION 3.03. Removal of Directors. (a) At the request of a Group with respect to a Director designated by such Group pursuant to Section 3.02(a), each other Stockholder hereby agrees to vote or act by written consent with respect to (or cause to be voted or acted upon written consent) all Shares held of record or beneficially owned by such Stockholder at the time of such vote or action by written consent or as to which such Stockholder has voting control at the time of such vote or action by written consent to remove or cause the removal from office of such Director at any meeting or action by written consent of the holders of Shares called or taken for the purpose of determining whether or not such Director shall be removed from office (and otherwise shall not vote or act by written consent to remove or cause the removal of any Director without cause).

(b) If any Group entitled to designate any person for election as a Director pursuant to Section 3.02(a) shall cease to have at least the requisite Ownership Interest to entitle such Group to designate any person for election as a Director pursuant to Section 3.02(a), such Group's right to designate a nominee or nominees for election as a Director shall be lost for all time and such Group shall cause each Designee designated by such Group and elected as a Director to resign from the Board; provided that such Designee shall continue to serve on the Board until a successor shall be duly elected and shall qualify in accordance with the Charter and By-laws.

SECTION 3.04. Filling of Vacancies. (a) Except as provided in subparagraph (b) below, each Group shall have the right to designate a replacement for any Designee designated by such Group and elected as a Director upon the death, resignation, retirement, disqualification or removal from office for other cause of such Designee, and those members of the Board who are designated by the parties to this Agreement shall duly appoint as a Director each person so designated.

(b) Any vacancies on the Board (i) resulting from the death, resignation, retirement, disqualification or removal from office for other cause of a General Director and (ii) created by a resignation pursuant to Section 3.03(b) shall be filled with a Director or Directors that are nominated by the Nominating Committee; provided,

however, that if the Nominating Committee shall be unable to unanimously agree on the approval of a designee to be nominated to fill any vacancy on the Board for a period of six months, the Nominating Committee shall submit a slate of candidates to the Independent Directors of the Board, who shall by a majority approve a designee from such slate to be nominated to fill such vacancy; provided, further, that if the Independent Directors shall also be unable to agree on the approval of such a designee by a majority for a period of two months, then the Board shall approve a designee from such slate or upon its own selection to fill such vacancy by a Special Majority Vote.

SECTION 3.05. Solicitation and Voting of Shares. (a) With respect to each meeting of stockholders of the Company at which Directors are to be elected, the Company shall use its best efforts to solicit from the stockholders of the Company eligible to vote in the election of Directors proxies in favor of the nominees selected in accordance with Section 3.02(a) or 3.04(b) (including without limitation the inclusion of each Director nominee in management's slate of nominees and in the proxy statement prepared by management of the Company in respect of each annual meeting, vote or action by written consent).

(b) Each Stockholder hereby agrees to vote or act by written consent with respect to (or cause to be voted or acted upon by written consent) (i) all Shares held of record or beneficially owned by such Stockholder at the time of such vote or action by written consent and (ii) all Shares as to which such Stockholder at the time of such vote or action by written consent has voting control, in each case (A) in favor of the election of the persons nominated pursuant to Section 3.02(a) to serve on the Board as Directors and (B) against the election of any other person nominated to be a Director.

(c) Each Stockholder agrees that it will, and will use its best efforts to cause its Affiliates (other than the Company and its Subsidiaries) to, take all action as a stockholder of the Company or as is otherwise reasonably within its control, as necessary to effect the provisions of this Agreement.

(d) In the event that any Stockholder shall fail at any time to vote or act by written consent with respect to any of such Stockholder's Shares as agreed by such Stockholder in this Agreement, such Stockholder hereby irrevocably grants to and appoints each other Stockholder (and any officer of such Stockholder or each of them individually), such Stockholder's proxy and attorney-in-fact

(with full power of substitution), for and in the name, place and stead of such Stockholder, to vote, act by written consent or grant a consent, proxy or approval in respect of such Shares with respect to such vote or action by written consent exclusively as agreed by such Stockholder in this Agreement. Each Stockholder hereby affirms that any such irrevocable proxy set forth in this Section 3.05(d) is given in connection with the Closing of the Exchange pursuant to the Exchange Agreement and that such irrevocable proxy is given to secure the performance of the obligations of such Stockholder under this Agreement. Each such Stockholder hereby further affirms that any such proxy hereby granted shall be irrevocable and shall be deemed coupled with an interest, in accordance with Section 212(e) of the Delaware General Corporation Law.

SECTION 3.06. Committees of the Board. Subject to the general oversight and authority of the full Board, the Board shall establish, empower, maintain and elect the members of the following committees of the Board at all times while this Agreement is in effect:

(a) an Audit Committee, comprised solely of Independent Directors;

(b) a Nominating Committee, which shall, subject to Section 3.02, be responsible for recommending the nomination of Directors and which shall initially consist of four Directors; provided, however, that the Nominating Committee shall include the Chief Executive Officer of the Company, unless he is unwilling or unable to serve pursuant to the terms and conditions of this Agreement, and, so long as TDF is Qualified, at least one TDF Designee;

(c) an Executive Committee, which shall initially consist of five Directors and which, so long as TDF is Qualified, shall include at least one TDF Designee who is elected to the Board;

(d) a Compensation Committee; and

(e) such other committees as the Board deems necessary or desirable to establish, empower and maintain as required by applicable law or any regulatory authority; provided that such committees are established in compliance with the terms of this Agreement.

SECTION 3.07. Certain Board Procedures. The Board shall follow the following procedures:

(a) Meetings. The Board shall hold at least six regularly scheduled meetings per year at such times as may from time to time be fixed by resolution of the Board, and no notice (other than the resolution) need be given as to a regularly scheduled meeting. Special meetings of the Board may be held at any time upon the call of the Chairman of the Board or at least one-third of the entire Board, by oral, telephonic, telegraphic or facsimile notice duly given or sent at least three days, or by written notice sent by express mail at least three days, before the meeting to each Director, provided that all such notices to Directors located outside the United States shall be given or sent orally or by telephone, telegraph or facsimile transmission. Reasonable efforts shall be made to ensure that each Director actually receives timely notice of any such special meeting. An annual meeting of the Board shall be held without notice immediately following the annual meeting of stockholders of the Company.

(b) Agenda. A reasonably detailed agenda shall be supplied to each Director reasonably in advance of each meeting of the Board, together with other appropriate documentation with respect to agenda items calling for Board action, to inform adequately Directors regarding matters to come before the Board. Any Director wishing to place a matter on the agenda for any meeting of the Board may do so by communicating with the Chairman of the Board sufficiently in advance of the meeting of the Board so as to permit timely dissemination to all Directors of information with respect to the agenda items.

(c) Powers of the Board. The Board shall reserve to itself the power to approve transactions that are of a type customarily subject to Board approval as a matter of good corporate practice for public companies in the United States, and shall not delegate to any committee of the Board or to any officers of the Company the authority to conduct business in any manner that would circumvent, or deprive any Stockholder of the protection of this Agreement or TDF of the protection of the Governance Agreement. All committees of the Board will report to and be accountable to the Board. The Board shall establish, in cooperation with the Chief Executive Officer of the Company, a schedule for Board review or action, as appropriate, with respect to matters which shall typically come before the Board, including, but not limited to:

(i) annual business plans (including capital expenditures and operating budgets); and

(ii) appointments of officers.

SECTION 3.08. Charter and By-laws. The Company and each Stockholder shall take or cause to be taken all lawful action necessary to ensure at all times that the Charter and By-laws are not at any time inconsistent with the provisions of this Agreement, it being understood that in the event of any conflict between this Agreement and the Charter or By-laws, the Charter or By-laws, as applicable, shall control.

SECTION 3.09. Negative Covenants. Notwith standing any other provision of the Transaction Documents, neither the Company nor any Stockholder shall take or approve any action which would result in the BBC having the right to terminate a BBC Contract in accordance with the terms of such BBC Contract.

SECTION 3.10. Company Name. So long as the Ownership Interest of the Crown Group is at least 1% or they otherwise consent in writing, the Company covenants and agrees (subject to the limitations below) to use its best efforts to (i) retain a name beginning with "Crown Castle", (ii) retain or cause the name of its principal Affiliate owning communication towers in the United States to be "Crown Communication Inc." ("CCI"), (iii) upon a merger, consolidation, amalgamation, roll-up or any other transaction with a similar effect involving the Company (including, without limitation, a merger or roll-up involving Castle Transmission Services (Holdings) Ltd. or any of its Affiliates), cause the successor or surviving entity to retain or have a name beginning with "Crown Castle", (iv) cause all of the Company's operations in the United States to be conducted by CCI, and cause any subsidiaries or affiliates of the Company or CCI conducting such operations to include the name "Crown" first in their corporate name or to otherwise be conducted under the name "Crown" consistent with the provisions of the Memorandum of Understanding Regarding Management and Governance of Castle Tower Holding Corp. and Crown Communications, Inc., dated as of August 15, 1997 relating to CCI, and (v) cause CCI and all of its United States Subsidiaries (as defined under clause (i) only of the definition of Subsidiary set forth in Article I hereof) to retain the current "Crown" logo. Notwithstanding the above, the above covenants and agreement shall not (a) require the Company (including any successor entity), any stockholder of the Company or member of the Board to incur any costs, expenses or losses of any nature or amount including, without limitation, losses relating to potential corporate opportunity or foregone stockholder value (price, content or any other item), (b) prevent or delay the Company (including any successor entity) from consummating or negotiating any proposed transaction or

(c) require any member of the Board to breach any duty and obligation to the Company or its stockholders. Consent of the Crown Group shall be deemed given if written consent is obtained from members of the Crown Group holding more than 50% of the Common Stock held by such persons at the time of the determination.

ARTICLE IV

Registration Rights

SECTION 4.01. "Piggy-Back" Registration. If the Company at any time proposes to register any of its securities under the Securities Act for sale to the public, whether for its own account or for the account of other security holders or both (except with respect to registration statements on Forms S-4, S-8 or another form not available for registering the Restricted Shares for sale to the public), each such time it will give written notice to all holders of outstanding Restricted Shares of its intention so to do. Upon the written request of any such holder, received by the Company within 20 days after the giving of any such notice by the Company, to register any of its Restricted Shares, the Company will, subject as provided below, cause the Restricted Shares as to which registration shall have been so requested to be included in the securities to be covered by the registration statement proposed to be filed by the Company, all to the extent requisite to permit the sale or other disposition by the holder of such Restricted Shares so registered. In the event that any registration pursuant to this Section 4.01 shall be, in whole or in part, an underwritten public offering of Common Stock, the number of Restricted Shares to be included in such an underwriting may be reduced (pro rata among the requesting holders based upon the number of Restricted Shares owned by such holders) if and to the extent that the managing underwriter shall be of the opinion that such inclusion would adversely affect the marketing of the securities to be sold by the Company therein; provided, however, that such number of Restricted Shares shall not be reduced if any shares are to be included in such underwriting for the account of any person other than the Company or requesting holders of Restricted Shares. Notwithstanding the foregoing provisions, the Company may withdraw any registration statement referred to in this Section 4.01 without thereby incurring any liability to the holders of Restricted Shares. There shall be no limit to the number of registrations of Restricted Shares which may be effected under this Section 4.01.

SECTION 4.02. Demand Registration. (a) At any time after the expiration of six months after the IPO, TDF may request the Company to register under the Securities Act all or a portion of the shares of Restricted Shares held by it for sale in the manner specified in such notice; provided, that (i) the reasonably anticipated aggregate net proceeds to the sellers from such public offering would exceed $30,000,000, (ii) such request covers at least 5% of the Voting Securities then outstanding and (iii) no such request may be made by TDF more than once every nine months. Notwithstanding anything to the contrary contained herein, no request may be made under this Section 4.02 within 90 days after the effective date of a registration statement filed by the Company covering a firm commitment underwritten public offering in which the holders of Restricted Shares shall have been entitled to join pursuant to Sections 4.01 or 4.03 and in which there shall have been effectively registered all shares of Restricted Shares as to which registration shall have been requested.

(b) At any time after the expiration of six months after the IPO, any Stockholder or group of Stockholders may request the Company to register under the Securities Act all or a portion of the shares of Restricted Shares held by such Stockholder or group of Stockholders for sale in the manner specified in such notice; provided, that (i) the reasonably anticipated aggregate net proceeds to the sellers from such public offering would exceed $30,000,000, (ii) such request covers at least 5% of the Voting Securities then outstanding and (iii) no such request may be made by such Stockholders or group of Stockholders more than once every nine months. Notwithstanding anything to the contrary contained herein, no request may be made under this Section 4.02 within 90 days after the effective date of a registration statement filed by the Company covering a firm commitment underwritten public offering in which the holders of Restricted Shares shall have been entitled to join pursuant to Sections 4.01 or 4.03 and in which there shall have been effectively registered all shares of Restricted Shares as to which registration shall have been requested.

(c) Following receipt of any notice under this Section 4.02, the Company shall immediately notify all holders of Restricted Shares from whom notice has not been received and shall use its best efforts to register under the Securities Act, for public sale in accordance with the method of disposition specified in such notice from requesting holders, the number of shares of Restricted Shares specified in such notice (and in all notices received by the Company from other holders within 20 days after the giving of such notice by the Company). If such method of

disposition shall be an underwritten public offering, the holders of a majority of the shares of Restricted Shares to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Company shall be obligated to register Restricted Shares pursuant to Section 4.02(a) on three occasions only and pursuant to Section 4.02(b) on three occasions only, provided, however, that such obligations shall be deemed satisfied only when a
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registration statement covering all shares of Restricted Shares specified in notices received as aforesaid, for sale in accordance with the method of disposition specified by the requesting holders, shall have become effective and, if such method of disposition is a firm commitment underwritten public offering, all such shares shall have been sold pursuant thereto unless (i) any such registration statement does not become effective due to the withdrawal thereof by or on the request of the holders of 66 2/3% of the shares of Restricted Shares to be registered or (ii) the reason all shares of Restricted Shares specified in notices pursuant to this Section 4.02 are not registered is due to a limitation on the registration of shares by the managing underwriter (which limitation shall be applied pro rata) and no more than 50% of the Restricted Shares so specified are not registered as a result of the limitation imposed by such managing underwriter or the voluntary withdrawal of any such shares from registration by the holder thereof.

(d) The Company shall be entitled to include in any registration statement referred to in this Section 4.02, for sale in accordance with the method of disposition specified by the requesting holders, shares of Common Stock to be sold by the Company for its own account, except as and to the extent that, in the opinion of the managing underwriter (if such method of disposition shall be an underwritten public offering), such inclusion would adversely affect the marketing of the Restricted Shares to be sold. Except for registration statements on Forms S-4, S-8 or any successor thereto, the Company will not file with the Commission any other registration statement with respect to its Common Stock, whether for its own account or that of other stockholders, from the date of receipt of a notice from requesting holders pursuant to this Section 4.02 90 days after the commencement of the public offering of the Restricted Shares covered by the registration statement requested pursuant to this Section 4.02.

SECTION 4.03. Registration on Form S-3. If at any time (a) a holder
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or holders of 5% of the Voting Securities request that the Company file a registration

statement on Form S-3 or any successor thereto for a public offering of all or any portion of the Restricted Shares held by such requesting holder or holders, the reasonably anticipated aggregate price to the public of which would exceed $30,000,000, and (b) the Company is a registrant entitled to use Form S-3 or any successor thereto to register such shares, then the Company shall use its best efforts to register under the Securities Act on Form S-3 or any successor thereto, for public sale in accordance with the method of disposition specified in such notice, the number of shares of Restricted Shares specified in such notice. Whenever the Company is required by this Section 4.03 to use its best efforts to effect the registration of Restricted Shares, each of the procedures and requirements of Section 4.02 and 4.04 (including but not limited to the requirement that the Company notify all holders of Restricted Shares from whom notice has not been received and provide them with the opportunity to participate in the offering) shall apply to such registration, provided, --------
however, the Company shall not be required to effect more than seven - -------
registrations on Form S-3 which may be requested and obtained under this Section 4.03.

SECTION 4.04. Registration Procedures. If and whenever the Company ------------------------
is required by the provisions of Sections 4.01, 4.02 or 4.03 to use its best efforts to effect the registration of any Restricted Shares under the Securities Act, the Company will, as expeditiously as possible:

(a) prepare and file with the Commission a registration statement with respect to such securities;

(b) 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 statement effective for the period specified in paragraph (i) below and comply with the provisions of the Securities Act with respect to the disposition of all Restricted Shares covered by such registration statement in accordance with the sellers' intended method of disposition set forth in such registration statement for such period;

(c) furnish to each seller of Restricted Shares and to each underwriter such number of copies of the registration statement and the prospectus included therein (including each preliminary prospectus) as such persons reasonably may request in order to facilitate

the public sale or other disposition of the Restricted Shares covered by such registration statement;

(d) use its best efforts to register or qualify the Restricted Shares covered by such registration statement under the securities or "blue sky" laws of such jurisdictions as the sellers of Restricted Shares or, in the case of an underwritten public offering, the managing underwriter reasonably shall request; provided, however, that the Company shall not for
any such purpose be required to qualify generally to transact business as a foreign corporation in any jurisdiction where it is not so qualified or to consent to general service of process in any such jurisdiction;

(e) use its best efforts to list the Restricted Shares covered by such registration statement with any securities exchange or market on which the Common Stock of the Company, if applicable, is then listed or quoted;

(f) immediately notify each seller of Restricted Shares and each underwriter under such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event of which the Company has knowledge as a result of which the prospectus contained in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances then existing;

(g) at the request of any seller of Restricted Shares, use its best efforts to furnish on the date that Restricted Shares are delivered to the underwriters for sale pursuant to such registration: (i) an opinion dated such date of counsel representing the Company for the purposes of such registration, addressed to the underwriters and to such seller, stating that such registration statement has become effective under the Securities Act and that (A) to the best knowledge of such counsel, no stop order suspending the effectiveness thereof has been issued and no proceedings for that purpose have been instituted or are pending or contemplated under the Securities Act, (B) the registration statement, the related prospectus and each amendment or supplement thereof comply as to form in all material respects with the requirements of the Securities Act (except that

such counsel need not express any opinion as to financial statements contained therein) and (C) to such other effects as reasonably may be requested by counsel for the underwriters or by such seller or its counsel and (ii) a letter dated such date from the independent public accountants retained by the Company, addressed to the underwriters and to such seller, stating that they are independent public accountants within the meaning of the Securities Act and that, in the opinion of such accountants, the financial statements of the Company included in the registration statement or the prospectus, or any amendment or supplement thereof, comply as to form in all material respects with the applicable accounting requirements of the Securities Act, and such letter shall additionally cover such other financial matters (including information as to the period ending no more than five business days prior to the date of such letter) with respect to such registration as such underwriters reasonably may request;

(h) (i) make available for inspection by each seller of Restricted Shares, any underwriter participating in any distribution pursuant to such registration statement, and any attorney, accountant or other agent retained by such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, (ii) cause the Company's officers, Directors and employees to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement and (iii) provide each seller and its counsel with the opportunity to participate in the preparation of such registration statement;

(i) with respect to any registration statement pursuant to which Restricted Shares are to be sold pursuant to Sections 4.01, 4.02 or 4.03, the Company shall use its best efforts to cause such registration statement to become and remain effective for 180 days; and

(j) enter into such agreements and take such other actions as the sellers of Restricted Shares and the underwriters reasonably request in order to expedite or facilitate the disposition of such Restricted Shares including, without limitation, preparing for and participating in, such number of "road shows" and all such other customary selling efforts as the

underwriters reasonably request in order to expedite or facilitate such disposition.

In connection with each registration hereunder, the sellers of Restricted Shares will furnish to the Company in writing such information with respect to themselves and the proposed distribution by them as shall be reasonably necessary in order to assure compliance with Federal and applicable state securities laws.

In connection with each registration pursuant to Sections 4.01, 4.02 or 4.03 covering an underwritten public offering, the Company and each seller agree to enter into a written agreement with the managing underwriter selected in the manner herein provided in such form and containing such provisions as are customary in the securities business for such an arrangement between such underwriter and companies of the Company's size and investment stature (it being understood that the Company will not require a selling stockholder to make any representation, warranty or agreement in such agreement other than with respect to such stockholder, the ownership of such stockholder's securities being registered and such stockholder's intended method of disposition). The representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of the underwriters in such written agreement with the underwriters shall also be made to and for the benefit of the selling stockholders. In the event that any condition to the obligations under any such written agreement with the underwriters are not met or waived, and such failure to be met or waived is not attributable to the fault of the selling stockholders requesting a demand registration pursuant to Sections 4.02 and 4.03, such request for registration shall not be deemed exercised for purposes of determining whether such registration has been effected for purposes of Section 4.02 or 4.03.

SECTION 4.05. Expenses. Notwithstanding Section 10.10 of the

Exchange Agreement, all expenses incurred by the Company in complying with Sections 4.01, 4.02 or 4.03, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel and independent public accountants for the Company, fees and expenses (including counsel fees) incurred in connection with complying with state securities or "blue sky" laws, fees of the National Association of Securities Dealers, Inc., transfer taxes, fees of transfer agents and registrars, costs of insurance and fees and disbursements of one counsel for the sellers of Restricted Shares, but excluding any Selling Expenses, are called "Registration Expenses". All
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underwriting discounts and

selling commissions applicable to the sale of Restricted Shares are called "Selling Expenses".

The Company will pay all Registration Expenses in connection with each registration statement under Sections 4.01, 4.02 or 4.03. All Selling Expenses in connection with each registration statement under Sections 4.01, 4.02 or 4.03 shall be borne by the participating sellers in proportion to the number of shares sold by each, or by such participating sellers other than the Company (except to the extent the Company shall be a seller) as they may agree.

SECTION 4.06. Indemnification and Contribution. (a) In the event of
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a registration of any of the Restricted Shares under the Securities Act pursuant to Sections 4.01, 4.02 or 4.03, the Company will indemnify and hold harmless each seller of such Restricted Shares thereunder, each underwriter of such Restricted Shares thereunder and each other person, if any, who controls such seller or underwriter within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which such seller, underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any registration statement under which such Restricted Shares were registered under the Securities Act pursuant to Sections 4.01, 4.02 or 4.03, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each such seller, each such underwriter and each such controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the
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Company will not be liable in any such case if and to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished in writing by such seller, such underwriter or such controlling person specifically for use in such registration statement or prospectus.

(b) In the event of a registration of any of the Restricted Shares under the Securities Act pursuant to

Sections 4.01, 4.02 or 4.03, each seller of such Restricted Shares thereunder, severally and not jointly, will indemnify and hold harmless the Company, each person, if any, who controls the Company within the meaning of the Securities Act, each officer of the Company who signs the registration statement, each Director of the Company, each underwriter and each person who controls any underwriter within the meaning of the Securities Act, against all losses, claims, damages or liabilities, joint or several, to which the Company or such officer, Director, underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the registration statement under which such Restricted Shares were registered under the Securities Act pursuant to Sections 4.01, 4.02, or 4.03, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company and each such officer, Director, underwriter and controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that such seller will be liable hereunder in any such case if
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and only to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in reliance upon and in conformity with information pertaining to such seller, as such, furnished in writing to the Company by such seller specifically for use in such registration statement or prospectus; and provided further, however, that
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the liability of each seller hereunder shall be limited to the proportion of any such loss, claim, damage, liability or expense which is equal to the proportion that the public offering price of the shares sold by such seller under such registration statement bears to the total public offering price of all securities sold thereunder, but not in any event to exceed the proceeds received by such seller from the sale of Restricted Shares covered by such registration statement.

(c) Promptly after receipt by an indemnified party hereunder of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party hereunder, notify the indemnifying party in writing thereof, but the

omission so to notify the indemnifying party shall not relieve it from any liability which it may have to such indemnified party other than under this Section 4.06 and shall only relieve it from any liability which it may have to such indemnified party under this Section 4.06 if and to the extent the indemnifying party is prejudiced by such omission. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and, to the extent it shall wish, to assume and undertake the defense thereof with counsel satisfactory to such indemnified party, and, after notice from the indemnifying party to such indemnified party of its election so to assume and undertake the defense thereof, the indemnifying party shall not be liable to such indemnified party under this Section 4.06 for any legal expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation and of liaison with counsel so selected; provided, however, that, if the defendants in any such action
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include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be reasonable defenses available to it which are different from or additional to those available to the indemnifying party or if the interests of the indemnified party reasonably may be deemed to conflict with the interests of the indemnifying party, the indemnified party shall have the right to select a separate counsel and to assume such legal defenses and otherwise to participate in the defense of such action, with the expenses and fees of such separate counsel and other expenses related to such participation to be reimbursed by the indemnifying party as incurred.

(d) In order to provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any indemnified party exercising rights under this Agreement, or any controlling person of any such holder, makes a claim for indemnification pursuant to this Section 4.06 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this Section 4.06 provides for indemnification in such case, (ii) contribution under the Securities Act may be required on the part of any such selling holder or any such controlling person in circumstances for which indemnification is provided under this Section 4.06, or (iii) the indemnification provided for by this Section 4.06 is insufficient to hold harmless an

indemnified party, other than by reason of the exceptions provided therein; then, and in each such case, the Company and such holder will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) (x) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and the indemnified party on the other or (y) if the allocation provided by clause (x) above is not permitted by Applicable Law, or provides a lesser sum to the indemnified party than the amount hereinafter calculated, in such proportion as is appropriate to reflect not only the relative fault referred to in clause (x) above but also the relative benefits received by the indemnifying party and the indemnified party from the offering of the securities (taking into account the portion of the proceeds of the offering received by each such party) as well as the statements or omissions which resulted in such losses, claims, damages or liabilities and any other relevant equitable considerations. No person will be required to contribute any amount in excess of the proceeds received by such person in respect of all such Restricted Shares offered and sold by it pursuant to such registration statement and no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation.

SECTION 4.07. Changes in Common Stock; Successors. (a) If, and as often as, there is any change in the Common Stock or Class A Stock by way of a stock split, stock dividend, combination or reclassification, or through a merger, consolidation, reorganization or recapitalization, or by any other means, appropriate adjustment shall be made in the provisions hereof so that the rights and privileges granted hereby shall continue with respect to the Common Stock or Class A Stock as so changed.

(b) If the Company consolidates or merges into or with, another person or sells, assigns, conveys, transfers, leases or otherwise disposes of all or a majority of its assets to any person or group, or any person or group consolidates with, or merges into or with, the Company, each Stockholder shall, as a condition to the relevant transaction involving such person, group or successor in business, be granted by such person, group or successor in business (each a "Successor"), equivalent rights to the rights granted in this Agreement; provided, that in the case of a Successor which becomes a Successor in a transaction which constitutes a Business Combination (as such term is

defined in the Governance Agreement), such rights shall not include those granted under Article III of this Agreement.

SECTION 4.08. Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the Commission which may at any time permit the sale of Restricted Shares to the public without registration, at all times 90 days after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144 under the Securities Act;

(b) use its best efforts to file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to each holder of Restricted Shares forthwith upon request a written statement by the Company as to its compliance with the reporting requirements of such Rule 144 and of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other reports and documents so filed by the Company as such holder may reasonably request in availing itself of any rule or regulation of the Commission allowing such holder to sell any Restricted Shares without registration.

SECTION 4.09. Suspension of Registration Obligations. Notwithstanding the provisions of Section 4.04(a), (i) the Company's obligation to file a registration statement, or cause such registration statement to become and remain effective (a) may be suspended on one occasion for a period not to exceed 180 days if there exists at the time material nonpublic information relating to the Company which, in the reasonable opinion of the Company, should not be disclosed and (b) shall not apply for the period which begins seven days prior to and ends 90 days after the commencement of a public offering of the Common Stock, so long as the Company has fulfilled its notice obligations under Sections 4.01, 4.02 or 4.03 with respect to such offering and (ii) if a public offering of the Common Stock has been previously commenced, neither the Company nor any controlling person of the Company shall commence another public offering of the Common Stock until 90 days after the commencement of such prior offering.

SECTION 4.10. Transferability of Registration Rights; Termination.

(a) Registration rights conferred herein on the holders of Restricted Shares shall only inure to the benefit of a Prospective Transferee who becomes a party to this Agreement pursuant to Section 2.05.

(b) The obligations of the Company to register shares of Restricted Shares under Sections 4.01, 4.02 or 4.03 shall terminate as to each Stockholder, on the later of (i) the sixth anniversary of the date of this Agreement and (ii) such Stockholder's percentage (together with the percentage of Voting Securities held by any member(s) of such Stockholder's Group) of Voting Securities falling below 5%.

SECTION 4.11. Other Registration Rights. The Company has not granted and shall not grant to any third party any registration rights more favorable than or inconsistent with any of those contained herein, so long as any of the registration rights under this Agreement remains in effect.

SECTION 4.12. Successors to the Company. The Company shall procure that each of the Stockholders shall be granted by any Newco equivalent rights to the rights contained in this Agreement as a condition to any transaction involving the creation of such a Newco.

ARTICLE V

Tag-Along Rights

SECTION 5.01. General Restriction. Except as set forth in the Governance Agreement in the case of the TDF Group and except for transfers within the TDF Group, the Candover Group, the Crown Group, the Berkshire Group, the Centennial Group and the Nassau Group, no Stockholder shall transfer any Shares without complying with the terms and conditions set forth in Section 5.02.

SECTION 5.02. Tag-Along. (a) Except in the case of the IPO, any registered sale of securities under the Securities Act or any other sales of securities on the market, if at any time Stockholders holding at least 2% of the Voting Securities of the Company (the "Initiating Stockholder(s)") shall determine to sell or transfer (in a business combination or otherwise) 2% or more of the Voting Securities then issuable or outstanding in one or a series of bona fide arm's-length transactions to a third party who

is not an Affiliate of any of the Initiating Stockholders, the Initiating Stockholders shall give not less than 30 days' prior written notice of such intended transfer to each of the other Stockholders (individually, a "Participating Offeree" and collectively, the "Participating Offerees") and to the Company. Such notice (the "Participation Notice") shall set forth the terms and conditions of such proposed transfer, including the name of the prospective transferee, the number of Shares proposed to be transferred (the "Participation Securities") by the Initiating Stockholders, the purchase price per Share proposed to be paid therefor, and the payment terms and type of transfer to be effectuated. Within 20 days following the delivery of the Participation Notice by the Initiating Stockholders to each Participating Offeree and to the Company, each Participating Offeree may, by notice in writing to the Initiating Stockholders and to the Company, have the opportunity and the right to sell to the purchasers in such proposed transfer (upon the same terms and conditions as the Initiating Stockholders) up to that number of Shares owned by such Participating Offeree as shall equal the product of (i) a fraction, the numerator of which is the number of Shares owned by such Participating Offeree as of the date of such proposed transfer and the denominator of which is the aggregate number of Shares owned as of the date of such Participation Notice by the Initiating Stockholders and by all Participating Offerees, multiplied by (ii) the number of Participation Securities. The amount of Participation Securities to be sold by the Initiating Stockholders shall be reduced to the extent necessary to provide for such sales of Shares by Participating Offerees.

(b) At the closing of any proposed transfer in respect of which a Participation Notice has been delivered, the Initiating Stockholders, together with all Participating Offerees electing to sell Shares, shall deliver to the proposed transferee certificates evidencing the Shares to be sold thereto duly endorsed with stock powers and shall receive in exchange therefor the consideration to be paid or delivered by the proposed transferee in respect of such Shares as described in the Participation Notice.

(c) (i) the provisions of this Section 5.02 shall not apply to sales pursuant to Sections 4.01, 4.02 and 4.03 of this Agreement and (ii) the provisions of this Article V shall not apply to any transfer by a Stockholder to (x) an Affiliate or limited partner of such Stockholder or (y) the Company.

ARTICLE VI

Miscellaneous

SECTION 6.01. Survival of Warranties. The covenants, agreements, representations and warranties of the parties contained herein or in any certificate or other document delivered pursuant hereto or in connection herewith shall survive the Closing and shall remain in full force and effect, regardless of any investigation made by or on behalf of any party hereto.

SECTION 6.02. Reasonable Efforts; Further Actions. The parties hereto each will use all reasonable efforts to take or cause to be taken all action and to do or cause to be done all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

SECTION 6.03. Consents. The parties hereto will cooperate, with each other in filing any necessary applications, reports or other documents with, giving any notices to, and seeking any consents from, all regulatory bodies and all governmental agencies and authorities and all third parties as may be required in connection with the consummation of the transactions contemplated by this Agreement.

SECTION 6.04. Amendment and Waiver. This Agreement may not be amended, supplemented or discharged, and no provision hereof may be modified or waived, except by the mutual agreement of the parties hereto. No waiver of any provision hereof by any party shall constitute a waiver thereof by any other party nor shall any such waiver constitute a continuing waiver of any matter by such party.

SECTION 6.05. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but which together shall constitute but one instrument. It shall not be necessary for each party to sign each counterpart so long as every party has signed at least one counterpart.

SECTION 6.06. Notices. All notices, requests, demands, waivers and other communications required or permitted to be given under this Agreement shall be in writing and may be given by any of the following methods: (a) personal delivery; (b) facsimile transmission; (c) registered or certified mail, postage prepaid, return receipt requested; or (d) overnight delivery service. Notices shall be sent to the appropriate party at its

address or facsimile number given below (or at such other address or facsimile number for such party as shall be specified by notice given hereunder):

If to the Company: Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Fax: (713) 570-3150
Attn: President

with a copy to: Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Fax: (212) 474-3700
Attn: Stephen L. Burns, Esq.

If to the Crowns: Robert A. Crown
Barbara A. Crown
c/o Crown Communication Inc.
375 Southpointe Blvd.
Canonsburg, PA 15317
Fax: (724) 416-2200

with a copy to: Kirkpatrick & Lockhart LLP
1500 Oliver Building
Pittsburgh, PA 15222
Fax: (412) 355-6501
Attn: Charles J. Queenan, Jr.,Esq.

If to the Initial Stockholder: Ted B. Miller, Jr.
510 Bering, Suite 500
Houston, TX 77056
Fax: (713) 570-3150

If to any Stockholder: At the address of such Stockholder listed on Schedule I

with a copy (in the case of any Berkshire Party, any Centennial Party, any Nassau Party, PNC Venture Corp.,

Fay, Richwhite Communications Limited, New York Life Insurance Company, American Home Assurance Company or The Northwestern Mutual Life Insurance Company)
to:

Hutchins, Wheeler & Dittmar
101 Federal Street
Boston, MA 02110
Fax: (617) 951-1295
Attn: Harry A. Hanson III, Esq.

If to TDF: TeleDiffusion de France
International S.A.
10 Rue d'Oradour-sur-Glane
75732 Paris 15
France
Fax: 155 95 2066
Attn: Michel Azibert

with a copy to: Allen & Overy
One New Change
London EC4M 9QQ
Fax: 44 171 330 9999
Attn: Michael P. Scargill, Esq.

All such notices, requests, demands, waivers and communications shall be deemed received upon (i) actual receipt thereof by the addressee, (ii) actual delivery thereof to the appropriate address or (iii) in the case of a facsimile transmission, upon transmission thereof by the sender and issuance by the transmitting machine of a confirmation slip that the number of pages constituting the notice have been transmitted without error. In the case of notices sent by facsimile transmission, the sender shall contemporaneously mail a copy of the notice to the addressee at the address provided for above. However, such mailing shall in no way alter the time at which the facsimile notice is deemed to be received or the validity of such facsimile notice.

SECTION 6.07. Binding Effect; Assignment. This Agreement and all of the provisions hereof shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. Except as otherwise specifically provided for in this Agreement, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, directly or indirectly, including, without limitation, by operation of law, by any party hereto without the prior written consent of the other parties hereto (it being understood that TDF

may not transfer to any person (other than to any of its Affiliates which becomes a party to the Agreement and to whom there is transferred any Voting Securities of the Company), by operation of law or otherwise, any right of TDF hereunder which arises as a result of TDF being Qualified without the prior written consent of the Company); provided, that TDF shall be entitled to transfer any of its rights under this Agreement to any of its Affiliates subject to any condition or obligation in connection with such right provided hereunder, so long as such Affiliate agrees to become a party to this Agreement and such Affiliate is a holder of the whole or any part of the TDF Group Interest or the TDF Consolidated Group Interest, as applicable.

SECTION 6.08. Entire Agreement. This Agreement, the other Transaction Documents and the schedules, exhibits and other documents and agreements referred to herein and therein or delivered pursuant hereto or thereto which form a part hereof or thereof constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and oral, between the parties or any of them with respect to the subject matter hereof. This Agreement supersedes, replaces and renders null and void the Amended and Restated Stockholders Agreement in its entirety.

SECTION 6.09. No Third Party Beneficiaries. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person any rights, benefits, claims, liabilities, causes of action or remedies of any nature whatsoever under or by reason of this Agreement.

SECTION 6.10. Expenses. Except as otherwise provided for in Section 4.05, each of the parties hereto shall pay its own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the fees and expenses of counsel, irrespective of when incurred.

SECTION 6.11. Applicable Law and Jurisdiction; Service of Process. (a) This Agreement shall be construed in accordance with and governed by the law of the State of New York; provided, however, that the terms and conditions of this Agreement relating to the internal affairs of the Company shall be construed in accordance with and governed by the law of the State of Delaware.

(b) Each of the parties to this Agreement hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(c) Each of the parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each of the parties to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 6.06. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 6.12. Waiver of Jury Trial. Each party hereto hereby waives, to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other parties hereto have been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this Section.

SECTION 6.13. Article and Section Headings. The article, section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

SECTION 6.14. Termination. This Agreement may be terminated by the mutual consent of the parties hereto.

SECTION 6.15. Specific Enforcement. The parties hereto acknowledge and agree that irreparable damage would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached for which money damages would not be an adequate remedy. It is accordingly agreed that, so long as permitted by Applicable Law, the parties shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically the terms and provisions hereof without the necessity of proving the inadequacy of money damages as a remedy.

Section 6.16. Severability. Should any provision of this Agreement for any reason be declared invalid or unenforceable, such decision shall not affect the validity or enforceability of any of the other provisions of this Agreement, which remaining provisions shall remain in full force and effect and the application of such invalid or unenforceable provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall be valid and enforced to the fullest extent permitted by law.

IN WITNESS WHEREOF, each party hereto has executed this Agreement as of the day and year first above written.

CROWN CASTLE
INTERNATIONAL CORP.

By: /s/ Kathy Broussard

Name: Kathy Broussard
Title: Vice President

STOCKHOLDERS:

TELEDIFFUSION DE FRANCE
INTERNATIONAL S.A.,

by /s/ Michel Azibert

Name: Michel AZIBERT
Title: Chairman

DIGITAL FUTURE INVESTMENTS B.V.,

by /s/ Michel Azibert

Name: Michel AZIBERT
Title: As Chairman of
TELEDIFFUSION DE FRANCE
INTERNATIONALE S.A.
Managing Director of
[ILLEGIBLE] B.V.

CANDOVER INVESTMENTS, PLC

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Deputy Chief Executive

CANDOVER (TRUSTEES) LIMITED

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Deputy Chief Executive

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 UK Limited
Partnership)

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Deputy Chief Executive

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 UK No. 2 Limited
Partnership)

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Deputy Chief Executive

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 US No. 1 Limited
Partnership)

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Deputy Chief Executive

CANDOVER PARTNERS LIMITED
(as general partner of the
Candover 1994 US No. 2 Limited
Partnership)

by /s/ G.D. Fairservice

Name: G.D. Fairservice
Title: Deputy Chief Executive

TED B. MILLER, JR.

by /s/ Ted B. Miller, Jr.

Ted B. Miller, Jr.

ROBERT A. CROWN

by /s/ Robert A. Crown

Robert A. Crown

BARBARA A. CROWN

by /s/ Barbara A. Crown

Barbara A. Crown

ROBERT A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
ROBERT A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by /s/ Robert A. Crown

Name: Robert A. Crown
Title: Trustee

BARBARA A. CROWN AND PNC BANK,
DELAWARE, TRUSTEES OF THE
BARBARA A. CROWN GRANTOR
RETAINED ANNUITY TRUST

by /s/ Barbara A. Crown

Name: Barbara A. Crown
Title: Trustee

BERKSHIRE FUND III, A
LIMITED PARTNERSHIP

by /s/ [ILLEGIBLE]
---
a Managing Member

BERKSHIRE FUND IV,
LIMITED PARTNERSHIP

by /s/ [ILLEGIBLE]
---
a Managing Member

BERKSHIRE INVESTORS LLC

by /s/ [ILLEGIBLE]
---
a Managing Member

CENTENNIAL FUND IV, L.P.

by Centennial Holdings V, L.P.,
its General Partner

by /s/ Jeffrey H. Schutz

Name: Jeffrey H. Schutz
Title: General Partner

by

Name:
Title:

CENTENNIAL FUND V, L.P.

by Centennial Holdings V, L.P.,
its General Partner

by /s/ Jeffrey H. Schutz

Name: Jeffrey H. Schutz
Title: General Partner

CENTENNIAL ENTREPRENEURS FUND V,
L.P.

by /s/ Jeffrey H. Schutz

Name: Jeffrey H. Schutz
Title: General Partner

NASSAU CAPITAL PARTNERS II, L.P.

by Nassau Capital L.L.C., its
General Partner

by /s/ Randall A. Hack

Name: Randall A. Hack
Title: Senior Managing Director

NAS PARTNERS I, L.L.C.

by /s/ Randall A. Hack

Name: Randall A. Hack
Title: Senior Managing Director

FAY, RICHWHITE COMMUNICATIONS
LIMITED

by /s/ Illegible

Name:
Title:

PNC VENTURE CORP.

by /s/ David McL. Holeman

Name: David McL. Holeman
Title: Exec. V.P.

AMERICAN HOME ASSURANCE COMPANY

by /s/ David Pinkerton

Name: David Pinkerton
Title: Vice President

NEW YORK LIFE INSURANCE COMPANY

by /s/ Steven M. Benevento

Name: Steven M. Benevento 12/21/98
Title: Director

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY

by /s/ A. Kipp Koester

Name: A. Kipp Koester
Title: its authorized representative

HARVARD PRIVATE CAPITAL
HOLDINGS, INC.

by /s/ Tim R. Palmer

Name: Tim R. Palmer
Title: Authorized Signatory

PRIME VIII, L.P

by /s/ Danny Fennewald

Name: Danny Fennewald
Title: Treasurer

FORM OF SEVERANCE AGREEMENT, dated August 21, 1998 by and between Crown Castle International Corporation (the "Company") and _____ (the "Executive").

This Agreement sets forth the terms and conditions of contingent severance arrangements between Crown Castle International Corporation and the Executive and cancels and supersedes all other severance-related agreements between the parties. This Agreement shall be effective on, and not effective until, an initial public offering of the stock of the Company.

I. DEFINITIONS

For all purposes hereof, the following defined terms have the meanings set forth below:

1.1 "Accrued Obligations" means all (i) accrued but unpaid Base Salary to the Executive's Date of Termination, (ii) any earned but unpaid bonus, and (iii) any benefits for which the Executive is eligible under the terms of any benefit plan or arrangement of the Company or its subsidiaries.

1.2 "Annual Bonus" means the highest annual bonus payable to the Executive for service during the Term, excluding any special or one-time bonus payments.

1.3 "Base Salary" means the greater of (i) the Executive's annual base salary as of the date of his Qualifying Termination (without taking into account any reductions that constitute Good Reason) or (ii) if applicable, the Executive's annual base salary in effect on the date of a Change in Control.

1.4 "Cause" means (i) the Executive's conviction of, or plea of guilty or nolo contendere to, any criminal violation involving dishonesty, fraud or breach of trust, or any felony which materially adversely affects the Company or (ii) willful engagement by the Executive in gross misconduct in the performance of duties owed the Company that materially adversely affects the Company.

1.5 "Change in Control" has the meaning set forth on Schedule 1 hereto.

1.6 "Change in Control Period" means the period beginning on the date of a Change in Control and ending on the second anniversary of that Change in Control.

1.7 "Company" means Crown Castle International Corporation and any successors thereto.

1.8 "Date of Termination" means the effective date of the termination of the Executive's employment with the Company and its subsidiaries as set forth in the Notice of Termination.

1.9 "Disability" means the Executive's inability to perform the primary duties of his position for at least 180 consecutive days due to a physical or mental impairment.

1.10 "Good Reason" means (i) the assignment to the Executive of any duties materially inconsistent with the Executive's position, authority, duties or responsibilities as of the date hereof or as of the date immediately preceding a Change in Control, if applicable, or any other action by the Company that results in a material diminution in such position, authority, duties or responsibilities; (ii) a decrease in the Executive's Base Salary or annual or long term bonus opportunity; (iii) a material reduction in any material benefits or other compensation provided to the Executive; or (iv) the Company's requiring the Executive to be based at any office or location outside the Houston metropolitan area; (iv) the Company's material failure to comply with its obligations under this Agreement; or (v) the Company giving Notice (as defined in Section 2.1(i)). For purposes of any determination regarding the existence of Good Reason during the Change in Control Period, any good faith determination by the Executive that Good Reason exists shall be presumed to be correct unless the Company establishes by clear and convincing evidence that Good Reason does not exist.

1.11 "Non-Qualifying Termination" means any termination of the Executive's employment with the Company and its subsidiaries other than a Qualifying Termination.

1.12 "Notice of Termination" means a written notice of the termination of the Executive's employment that (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail, if applicable, the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated and (iii) if the Date of Termination is other than the date of receipt of such notice, specifies the termination date. The failure by the Executive to set forth in the Notice of Termination any fact or circumstance that contributes to a showing of Good Reason shall not waive any right of the Executive hereunder

or preclude the Executive from asserting such fact or circumstance in enforcing the Executive's rights hereunder.

1.13 "Qualifying Termination" means (i) the Company's termination of the Executive's employment with the Company for any reason other than for Cause or Disability or (ii) the Executive's termination of employment with the Company within 60 days of the occurrence of an event that constitutes Good Reason. A transfer of the Executive to any subsidiary of the Company or the Executive's death shall not be considered a termination of employment hereunder.

II. TERM AND POSITION

2.1 Term. This Agreement is effective as of August __, 1998 ("Commencement Date") and terminates on the fifth anniversary of the Commencement Date (the "Term"); provided that, (i) beginning on the fifth anniversary of the Commencement Date and each anniversary thereafter (each, an "Anniversary Date") the term shall be extended by twelve months unless either party provides notice (the "Notice") at least 60 days before any such Anniversary Date of their intent to terminate this Agreement as of such Anniversary Date, (ii) except as provided in (iii), below, the Term will automatically expire on the Executive's 65th birthday without the necessity of any notice from the Executive or the Company and (iii) notwithstanding (ii), above, if a Change in Control occurs during the Term, this Agreement shall not expire until the later of (a) the expiration of the Term or (b) the end of the Change in Control Period.

2.2 Position. During the Term, the Executive shall serve as the Executive Vice President and Chief Financial Officer of the Company.

III. TERMINATION OF EMPLOYMENT

3.1 Termination by the Executive.

(a) Termination for Good Reason. The Executive may terminate his employment during the Term for Good Reason by delivering a Notice of Termination to the Company in accordance with Section 5.6 within 60 days of the occurrence of the event purported to constitute "Good Reason" hereunder. With respect to any termination for Good Reason during the Change in Control Period, any good faith determination of "Good Reason" made by the Executive shall be conclusive.

(b) Termination Without Good Reason. The Executive may terminate his employment during the Term without Good Reason by delivering a Notice of Termination to the Company in accordance with Section 5.6 at least 15 days prior to the effective date of such termination.

3.2 Termination by the Company.

(a) Termination for Cause. The Company may terminate the Executive's employment during the Term for Cause by delivering to the Executive in accordance with Section 5.6 a Notice of Termination and a copy of a resolution, duly adopted by the affirmative vote of not less than a majority of the entire membership of the Board of Directors of the Company (the "Board"), including at least 66 2/3% of those members of the Board who are not employees of the Company at a meeting of the Board called and held for the purpose (after reasonable notice to the Executive and an opportunity for him, together with counsel, to be heard before the Board), finding that in the good faith opinion of the Board, the Executive was guilty of conduct specified in the definition of "Cause".

(b) Termination Without Cause. The Company may terminate the Executive's employment during the Term without Cause by delivering a Notice of Termination to the Executive in accordance with Section 5.5.

3.3 Death or Disability. The Executive's employment shall terminate automatically upon the Executive's death during the Term. If the Company determines in good faith that the Disability of the Executive has occurred during the Terms, it may give to the Executive a Notice of Termination in accordance with Section 5.5 of this Agreement. In such event, the Executive's employment shall terminate effective on the 30th day after receipt of such notice, provided that within the 30 days after such receipt, the Executive shall not have returned to full-time performance of the Executive's duties.

IV. BENEFITS UPON TERMINATION

4.1 Qualifying Termination Not Within the Change in Control Period. If, during the Term, the Executive's employment with the Company and its subsidiaries is terminated in a Qualifying Termination and such termination does not occur during a Change in Control Period:

(a) the Company shall pay to the Executive in a cash lump sum within 30 days after the Date of Termination, the sum of (i) all Accrued Obligations and (ii) the product of two and the sum of the Executive's Base Salary and Annual Bonus;

(b) for two years following the Date of Termination, or such longer period as any plan, program, practice or policy may provide, the Company shall continue medical, dental, vision, and death benefits to the Executive and/or the Executive's family at a level at least equal to those that would have been provided if the Executive's employment had not been terminated under the plans, practices, programs or policies of the Company applicable to the Executive as of his Date of Termination; and

(c) all options to acquire stock of the Company and all restricted stock awards held by the Executive shall become immediately vested and such options shall become immediately exercisable and shall remain exercisable until the earlier of (i) the date specified in the applicable option agreement between the Executive and the Company or (ii) the normal expiration date of any such option.

4.2 Qualifying Termination During the Change in Control Period. If, during the Term, the Executive's employment with the Company and its subsidiaries is terminated in a Qualifying Termination and such termination occurs during a Change in Control Period:

(a) the Company shall pay to the Executive in a cash lump sum within 30 days after the Date of Termination, the sum of (i) all Accrued Obligations and (ii) the product of three and the sum of the Executive's Base Salary and Annual Bonus;

(b) for three years following the Date of Termination, or such longer period as any plan, program, practice or policy may provide, the Company shall continue medical, dental, vision, and death benefits to the Executive and/or the Executive's family at a level at least equal to those that would have been provided if the Executive's employment had not been terminated under the plans, practices, programs or policies of the Company applicable to the Executive as of his Date of Termination; and

(c) all options to acquire stock of the Company and all restricted stock awards held by the Executive shall become immediately vested and such options shall become immediately exercisable and shall remain exercisable until

the earlier of (i) the date specified in the applicable option agreement between the Executive and the Company or (ii) the normal expiration date of any such option.

Any provision in this Agreement to the contrary notwithstanding, if a Change in Control occurs and if the Executive's employment with the Company is terminated prior to the date on which the Change in Control occurs, and if it is reasonably demonstrated by the Executive that such termination of employment (x) was at the request of a third party who had taken steps reasonably calculated to effect the Change in Control or (y) otherwise arose in connection with or anticipation of the Change in Control, then for all purposes of this Agreement the termination of the Executive's employment shall be deemed to have occurred during a Change in Control Period.

4.3 Non-Qualifying Termination. If the Executive's employment with the Company and its subsidiaries is terminated in a Non-Qualifying Termination, this Agreement shall terminate without further obligations to the Executive other than the Accrued Obligations.

4.4 Excise Tax Payments.

(a) Notwithstanding anything in the Agreement to the contrary, in the event of the determination (as hereinafter provided) that any required payment by the Company to or for benefit of the Executive (whether paid or payable pursuant to the terms of the Agreement or otherwise (individually and collectively, "Payment")) would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the "Code") or any successor provision thereto (the "Excise Tax"), the Executive shall be entitled to receive an additional payment or payments (individually or collectively, "Tax Assistance Payment"), which shall include an amount such that, after the Executive pays (1) all taxes (including any interest or penalties imposed with respect to such taxes) and (2) any Excise Tax (including interest and penalties with respect thereto) imposed upon the Tax Assistance Payment, the Executive retains so much of the Tax Assistance Payment as is equal to the Excise Tax (including interest and penalties with respect thereto) imposed on the Payment.

(b) Subject to the provisions hereinafter concerning the provision of notice of a claim by the Internal Revenue Service, all determinations required to be made under these provisions, including whether an Excise Tax is payable by the Executive, the amount of such Excise Tax

and whether the Company is required to pay the Executive a Tax Assistance Payment and the amount of such Tax Assistance Payment, if any, shall be made by the Company's independent accountants or such other nationally recognized accounting firm retained by the Company and reasonably acceptable to the Executive ("Accounting Firm"). The Company shall direct the Accounting Firm to submit its determination and detailed supporting calculations to both the Executive and the Company within thirty (30) days after the payment or provision of any benefit that could give rise to an Excise Tax and any such other time or times as the Executive or the Company may request. If the Accounting Firm determines that any Excise Tax is payable by the Executive, the Company shall pay the required Tax Assistance Payment to the Executive within ten (10) business days after the Company receives such determination and calculations with respect to any Payment to the Executive.

(c) Any federal tax returns the Executive files shall be prepared and filed on a basis consistent with the determination of the Accounting Firm with respect to the Excise Tax payable by the Executive. If the Accounting Firm determines that the Executive is required to pay no Excise Tax, it shall (at the same time it makes such determination) furnish the Executive and the Company an opinion that the Executive has substantial authority not to report any Excise Tax on the Executive's federal income tax return. However, in view of the uncertainty concerning application of Section 4999 of the Code (or any successor provision thereto) at the time of any determination made hereunder by the Accounting Firm, it is possible that a Tax Assistance Payment that should have been made by the Company will not have been made ("Underpayment"), consistent with the calculations required to be made hereunder. In the event the Company exhausts or fails to pursue its remedies pursuant to the provisions concerning notice of a claim by the Internal Revenue Service, and the Executive thereafter is required to make a payment of any Excise Tax, the Executive shall direct the Accounting Firm to determine the amount of the Underpayment and to submit its determination and detailed supporting calculations as promptly as possible both to the Executive and to the Company, which shall pay the amount of such Underpayment to the Executive or for the Executive's benefit within ten (10) business days following the Company's receipt of such determination and calculations.

(d) Each of the Executive and the Company shall provide the Accounting Firm access to and copies of any books, records and documents in the Executive's or its possession, as the case may be, reasonably requested by the

Accounting Firm, and shall otherwise cooperate with the Accounting Firm in connection with the preparation and issuance of the determination and calculations required or contemplated hereunder.

(e) The Company shall bear the fees and expenses of the Accounting Firm for services hereunder. If, for any reason, the Executive initially pays such fees and expenses, the Company shall reimburse the Executive the full amount of the same within ten (10) business days following receipt from the Executive of a statement and reasonable evidence of the Executive's payment thereof.

(f) The Executive shall notify the Company in writing of any claim by the Internal Revenue Service that, if successful, would require the Company to pay a Tax Assistance Payment. The Executive shall give such notification as promptly as practicable, but in no event later than the tenth (10th) business day next following the Executive's receipt of such claim, and the Executive further shall apprise the Company of the nature of such claim and the date on which it is required to be paid (in each case, to the extent known to the Executive). The Executive shall not pay or otherwise satisfy such claim prior to the earlier of (a) the expiration of the thirty (30)-calendar-day period next following the date on which the Executive gives notice to the Company or (b) the date any payment of the amount with respect to such claim is due. If the Company notifies the Executive in writing prior to the expiration of such period that it desires to contest such claim, the Executive shall:

(i) provide the Company any written records or documents in the Executive's possession relating to such claim and reasonably requested by the Company;

(ii) take such action in connection with contesting such claim as the Company reasonably shall request in writing from time to time, including without limitation accepting legal representation with respect to such claim by an attorney competent in respect of the subject matter and reasonably selected by the Company;

(iii) cooperate with the Company in good faith in order effectively to contest such claim; and

(iv) permit the Company to participate in any proceedings relating to such claim, provided, however, that the Company directly shall bear and pay all costs and expenses (including without limitation, interest and

penalties) incurred in connection with such contest and shall indemnify the Executive and hold the Executive harmless, on an after-tax basis, from and against any and all Excise Tax or income tax (including without limitation, interest and penalties with respect thereto), imposed as a result of such claim and payment of costs and expenses. Without limiting the foregoing, the Company shall control all proceedings taken in connection with the contest of any claim contemplated by these provisions and, at its sole option, may pursue or forego any and all administrative appeals, proceedings, hearings and conferences with the taxing authority in respect of such claim (provided, however, that the Executive may participate therein at the Executive's own cost and expense) and may, at its option, either direct the Executive to pay the tax claimed and sue for a refund or contest the claim in any permissible manner, and the Executive agrees to prosecute such contest to a determination before any administrative tribunal, in a court of initial jurisdiction and in one or more appellate courts, as the Company shall determine; provided, however, that if the Company directs the Executive to pay the tax claimed and to sue for a refund, the Company shall advance the amount of such payment to the Executive, and pay on a current basis all costs of litigation, including without limitation attorneys' fees, on an interest-free basis and shall agree to and shall indemnify the Executive and hold the Executive harmless, on an after-tax basis, from any Excise Tax or income tax, including without limitation, interest and penalties with respect thereto, imposed with respect to such advance; and provided further, however, that any extension of the statute of limitations relating to payment of taxes for the Executive's taxable year with respect to which the contested amount is claimed to be due is limited solely to such contested amount. Furthermore, the Company's control of any such contested claim shall be limited to issues with respect to which a Tax Assistance Payment would be payable hereunder, and the Executive shall be entitled to settle or to contest, as the case may be, any other issue(s) raised by the Internal Revenue Service or any other taxing authority.

(g) If, after the Executive receives an amount advanced by the Company pursuant to provisions of the last full paragraph, the Executive receives any refund with respect to such claim, the Executive shall (subject to the Company's complying with any applicable provisions of the same paragraph) promptly pay to the Company the amount of such refund (together with any interest paid or credited thereon after any taxes applicable thereto). If, after the Executive receives such an amount advanced by the Company, a determination is made that the Executive shall not be

entitled to any refund with respect to such claim and the Company does not notify the Executive in writing of its intent to contest such denial of refund prior to expiration of thirty (30) calendar days after such determination, then such advance shall be forgiven and shall not be required to be repaid, and the amount of such advance shall offset, to the extent thereof, the amount of the Tax Assistance Payment the Company is required to pay the Executive hereunder.

V. MISCELLANEOUS PROVISIONS

5.1 Non-exclusivity of Rights. Nothing in this Agreement shall prevent or limit the Executive's continuing or future participation in any benefit, bonus, incentive or other plans, programs, policies or practices, provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise affect such rights as the Executive may have under any other agreements with the Company or any of its affiliated companies; provided that, by executing this Agreement, the Executive acknowledges his ineligibility for, and waives any other right he may have to receive, any other severance or termination benefits provided by the Company or its subsidiaries. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan, policy, practice or program of the Company or any of its affiliated companies (other than any severance plan or program) at or subsequent to the Date of Termination shall be payable in accordance with such plan, policy, practice or program except as explicitly modified by this Agreement.

5.2 Other. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. The Company agrees to pay, from time to time promptly upon invoice, to the full extent permitted by law, all legal fees and expenses which the Executive may reasonably incur as a result of any contest or controversy (regardless of the outcome thereof and whether or not litigation is involved) by the Company, the Executive or others of the validity or enforceability of, or liability under, any provision of this Agreement or any guarantee of performance thereof.

5.3 Confidential Information.

(a) During the Term and thereafter, the Executive shall not, without the written consent of the Chief Executive Officer of the Company, disclose to any person, other than an employee of the Company or a person to whom disclosure is reasonably necessary or appropriate in connection with the performance by the Executive of his duties as an executive of the Company, any material confidential information obtained by him while in the employ of the Company or its subsidiaries with respect to any of the products, improvements, formulas, designs or styles, processes, customers, methods of distribution or methods of manufacture of the Company or its subsidiaries, the disclosure of which he knows will be materially damaging to the Company; provided, however, that confidential information shall not include any information known generally to the public (other than as a result of unauthorized disclosure by the Executive) or any information of a type not otherwise considered confidential by persons engaged in the same business or a business similar to that conducted by the Company.

(b) Any and all inventions made, developed or created by the Executive (whether at the request or suggestion of the Company or otherwise, whether alone or in conjunction with others, and whether during regular hours of work or otherwise) during the period of his employment by the Company or its subsidiaries, which may be directly or indirectly useful in, or relate to, the business of or tests being carried out by the Company or any of its subsidiaries or affiliates, will be promptly and fully disclosed by the Executive to an appropriate executive officer of the Company and shall be the Company's exclusive property as against the Executive, and the Executive will promptly deliver to an appropriate executive officer of the Company all papers, drawings, models, data and other material relating to any invention made, developed or created by him as aforesaid.

(c) The Executive will, upon the Company's request and without any payment therefor, execute any documents necessary or advisable in the opinion of the Company's counsel to direct issuance of patents to the Company with respect to such inventions as are to be the Company's exclusive property as against the Executive under Section 5.3 (b) above or to vest in the Company title to such inventions as against the Executive; provided, however, that the expense of securing any such patent will be borne by the Company.

(d) The foregoing provisions of this Section 5.3 shall be binding upon the Executive's heirs, successors and legal representatives.

(e) In no event shall an asserted violation of the provisions of this Section 5.3 constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

5.4 Successors.

(a) This Agreement is personal to the Executive and without the prior written consent of the Company shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

(c) The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume expressly and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

5.5 Notices. All notices and other communications hereunder shall be in writing and shall be given by hand delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

Home address as currently shown
on Human Resources Department records
of Executive's business unit.

With a copy to:
Robert J. Stucker, Esq.
Vedder, Price, Kaufman & Kammholz
222 North LaSalle Street
Suite 2600
Chicago, IL 60601

If to the Company:

Crown Castle International Corporation
510 Bering Drive, Suite 500
Houston, TX 77057

Attention: Corporate Secretary

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

5.6 The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

5.7 The Company may withhold from any amount payable under this Agreement such Federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

5.8 The Executive's failure to insist upon strict compliance with any provision hereof shall not be deemed to be a waiver of such provision or any other provision thereof.

5.9 This Agreement contains the entire understanding of the Company and the Executive with respect to the subject matter hereof.

5.10 The Executive and the Company acknowledge that the employment of the Executive by the Company is "at will".

5.11 Choice of Law. This Agreement shall be governed by the law of Texas, without regard to its choice of law provisions.

IN WITNESS WHEREOF, the Executive and the Company have entered into this Agreement as of the date first written above.

CROWN CASTLE INTERNATIONAL CORP.

By

SCHEDULE 1

"Change in Control" shall mean:

(a) the acquisition by any individual, entity or group (within the meaning of Sections 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 40% or more of either (i) the then outstanding shares of common stock of the Company (the "Outstanding Company Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "Outstanding Company Voting Securities"); provided, however, that the following acquisitions shall not constitute a Change of Control: (i) any acquisition by the Company if no Person (excluding those Persons described in this proviso) owns more than 40% or more of the outstanding Company Common Stock or Company Stock Voting Securities after such acquisition, (ii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company, or (iii) any acquisition by a corporation pursuant to a reorganization, merger or consolidation, if, following such reorganization, merger or consolidation, the conditions described in clauses (i), (ii) and (iii) of subsection (c), below, are satisfied or (iv) any acquisition by any Person who beneficially owns (as defined in Rule 13d-3 of the Exchange Act) 15% or more of the Outstanding Company Common Stock or Outstanding Company Voting Securities as of the date hereof to the extent such Person (after such acquisition) beneficially owns less than 50% of the Oustandng Company Common Stock and Outstanding Company Voting Securities;

(b) individuals who constitute the Board as of the date immediately after an initial public offering of the Company's stock (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the

Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) the occurrence of a reorganization, merger, or consolidation, unless, following such reorganization, merger or consolidation, (i) more than 50% of, respectively, the then outstanding shares of common stock of the corporation resulting from such reorganization, merger or consolidation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such reorganization, merger or consolidation in substantially the same proportions as their ownership, immediately prior to such reorganization, merger or consolidation, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding the Company, any employee benefit plan (or related trust) of the Company or such corporation resulting from such reorganization, merger or consolidation and any Person beneficially owning, immediately prior to such reorganization, merger or consolidation, directly or indirectly, 40% or more of the Outstanding Company Common Stock or Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 40% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such reorganization, merger or consolidation or the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors and (iii) at least a majority of the members of the board of directors of the corporation resulting from such reorganization, merger or consolidation were members of the Incumbent Board at the time of the execution of the initial agreement providing for such reorganization, merger or consolidation; or

(d) the occurrence of: (i) a complete liquidation or dissolution of the Company, (ii) the sale or other disposition of all or substantially all of the assets of the Company, or (iii) a similar transaction or series of transactions, other than to a corporation, with respect to which following such sale or other disposition, (A) more than 50% of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such

corporation entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such sale or other disposition in substantially the same proportion as their ownership, immediately prior to such sale or other disposition, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding the Company and any employee benefit plan (or related trust) of the Company or such corporation and any Person beneficially owning, immediately prior to such sale or other disposition, directly or indirectly, 40% or more of the Outstanding Company Common Stock or Outstanding Company Voting Securities, as the case may be) beneficially owns, directly or indirectly, 40% or more of, respectively, the then outstanding shares of common stock of such corporation and the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors and (C) at least a majority of the members of the board of directors of such corporation were members of the Incumbent Board at the time of the execution of the initial agreement or action of the Board providing for such sale or other disposition of assets of the Company.

EXHIBIT 10.30

DATED August, 1998

CROWN CASTLE INTERNATIONAL CORP. (1)

TELEDIFFUSION DE FRANCE INTERNATIONAL S.A. (2)

CASTLE TRANSMISSION SERVICES (HOLDINGS) LIMITED (3)

SHAREHOLDERS' AGREEMENT

ALLEN & OVERY
London
C2:205860.9

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Agreed form documents

Current Business Plan
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THIS SHAREHOLDERS' AGREEMENT is dated August, 1998 and is made AMONG:

(1) CROWN CASTLE INTERNATIONAL CORP. ("CCIC"), a Delaware corporation;

(2) TELEDIFFUSION DE FRANCE INTERNATIONAL S.A. ("TdF"), a company incorporated in France; and

(3) CASTLE TRANSMISSION SERVICES (HOLDINGS) LTD. (the "Company"), a company incorporated in England and Wales.

WHEREAS

(A) The Company is a private company limited by shares incorporated in England and Wales with No. 3242381 under the Companies Act 1985 on 27th August, 1996.

(B) At the date hereof the Company has an authorised share capital of (Pounds)117,800,000 divided into 11,780,000 ordinary shares of lp each and 11,768,220,000 redeemable preference shares of lp each.

(C) On 24th April, 1998 CCIC and, inter alia, the Company, Digital Future Investments B.V. ("TdF sub"), the Berkshire parties (as defined below) and the Candover parties (as defined below) entered into a Share Exchange Agreement (the "Share Exchange Agreement") pursuant to which TdF sub, the Berkshire parties and the Candover parties agreed, subject to the terms and conditions of such Share Exchange Agreement, to exchange (the "Exchange") shares in the Company for shares of common stock (or, in the case of TdF sub, shares of Class A Stock) of CCIC.

(D) CCIC, TdF and the Company have agreed to enter into this Agreement for the purposes of regulating the operation and management of the Company and the relationship between CCIC and TdF as shareholders of the Company with effect on and from the Exchange.

THE PARTIES AGREE as follows:

1. INTERPRETATION

1.1 Definitions:

In this Agreement unless the context otherwise requires:

"Acquisition Agreement" means the agreement dated 23rd January, 1997 between The British Broadcasting Corporation and the Company relating to the sale and purchase of the whole of the issued share capital of CTI;

"Affiliate" means, in relation to any Shareholder, any other member of that Shareholder's Group;

"Agreement" means this agreement as amended from time to time;

"Analogue Transmission Contract" means the analogue transmission agreement between the BBC and CTI dated 28th February, 1997;

"BBC" means The British Broadcasting Corporation;

"BBC Contracts" means the Analogue Transmission Contract and the Digital Transmission Contract;

"Berkshire parties" means Berkshire Fund IV, LP, Berkshire Investors LLC and Berkshire Partners LLC;

"Business Combination" has the meaning given to it in the Governance Agreement;

"Business Plan" means the Current Business Plan of the Company and its Subsidiaries as amended from time to time in accordance with clause 6.1;

"Business Day" means a day (excluding Saturdays) on which banks generally are open in London for the transaction of normal banking business;

"Candover-Berkshire Agreement" means the Candover-Berkshire Agreement dated 24th April, 1998 between TdF sub, the Company, CCIC, TdF, the Berkshire Parties and the Candover Parties;

"Candover parties" means Candover Investments plc, Candover (Trustees) Limited, Candover Partners Limited (as general partner of the Candover 1994 UK Limited Partnership), Candover Partners Limited (as general partner of the Candover 1994 UK No. 2 Limited Partnership), Candover Partners Limited (as general partner of Candover 1994 US No. 1 Limited Partnership) and Candover Partners Limited (as general partner of the Candover 1994 US No. 2 Limited Partnership);

"CCIC Group" means CCIC and its ultimate holding company, its subsidiaries and subsidiaries of any such holding company other than the CTSH Group;

"CCIC Services Agreement" means the services agreement dated 28th February, 1997 between CCIC and the Company;

"Change of Control" means the occurrence or subsistence of any event or circumstance described in clause 13.5.1 of the Analogue Transmission Contract (other than a breach by TdF of the Commitment Agreement) or clause 12.7.1 of the Digital Transmission Contract in relation to any holding company (as defined in section 736 of UK Companies Act 1985) of the Company or a Business Combination;

"Class A Stock" shall have the meaning given to it in the Governance Agreement;

"Commitment Agreement" means the Commitment Agreement dated 28th February, 1997 between The British Broadcasting Corporation, CCIC, TdF and Telediffusion de France, S.A.;

"Common Stock" means shares of CCIC's common stock, par value $.01 per share;

"Company's Business" has the meaning set out in clause 3.2;

"Company Call Right" shall have the meaning given to it in the Governance Agreement;

"Company's Constitution" means the memorandum and articles of association of the Company, as amended from time to time;

"Company's Directors" means the directors of the Company from time to time;

"Company Shares" means the Ordinary Shares and the Preference Shares or, following the conversion of Preference Shares into Ordinary Shares (as contemplated by clause 2.2(a)), the Ordinary Shares;

"Controlling Shareholder" means any Shareholder who holds more than 50 per cent. of the Shares;

"CTI" means Castle Transmission International Limited, a private company limited by shares incorporated in England and Wales with registered number 3196207;

"CTSH Group" means CTSH and its subsidiaries;

"CTSH Option" has the meaning given to it in Section 5.01(a) of the Governance Agreement;

"Current Business Plan" means the business plan of the Company and its Subsidiaries for the current Financial Year in the agreed form;

"Digital Transmission Contract" means the digital transmission contract between the BBC and CTI dated 10th February, 1998;

"dispose" means, in relation to a Share, to transfer, sell, assign, mortgage, pledge or otherwise encumber that Share or allow any right to arise under which any person other than the holder thereof may require a transfer, sale, assignment, mortgage, pledge or other encumbrance of that Share and "disposal" shall be construed accordingly;

"Fair Market Value" means, as to any property, the cash price at which a willing seller would sell and a willing buyer would buy such property in an arms' length negotiated transaction without time constraints;

"Finance Documents" means all of the documents referred to in the definition of "Financing Documents" in the Loan Agreement dated 28th February, 1997 between CTI (1) the Company (2), the lenders listed therein (3) Credit Suisse First Boston (4) and J.P. Morgan Securities Limited (5) (as amended on 21st May, 1997) and the Guaranteed Bonds and any document which replaces the same;

"Financial Year" means a financial year for the purposes of the Companies Act 1985;

"Governance Agreement" means the Governance Agreement of even date between CCIC and TdF;

"Group" means, in relation to a Shareholder, it, its ultimate holding company, its subsidiaries and subsidiaries of any such holding company.

"Guaranteed Bonds" means (Pounds)125,000,000 9 per cent. Guaranteed Bonds due 2007 issued by Castle Transmission (Finance) PLC and jointly and severally guaranteed by CTSH and CTI;

"holding company" shall have the meaning ascribed to it by section 736 Companies Act 1985;

"interest" means, in relation to a Share, any legal or beneficial interest in that Share or any right or power (whether conditional or unconditional and whether legally enforceable or otherwise) to exercise control (directly or indirectly) over the disposal of that Share or over the manner in which any right to vote in a general meeting attached to that Share is exercised and "interested" shall be construed accordingly;

"Liens" shall mean all liens, security interests, claims, charges and encumbrances of any kind;

"London Stock Exchange" means London Stock Exchange Limited;

"Operating Agreement" means the operating agreement in the agreed form between CCIC, the Company, CTI and TdF;

["Option Agreement" means the Option Agreement dated 24th April, 1998 between TdF, TdF sub and CCIC;]

"Option Exercise Date" means the date upon which TdF gives written notice to CCIC in accordance with clause 28 of the exercise of its option under clause 9.6(a)(i);

"Ordinary Shares" means ordinary shares of lp each in the capital of the Company;

"Original Shareholders' Agreement" means the Shareholders' Agreement dated 23rd January, 1997 in respect of the Company (as amended by a Deed of Adherence dated 2nd May, 1997, the Share Sale Agreement dated 24th April, 1998 and a Deed of Adherence dated 24th April, 1998) between, inter alia, the Company, CCIC, TdF, the Berkshire Parties and the Candover Parties;

"Permitted Business" means the provision of wireless communication infrastructure services and analogue or digital television and radio transmission services;

"Permitted Transferees" means a person to whom Company Shares have been transferred pursuant to clause 9.2;

"Persons Acting in Concert" means persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them of shares in a party, to obtain a Controlling Interest in relation to that party, or agree so to co-operate;

"Preference Shares" means redeemable preference shares of lp each in the capital of the Company;

"Qualified" means, in relation to CCIC, for so long as it (when taken together with its Affiliates and Permitted Transferees) holds 10 per cent. or more of the equity share capital of the Company from time to time (and CCIC shall be treated as being Qualified for the purposes of this Agreement for so long as CCIC shall satisfy such criteria) and, in relation to TdF, Qualified means:

(a) at any time prior to TdF (or any of its Affiliates or Permitted Transferees) having exchanged its Shares in the company for Class A Stock of CCIC pursuant to the terms of this Agreement or the Governance Agreement, that it (when taken together with its Affiliates and permitted Transferees) holds 10 per cent. or more of the equity share capital of the Company from time to time (and TdF shall be treated as being Qualified for the purposes of this Agreement for so long as TdF shall satisfy such criteria); and

(b) if the TDF Rollup shall have occurred pursuant to the Governance Agreement, that the TDF Group Interest (as defined in the Governance Agreement) shall not have fallen below 5 per cent; provided that, for the purposes of clauses 6.1(p) and 6.2(o) only, Qualified means that the TDF Group Interest shall have fallen below 10.5 per cent;

"TDF Put Right" shall have the meaning given to it in the Governance Agreement;

"TdF Services Agreement" means the services agreement (as amended and restated) in the agreed form to be entered into between TdF and CTI;

"Shareholders" means CCIC and TdF and such other holders of Company Shares who become parties to this Agreement from time to time;

"Shares" means any shares in the share capital of the Company;

"Share Sale Agreement" means the share sale agreement dated 24th April, 1998, inter alia, for the sale and purchase of certain shares of the Company entered into by the Berkshire parties, the Candover parties, TdF, TdF sub, CCIC and the Company;

"Special Majority Vote of the Board" shall have the meaning given to it in the Governance Agreement;

"Subsidiary" or "Subsidiaries" means CTI and any subsidiary of the Company from time to time;

"subsidiary" shall have the meaning ascribed to it by section 736 Companies Act;

"TdF Rollup" shall have the meaning given to it in the Governance Agreement;

"TdF Change of Control" shall have the meaning given to it in the Governance Agreement as if references to "the Company" therein were references to CCIC;

"Warrants" means the warrants to subscribe for Shares in accordance with the Warrant Documentation;

"Warrant Documentation" means (a) the instrument dated 28th February, 1997 constituting warrants entitling (i) CCIC to subscribe for 515,000 Ordinary Shares and 514,485,000 Preference Shares and (ii) TdF to subscribe for 257,500 Ordinary Shares and 257,242,500 Preference Shares and (b) the certificates dated 28th February, 1997 in respect thereof.

1.2 Headings

Section, clause and other headings are for ease of reference only and shall not be deemed to form any part of the context or to affect the interpretation of this Agreement.

1.3 Parties

References to parties are references to parties to this Agreement.

1.4 Persons

References to persons shall be deemed to include references to individuals, companies, corporations, firms, partnerships, joint ventures, associations, organisations, trusts, states or agencies of state, government departments and local and municipal authorities in each case whether or not having separate legal personality.

1.5 Defined Expressions

Expressions defined in this Agreement bear the defined meaning in the whole of this Agreement including the recitals.

1.6 Sections, Clauses, Schedules and Annexures

References to sections, clauses, schedules annexures are references to sections and clauses of, and schedules and annexures to this Agreement.

1.7 Plural and Singular

Words importing the singular number shall include the plural and vice versa.

1.8 Negative Obligations

Any obligation not to do anything shall be deemed to include an obligation not knowingly to cause that thing to be done.

1.9 Gender

Words importing one gender shall include the other gender.

1.10 Statutes and Regulations

References to a statute include references to regulations, orders or notices made under or pursuant to such statute or regulations made under the statute and references to a statute or regulation include references to all amendments to that statute or regulation whether by subsequent statute or otherwise and a statute or regulation passed in substitution for the statute or regulation referred to as incorporating any of the provisions.

1.11 Currency

References to any monetary amount are, unless expressly stated otherwise, references to an amount in pounds sterling.

1.12 Unlawful Provisions

Neither the Company nor any Subsidiary shall be bound by any provision of this Agreement to the extent that it would constitute an unlawful fetter on any statutory power of the Company and/or any Subsidiary (as the case may be), but that provision shall remain valid and binding as regards all other parties to which it is expressed to apply and such provision shall take effect so as to include an obligation on the part of the Shareholders to exercise all their respective powers and rights so as to procure, so far as they are able, that the Company and/or any Subsidiary (as the case may be) complies with such provision notwithstanding that it is not bound by it.

1.13 References to any documents being "in the agreed form" mean in a form agreed, and for the purposes of identification signed, by or on behalf of the Shareholders and the Company.

2. COMPLETION

2.1 Completion shall take place immediately following the execution of this Agreement (or at such other date and time as the Shareholders may agree in writing).

2.2 At Completion:

(a) the Shareholders shall procure that special resolutions of the Company in the agreed form are passed to convert each existing Preference Share in issue into one Ordinary Share and to adopt the Articles in the agreed form;

(b) CCIC and TdF shall procure that a meeting of the Board is held at which it is resolved that:

(i) each of the share transfers referred to in the Share Exchange Agreement shall be approved for registration and (subject only to the transfer being duly stamped, if required) CCIC shall be registered as the holder of the Shares in the register of members;

(ii) Charles Green III be appointed as an additional Director by CCIC;

(iii) Michel Combes be appointed as an additional Director by TdF;

(iv) Ted B. Miller, Jr. be appointed the chairman of the board of Directors;

(v) the Company approve the TDF Services Agreement (as amended and restated) and the Operating Agreement; and

(vi) the Company approve the Termination Agreement (referred to in paragraph (h) below) and the termination of the agreements to which CCIC is a party pursuant to the terms of the Termination Agreement; and

(vii) the Company approve the allotment and issue of shares envisaged by clause 2.2(g) and (h);

(c) CCIC and TdF shall procure the resignation of Carl Ferenbach and Douglas Fairservice as Directors of the Company and its Subsidiaries (if relevant), to take effect at or immediately after Completion;

(d) the Company and TdF shall enter into the TDF Services Agreement (as amended and restated);

(e) the Company, CCIC and TdF shall, and the Company shall procure that CTI shall, enter into the Operating Agreement;

(f) CCIC shall subscribe at 2.5 times par value for such number of Ordinary Shares of 1p each of CTSH (or the corresponding amount of Ordinary and Preference Shares in the ratio of 1 Ordinary Shares to 999 Preference shares if the resolution referred to in clause 2.2(a) has not been passed) as would result in CCIC holding 80 per cent. in number of the Ordinary Shares (or, as the case may be, the Ordinary Shares and the Preference Shares) and the Company shall allot and issue such shares;

(g) CCIC shall exercise each of its Warrants; and

(h) the Company, CCIC and TdF and others shall enter into a termination agreement (the "Termination Agreement") in respect of, inter alia, the Original Shareholders' Agreement as amended by the Candover-Berkshire Agreement, the options contained in clause 6 and Schedules 3 and 5 of the Candover-Berkshire Agreement, the Option Agreement and the CCIC Services Agreement with effect at or immediately after Completion.

2.3 No party shall be obliged to complete any of the transactions or do any of the things referred to in this clause 2 unless all other transactions and things are completed in accordance with this clause.

3. THE COMPANY'S OBJECTIVES, BUSINESS, STRUCTURE AND GOVERNANCE

3.1 The Company's Primary Objects

The primary objects of the Company under the Original Shareholders' Agreement were sub-clauses 3.1(a) to 3.1(f) and are under this Agreement sub-clauses 3.1(c) to 3.1(g):

(a) Purchase CTI: enter into and discharge its obligations under the Acquisition Agreement;

(b) Funding Purchase: enter into arrangements in respect of the funding of the acquisition of CTI;

(c) Financing CTI: enter into and continue the arrangements contemplated by the Finance Documents regarding the capitalisation of CTI;

(d) Hold Shares in CTI: hold all the issued shares of CTI subject to the terms of this Agreement;

(e) Management: undertake generally such actions and matters as are necessary to manage the Company's shareholding in CTI; and

(f) Incidental: undertake such other actions, matters or things as may be necessary to achieve or are incidental to any of the above objects; and

(g) Guarantor: act as guarantor of the Guaranteed Bonds.

3.2 The Company's Business

The Company's Business shall consist of implementing the objects set forth in clause 3.1. The Company shall carry on no business other than the Company's Business, except as authorised pursuant to clause 6. 1(e).

3.3 The Company's Structure

Except to the extent already the case, the Shareholders agree to proceed with all due expedition to structure or restructure the Company in accordance with the following provisions:

(a) Memorandum and Articles: the Company shall have a memorandum of association and articles of association in the agreed form;

(b) Number of the Company's Directors: the number of Directors of the Company shall be 6;

(c) Shareholders' Entitlement to Nominate Directors of the Company: the Shareholders shall exercise their voting entitlements in the Company to procure that at any time:

(i) CCIC, for so-long as it (when taken together with its Affiliates and Permitted Transferees) is Qualified, shall have the right to appoint (and remove) two Directors;

(ii) TdF, for so long as it (when taken together with its Affiliates and Permitted Transferees) is Qualified, shall have the right to appoint (and remove) two Directors.

Directors of the Company appointed pursuant to 3.3(c) shall be nominated by written notice to each Shareholder. Each Director of the Company so appointed may be removed and replaced at any time by the Shareholder entitled to nominate that Director; each Shareholder with a right to nominate a Director of the Company may assign or waive that right in whole but not in part in connection with a transfer of the whole but not some only of the Shareholder's Company Shares pursuant to clause 9 (provided that no Shareholder (when taken together with its Affiliates and Permitted Transferees) shall be entitled to appoint more than two Directors and provided that any transferee shall only be entitled to appoint a Director if such transferee (when

taken together with its Affiliates and its Permitted Transferees) is Qualified and each assignor of that right shall give notice to the Directors of the Company of any such assignment immediately. If a Shareholder removes from office a Director of the Company nominated by that Shareholder, that Shareholder shall indemnify the Company against any loss, liability or cost that the Company may suffer or incur as a result of any claim by such Director arising out of such removal. The first Directors nominated pursuant to this clause 3.3(c) shall be as follows:

Name of Shareholder	Nominee
CCIC	Ted Miller
CCIC	Charles Green III
TdF	Michel Azibert
TdF	Michel Combes

(d) Additional Directors of the Company: any additional Directors of the Company shall be nominated and elected, and may be removed and replaced at any time, by a written notice signed by or on behalf of every Shareholder who (when taken together with its Affiliates and Permitted Transferees) is Qualified.

(e) Observers: each of the Shareholders shall be entitled to nominate one observer who shall be entitled to attend and speak at meetings of the Directors of the Company. Such observers shall not be Directors and shall neither be entitled to vote at meetings of the Directors of the Company nor have any authority to bind the Company.

(f) Majority Rule: except as provided in this Agreement, resolutions of the Directors of the Company shall be deemed to be passed if approved by a majority of the Directors of the Company which includes a Director nominated by CCIC and a Director nominated by TdF voting thereon at a meeting of Directors of the Company at which a Director nominated by CCIC and a Director nominated by TdF is present, provided the meeting is duly convened and held after notice provided in accordance with clause 3.3(i) (which meeting may be a telephone meeting conducted as provided in the Articles of Association), or approved in writing signed by all the Directors of the Company in accordance with the Company's Constitution; provided that, at any time after the TdF Rollup shall have occurred pursuant to the Governance Agreement and TDF shall have ceased to be Qualified, for the purposes of any resolution of the board of the Directors of the Company approving any of the matters referred to in clauses 6.1(p) or 6.2(o), the majority of the Directors of the Company does not require a Director nominated by TdF.

(g) Committees of the Directors of the Company: There shall be established two committees of the Directors of the Company, pursuant to the Company's Constitution, as follows:

(i) an Audit Committee consisting of any number of non-executive Directors of the Company (including the Directors appointed from time to time under and in accordance with clause 3.3(c)) selected by the Directors of the Company as a board and having the functions customary to an Audit Committee; and

(ii) a Remuneration Committee consisting of any number of non-executive Directors of the Company (including the Directors appointed from time to time under and in accordance with clause 3.3(c)) selected by the Directors of the Company as a board and having only advisory powers unless other powers are specifically delegated by the Directors of the Company as a board.

Such committees shall have the powers delegated by resolution of the Directors of the Company.

(h) No Action Until Designee Replaced: If a Director of the Company nominated by a Shareholder resigns, is removed or for any other reason ceases to serve as a Director of the Company and/or as a member of any committee of the Directors of the Company on which such person had the right to serve, such Shareholder shall have the right to nominate the successor of such person, and provided such Shareholder nominates a successor within five business days after the predecessor ceased to serve as a Director of the Company or as a member of such committee, neither the Directors of the Company nor such committee shall take any action, whether at a meeting of the Directors of the Company (or a committee thereof) or otherwise, until such successor has been elected as a Director of the Company or a member of such committee, as the case may be; provided that in no event may any Shareholder cause a single delay of more than 10 days by the failure of such Shareholder to exercise its rights under this clause 3.3(h).

(i) Notice of Meetings: No meeting of the Directors of the Company or of a committee of the Directors of the Company shall normally be convened on less than 14 days' notice, but such a meeting may be convened by giving not less than two days' notice if the interests of the Company would be likely to be adversely affected to a material extent if the business to be transacted at such meeting was not dealt with as a matter of urgency or if all the Directors agree. An agenda of the business to be transacted at such meeting shall be sent with any such notice and any documents relating to issues to be considered at any such meeting shall be distributed in advance to all the Directors (or, in the case of a committee, to the members of that committee) and their alternates so as to ensure that they are received at least seven days (or, if less than seven days' notice of such meeting is given, as soon as practicable) prior to the date fixed for such meeting.

3.4 Governance of the Company

(a) General Provisions: The Company shall be operated in accordance with the Company's Constitution and the terms of this Agreement and any agreement entered into pursuant to this Agreement and, while effective, pursuant to the Finance Documents. Each of the Shareholders agrees to perform and observe all terms and conditions to be observed by them and performed under any contract or arrangement from time to time subsisting between them and the Company or any of the Subsidiaries, and the Shareholders (in their capacity as Shareholders) agree to procure (insofar as they are able by the exercise of such rights and powers) that the Company and the Subsidiaries perform and observe this Agreement and all such agreements.

(b) Directors' Meetings of the Company: Meetings of the Directors of the Company shall be held at regular intervals as shall be determined by the Directors of the Company. Such meetings may be carried on in any manner permitted by the Company's Constitution but the parties shall each use all reasonable endeavours to ensure that actual meetings at which Directors of the Company are personally present in one room (barring unscheduled unavailability) occur not less frequently than at quarterly intervals at such place or places within the United Kingdom as the Directors of the Company may from time to time determine. The Company shall meet the reasonable travel and accommodation expenses of Directors of the Company attending meetings of Directors of the Company. Any Director of the Company who is unable to attend a meeting in person shall have the right to attend the meeting by means of conference telephone.

(c) Chairman of the Company: The chairman of the board of Directors shall be Ted B. Miller, Jr. or such other person as the Directors of the Company nominated by CCIC shall determine and any such other person shall be such person as shall have been approved by a Special Majority Vote of the Board of CCIC. Such other person appointed pursuant to this clause 3.4(c) shall be nominated by written notice to each Shareholder together with a certified copy of the Special Majority Vote of the Board of CCIC. The chairman of the board of Directors of the Company shall not have a second or casting vote.

(d) Responsibility of the Directors: The Directors of the Company shall be responsible for the overall guidance and direction of the Company.

(e) Chief Executive, Chief Operative Officer, Chief Financial Officer: The chief executive officer, the chief operating officer and the chief financial officer of the Company shall be nominated by CCIC and shall be such persons as shall have been approved by a Special Majority Vote of the Board of CCIC. Such an officer of the Company appointed pursuant to this clause 3.4(e) shall be nominated by written notice to each Shareholder together with a certified copy of the Special Majority Vote of the Board of CCIC.

(f) Allocation of Management Resources: Without limiting the foregoing, the allocation of management's time and other resources to the business of the CCIC Group and the terms on which such time and resources are provided to the CCIC Group from time to time shall be subject to prior review and approval by the Directors of the Company.

(g) Indemnification of Directors: The Company shall indemnify the Directors of the Company to the greatest extent permitted by applicable law with respect to any liability, claim or expense incurred arising out of or related to their service as Directors of the Company and shall obtain Directors and Officers liability insurance coverage to the extent available on reasonable terms, as determined by resolution of the Directors of the Company.

4. GOVERNANCE OF SUBSIDIARIES

4.1 Each Director of the Company from time to time shall be appointed as a director of each Subsidiary of the Company.

4.2 The provisions of clauses 3.3(e), (f), (g), (h), (i) and 3.4(a), (b), (c), (d), (e) and (f) shall apply, mutatis mutandis, in relation to each Subsidiary in the same way as they apply in the Company and its Subsidiaries.

5. ACCOUNTS, AUDIT AND REPORTING

5.1 Financial Year

Each Financial Year of the Company and each Subsidiary shall end on the date determined by resolution of the Directors of the Company nominated by CCIC.

5.2 Auditors

The Directors of the Company nominated by CCIC shall have the right to appoint the auditors to the Company and its Subsidiaries.

5.3 Reports etc.

The Company and each Subsidiary (where applicable) shall:

(a) Adopt Policies: adopt such accounting, administrative, insurance and other policies and systems consistent with US and UK generally accepted accounting principles from time to time as the Directors of the Company nominated by CCIC may from time to time determine;

(b) Books, Records etc.: maintain accurate and complete books, records, accounts, statements and documents of its respective operations, businesses and financial affairs, all of which shall be available to each of the Shareholders, their respective nominated Directors and their authorised representatives for the purpose of inspection and making copies thereof and taking extracts therefrom;

(c) Furnish Reports: prepare and furnish to each of the Shareholders within 30 days after the end of each month during the term of this Agreement such financial statements and business reports as may be available (including, without limitation, copies of any financial statements and business reports furnished pursuant to the Finance Documents);

(d) Financial Statements: prepare and deliver to each of the Shareholders (i) consolidated financial statements in respect of the Company and its Subsidiaries consisting of a balance sheet, statement of revenue and expenses and statement of changes in financial position; (ii) copies of any financial statements and business reports furnished pursuant to the Finance Documents; and (iii) such other statements as the Directors of the Company may from time to time consider advisable, in each case prepared in accordance with the generally accepted accounting principles approved by resolution of the Directors of the Company nominated by CCIC, as follows:

(i) Quarterly Statements: unaudited quarterly consolidated financial statements shall be prepared and delivered to each of the Shareholders promptly after they are available and in any event within 45 days after the end of each quarter; and

(ii) Annual Statements: audited annual consolidated financial statements, accompanied by the report of the Company's auditors thereon, shall be prepared and delivered to each of the Shareholders promptly when available

and in any event within 90 days after the end of each financial year of the Company,

provided that all or any of the requirements of this clause 5.2(d) may, to the extent permitted by applicable law, be waived by unanimous resolution of those Directors of the Company nominated by the Shareholders; and

(e) Keep Informed: keep the Shareholders informed on a timely basis of all material developments (as determined by the Directors of the Company) affecting the conduct of their respective businesses.

6. MATTERS REQUIRING AGREEMENT

6.1 Matters Requiring Agreement of Shareholders - the Company

The Shareholders shall exercise all voting and other powers of control available to them directly or indirectly in relation to the Company so as to procure (insofar as they are able by the exercise of such rights and powers in accordance with clause 17.4 of this Agreement) that the Company shall not without the prior agreement in writing of each Shareholder (such consent to be given or refused within 14 days of a written request for such approval) which is Qualified:

(a) Acquisition and Dispositions: acquire or establish any Subsidiary other than CTI or make any acquisition or disposal which would constitute a super class 1 transaction or a class 2 transaction if the share capital of the Company were listed on the London Stock Exchange;

(b) Share Issues: issue or offer to any person any share or loan capital, or other securities convertible or exchangeable into share or loan capital, or allow to arise or subsist any interest in any share or loan capital, in the Company or any Subsidiary or purchase or redeem or reorganise any share or loan capital in the Company or any Subsidiary except Company Shares to be issued pursuant to the terms of the Warrant Documentation;

(c) Subsidiaries' Shares: transfer (other than as required by the Finance Documents) or otherwise dispose of the Shares it holds in each of the Subsidiaries;

(d) Transactions with Shareholders: enter into a transaction with (other than with respect to the provision of services or know-how by or to CTI in accordance with the terms of the TdF Services Agreement and/or the Operating Agreement) a Shareholder or any Affiliate of a Shareholder, except as expressly contemplated by this Agreement or make any variation or amendment (other than of a formal, minor or technical nature) to any arrangements (whether or not contemplated by this Agreement) between the Company and any Shareholder or any Affiliate of any Shareholder;

(e) Other Business: carry on any business other than the Company's Business;

(f) Capital Expenditure: incur capital expenditure in any financial year in excess of that which is included in the Company's budget for that year as approved in writing by all the Shareholders;

(g) Banking and Other Financing Facilities: enter into any banking or other financing facility (other than pursuant to the Finance Documents) or vary the terms of any banking or other financing facility;

(h) Guarantees and Indemnities: give any guarantee or indemnity in respect of the obligations of any other person (other than a wholly-owned Subsidiary provided that such guarantee or indemnity is expressly contemplated by the Business Plan, the Finance Documents or the Acquisition Agreement);

(i) Creation of Security: create any mortgage, charge, lien (other than a lien arising in the ordinary course of trading) or encumbrance on any assets (other than pursuant to the Finance Documents);

(j) Lending of Money: lend any money to any other person (other than to a wholly-owned Subsidiary provided that such loan is expressly contemplated in the Business Plan or made to finance the payment of the consideration under the Acquisition Agreement);

(k) Joint Venture Arrangements: enter into any arrangements which constitute a partnership or joint venture with any other person or persons;

(l) Litigation: commence or settle any litigation involving a claim exceeding (Pounds)500,000;

(m) The Company's Constitution: make any alteration to its Constitution;

(n) Winding Up: pass any resolution for winding up;

(o) Receiver or Administrator: apply for the appointment of a receiver or an administrator;

(p) Dividends: declare, make or pay any dividend (interim or final) save in respect of (i) dividends payable in respect of the Preference Shares in accordance with the Company's Constitution (but subject always to the terms of the Financing Documents), and (ii) dividends of amounts which would not (if paid) unreasonably deplete the financial resources of the Company having regard to the actual and prospective obligations, commitments and planned or budgeted expenditure of the CTSH Group; provided always that the payment of such dividends is permitted by the terms of the Finance Documents (it being agreed that the Shareholders will use their best endeavours to ensure that the Company will make any such dividends in a tax efficient manner for each Shareholder);

(q) Incentive Schemes: establish, approve or make any amendment or variation to any cash incentive or cash bonus scheme in relation to any employee of the Company or any subsidiary provided that (I) neither CCIC nor TdF shall unreasonably withhold their consent to the establishment or implementation of cash incentive or cash bonus schemes of a type which are currently or have in the past been operated by members

of the CTSH Group in accordance with reasonable business principles for the benefit of employees of the Company or its Subsidiaries and (ii) it is acknowledged and agreed that the remuneration of employees of the Company or its Subsidiaries may continue to be determined and increased in a manner consistent with past practices of the Company and its Subsidiaries in accordance with reasonable business principles;

(r) Public Offerings: take any step to obtain a listing or quotation for any Shares or any shares of a Subsidiary on any stock exchange, over-the-counter market or other trading association with a view to offering any Shares for sale to the public or offer any Shares or any shares of a Subsidiary for sale to the public; and

(s) Operating Agreement: make any amendment to the Operating Agreement, other than an amendment of a formal, minor or technical nature.

6.2 Matters Requiring Agreement of Shareholders - Subsidiaries

The Shareholders shall exercise all voting and other powers of control available to them directly or indirectly in relation to the Company, and the Company shall exercise all voting and other powers of control available to it so as to procure (insofar as they are able by the exercise of such rights and powers in accordance with clause 17.4 of this Agreement) that each Subsidiary shall not without the prior agreement in writing (such consent to given or refused within 14 days of a written request for such approval) of each Shareholder which is Qualified:

(a) Acquisitions and Disposals: make any acquisition or disposal which would constitute a super class 1 transaction or a class 2 transaction if the share capital of that Subsidiary were listed on the London Stock Exchange;

(b) Share Issues: issue or offer to any person any shares or loan capital, or other securities convertible or exchangeable into shares or loan capital, or allow to arise or subsist any interest in any share or loan capital, of such Subsidiary or the Company or purchase or redeem or reorganise any share or loan capital of such Subsidiary or the Company except for any shares issued or offered to the Company;

(c) Transactions with Shareholders: enter into a transaction (other than with respect to the provision of services or know-how by or to CTI in accordance with the terms of the TdF Services Agreement and/or the Operating Agreement) with a Shareholder or any Affiliate of a Shareholder, except as expressly contemplated by this Agreement or make any variation or amendment (other than of a formal, minor or technical nature) to any arrangements (whether or not contemplated by this Agreement) between a Subsidiary and any Shareholder or any Affiliate of any Shareholder;

(d) Other Business: (in the case of CTI) carry on any category of business other than Permitted Business or one which is carried on at the date of this Agreement;

(e) Capital Expenditure: incur capital expenditure in any financial year in excess of that which is included in such Subsidiary's budget for that year as approved in writing by all of the Shareholders;

(f) Banking and other Financing Facilities: enter into any banking or other financing facility (other than pursuant to the Finance Documents) or vary the terms of any banking or other financing facility;

(g) Guarantees and Indemnities: give any guarantee or indemnity in respect of the obligations of any other person (other than a wholly-owned Subsidiary provided that such guarantee or indemnity is expressly contemplated by the Business Plan or the Finance Documents);

(h) Creation of Security: create any mortgage, charge, lien (other than a lien arising in the ordinary course of trading) or encumbrance on any assets (other than pursuant to the Finance Documents);

(i) Lending of Money: lend any money to any other person (other than to the Company);

(j) Joint Venture Arrangements: enter into any arrangements which constitute a partnership or joint venture with any other person or persons;

(k) Litigation: commence or settle any litigation involving a claim exceeding (Pounds)500,000;

(l) Subsidiary's Constitution: make any alteration to any Subsidiary's memorandum or articles of association.

(m) Winding Up: pass any resolution for winding up;

(n) Receiver or Administrator: apply for the appointment of a receiver or an administrator;

(o) Dividends: declare, make or pay any dividend (interim or final) save to the extent needed to fund the payment of dividends on Preference Shares (but subject always to the terms of the Finance Documents), and save also in respect of dividends of amounts which would not (if paid) unreasonably deplete the financial resources of the relevant Subsidiary having regard to the actual and prospective obligations, commitments and planned or budgeted expenditure of the CTSH Group provided always that the payment of such dividends is permitted by the terms of the Finance Documents (it being agreed that the Shareholders will use their best endeavours to ensure that the Company will make any such dividends in a tax efficient manner for each Shareholder);

(p) Business Plan: reorganise or change the nature or scope of its business from that as set out in the Business Plan (as amended from time to time in accordance with clause 8.1);

(q) Incentive Schemes: establish, approve or make any amendment or variation to any cash incentive or cash bonus scheme in relation to any employee of the Company or any Subsidiary provided that (i) neither CCIC nor TdF shall unreasonably withhold their consent to the establishment or implementation of cash incentive or cash bonus schemes of a type which are currently or have in the past been operated by members of the CTSH Group in accordance with reasonable business principles for the benefit

of employees of the Company or its Subsidiaries and (ii) it is acknowledged and agreed that the remuneration of employees of the Company or its Subsidiaries may continue to be determined and increased in a manner consistent with past practices of the Company and its Subsidiaries in accordance with reasonable business principles;

(r) Public Offerings: take any step to obtain a listing or quotation for any Shares or any shares of a Subsidiary on any stock exchange, over-the-counter market or other trading association with a view to offering any Shares or any shares of a Subsidiary for sale to the public; and

(s) Operating Agreement: make any amendment to the Operating Agreement , other than an amendment of a formal, minor or technical nature.

6.3 Matters Requiring Consent of Particular Shareholder

The Shareholders shall exercise all voting and other powers of control available to them (directly or indirectly) in relation to the Company so as to procure (insofar as they are able by the exercise of such rights and powers) that neither the Company nor any Subsidiary shall do or permit or suffer to be done any act or thing which will cause the rights of any Shareholder (in that Shareholder's capacity as a holder of the Company Shares) to be adversely affected in a manner not applicable to all Shareholders, without such Shareholder's written consent.

6.4 Each Shareholder agrees that it will procure that entities comprised within it, its Affiliates and Permitted Transferees shall together ensure that one entity shall at all times be authorised to exercise the rights of that Shareholder under this Agreement. The identity of such entity for the time being shall be notified to all other Shareholders.

6.5 Notwithstanding any other provisions of this Agreement neither the Company nor any Subsidiary shall issue any share capital or other securities convertible or exchangeable into share capital if the consequence of such issue would be that (i) the BBC would thereby become entitled to terminate the Analogue Transmission Contract pursuant to 13.5 thereof or the Digital Transmission Contract pursuant to clause 12.7 thereof (unless the BBC shall have first confirmed in writing that it will not exercise its right of termination in consequence of such issue), (ii) any licence held by the Company or any Subsidiary under the Telecommunications Act 1984 or the Wireless Telegraphy Act 1949 would thereby become capable of being terminated or revoked in accordance with its terms unless the relevant regulator shall have first confirmed in writing that the relevant licence will not be terminated in consequence of the proposed issue (iii) either CCIC or TdF would thereby be in breach of the Commitment Agreement (unless the BBC shall have first consented to the transfer in accordance with the terms of the Commitment Agreement) or (iv) CCIC and TdF would cease to hold the same percentage of Company Shares as they did immediately prior to such issue at the date of this Agreement being 80 and 20 per cent. respectively.

6.6 If either of the Shareholders shall refuse to give its agreement in respect of any matter for which its consent is required under clause 6.1 or 6.2 or if that Shareholder's nominated Directors shall vote against, or abstain in respect of, a resolution put to the Board of Directors of the Company or any of its Subsidiaries, then the other Shareholder (notwithstanding the terms of the Operating Agreement) shall be entitled to pursue the transaction to which that matter or resolution relates in its own right and for its own account

free from any duty or obligation to any company in the CTSH Group or any of their respective shareholders.

6.7 The rights of the Directors of the Company nominated by CCIC referred to in clauses 3.4(c) and (e), and 5.3(a) and (d) cease to be rights of such Directors and shall become rights of all of the Directors of the Company, upon CCIC ceasing to be the Controlling Shareholder.

7. GUARANTEES TO THIRD PARTIES

No Shareholder shall be under any obligation to give any guarantee or indemnity or the like on behalf of the Company or any Subsidiary.

8. ANNUAL BUDGET

The Shareholders shall exercise all voting and other powers of control available to them directly or indirectly in relation to the Company so as to procure (insofar as they are able by the exercise of such rights and powers) that, not less than 90 days before the beginning of each Financial Year, the Company shall draw up an annual budget for the Financial Year next following in such format as the Shareholders shall prescribe from time to time (but to include a capital expenditure forecast and a cashflow forecast) and shall submit each such annual budget and any proposed amendments to the Business Plan for review and approval to each Shareholder which is Qualified. Each such annual budget and proposed amendments to the Business Plan shall be subject to the approval of each Shareholder which is Qualified. Each such Shareholder undertakes to the other Shareholders to act in good faith when reviewing each such annual budget and proposed amendments to the Business Plan and subject always to its rights under clauses 6.1(b) and 6.2(d) undertakes not unreasonably to withhold its approval of such document.

9. TRANSFERS

9.1 No Transfers

Unless prior consent in writing is obtained from each Shareholder which is Qualified or except as provided in clauses 9.2 or 9.4 to 9.9 or as contemplated by the Governance Agreement (but in any case subject to clauses 9.3 and 9.12) no Shareholder may sell, transfer, mortgage, charge or otherwise dispose of all or any of its Company Shares or any legal or beneficial interest therein or any rights to subscribe therefor.

9.2 Permitted Transfers

Notwithstanding the provisions in clauses 9.1 but subject to clauses 9.3 and 9.12, any Shareholder may transfer its holding of, or beneficial interest in, Company Shares to a person who is an Affiliate of the transferor at the date hereof, provided that (a) as a condition of each of the permitted transfers, the transferee shall be required to comply with clause 9.12, (b) where Company Shares have been transferred from a Shareholder to an Affiliate and subsequently the transferee ceases to be an Affiliate of that Shareholder, then the Shareholder concerned shall procure that such Affiliate shall forthwith transfer such Company Shares back to the original Shareholder and (c) each Shareholder agrees not to effect transfers or changes in such Shareholder's Group in such a manner as to frustrate the intent of this clause 9.2, which is to permit transfers only to and holdings by related persons and entities. For the purposes of clauses 9.4 to 9.9 reference to TdF shall be deemed to include TdF and its

Affiliates and Permitted Transferees and to CCIC shall be deemed to include CCIC and its Affiliates and Permitted Transferees.

9.3 Change of Control and Stapling

Notwithstanding any other provisions of this Agreement:

(a) no Shareholder shall be entitled to transfer or otherwise dispose of an interest in any Company Shares if the consequence of such transfer or disposal would be that (i) the BBC would thereby become entitled to terminate the Analogue Transmission Contract pursuant to clause 13.5 thereof or the Digital Transmission Contract pursuant to clause 12.7 thereof (unless the BBC shall have first confirmed in writing that it will not exercise its right of termination in consequence of such transfer or disposal), (ii) any licence held by the Company or any Subsidiary under the Telecommunications Act 1984 or the Wireless Telegraphy Act 1949 would thereby become capable of being terminated or revoked in accordance with its terms unless the relevant regulator shall have confirmed in writing that the relevant licence will not be terminated in consequence of the proposed transfer or disposal or (iii) either CCIC or TdF would thereby be in breach of the Commitment Agreement (unless the BBC shall have first consented to the transfer in accordance with the terms and conditions of the Commitment Agreement); and

(b) at any time prior to the conversion of Preference Shares into Ordinary Shares (as contemplated by clause 2.2(a), Company Shares may only be transferred or otherwise disposed of in tranches of 1,000 Company Shares, comprising 1 Ordinary Share and 999 Preference Shares (or, following the redemption of any Preference Shares, in such proportion as the aggregate number of Ordinary Shares then in issue bears to the aggregate number of Preference Shares then in issue).

9.4 Pre-emption Rights

(a) A Shareholder may transfer its Shares and Warrants at any time after whichever is the later of (i) the second anniversary of this Agreement or (ii) the expiry of the period for the completion of the TDF Put Right or, as the case may be, the Company Call Right, in accordance with the provisions of this clause 9.4. Subject to clauses 9.2, 9.3, 9.5 and 9.12, if a Shareholder (for the purposes of this clause 9.4, the "Selling Shareholder") wishes to transfer all (but not part of) its Shares and Warrants in the Company (collectively the "Vendor Interest") it shall give to the other Shareholder notice in writing of such desire (for the purposes of this clause 9.4 a "Transfer Notice"). A Selling Shareholder may only serve a Transfer Notice if it has first agreed (on a subject to contract basis) the material terms relating to that transfer (including a cash price) for the Vendor Interest with a bona fide third party purchaser. A Transfer Notice shall specify the name of the person (the "Proposed Purchaser") to whom the Selling Shareholder proposes to transfer the Vendor Interest (any shares comprised in the Vendor Interest being for the purposes of this clause 9.4 referred to as the "Sale Shares" and, as applicable, any Warrants referred to as "Sale Warrants") and the cash price per Sale Share and, as applicable, the cash price per Sale Warrant at which the Selling Shareholder proposes to so transfer (the "Sale Price").

(b) If the other Shareholder shall give notice to the Selling Shareholder that it wishes to purchase the Sale Shares and, as applicable, the Sale Warrants at the Sale Price on or before the date

which falls 30 days after such notice (the date on which the other Shareholder gives such notice being referred to as the "Acceptance Date") of the date of receipt of the Transfer Notice by the other Shareholder, the Selling Shareholder shall be bound upon receipt of the Sale Price to transfer the Sale Shares and, as applicable, Sale Warrants to the other Shareholder and the other Shareholder shall be bound to purchase the Sale Warrants at the Sale Price.

(c) If the other Shareholder shall notify the Selling Shareholder that it is not willing to purchase all of the Sale Shares and, as applicable, the Sale Warrants at the Sale Price pursuant to the foregoing provisions of this clause 9.4 or the other Shareholder fails to give notice to the Selling Shareholder in accordance with clause 9.4(b), then in the event that the Selling Shareholder wishes to transfer the Sale Shares and, as applicable, the Sale Warrants the Selling Shareholder shall not be obliged to sell any of the Sales Shares or, as applicable, the Sale Warrants to the other Shareholder and shall, subject to clause 9.5, be at liberty at any time within 6 months after the Acceptance Date to sell and transfer all (but not part of) the Sale Shares and, as applicable, the Sale Warrants to the person whose name was specified in the Transfer Notice at a cash price not being less than the Sale Price.

(d) Subject to clause 9.4(e), he closing of any sale of Sale Shares and, as applicable, Sale Warrants pursuant to this clause 9.4 shall, subject to the satisfaction of the conditions precedent set out in Schedule 2, take place on any Business Day within 6 months after the Acceptance Date as nominated by the Selling Shareholder (or, if later, such date which is the second Business Day after the date on which such conditions shall have been satisfied) at a time and place specified by the Selling Shareholder by not less than 14 days' notice in writing. On the closing date, the Selling Shareholder shall deliver (i) duly executed transfers in respect of such Sale Shares and, as applicable, Sale Warrants and the share and, as applicable, warrant certificate(s) in respect thereof (which Sale Shares and Sale Warrants shall be sold free and clear of any Liens) and (ii) such other documents, including evidence of ownership and authority, as the other Shareholder may reasonably request, against which the other Shareholder shall pay the Sale Price. In connection with such closing, the Selling Shareholder and the other Shareholder shall also provide such other customary closing certificate and opinions as the other Shareholder or, as the case may be, the Selling Shareholder may reasonably request.

The sale of any shares under the above provisions of this clause shall comprise the entire legal and beneficial ownership of the Sale Shares and, as applicable, Sale Warrants in question with a full title guarantee covenant.

(e) Notwithstanding clause 9.4(d), if CCIC is not the Selling Shareholder, CCIC shall, at its option, be entitled to discharge the Sale Price by issuing to the Selling Shareholder (instead of cash) such number of shares of Common Stock (the "TdF Pre-emption Shares") as have an aggregate price equal to the Sale Price divided by the weighted average price per share of Common Stock over the five trading days on the principal stock exchange on which such Common Stock was traded immediately preceding the closing of the sale of the Sale Shares and the Sale Warrants (discounted by 15 per cent.). If CCIC so elects, CCIC shall deliver to TdF at the closing of the sale of the Sale Shares and the Sale Warrants the TdF Pre-emption Shares (and certificates in respect thereof) registered in the name of TdF (or, as it may require, its nominees or Affiliates). The provisions of clause 9.7(e) and (d) shall apply, mutatis mutandis, in respect of the TdF Pre-emption Shares.

9.5 Take along rights

(a) Subject to clauses 9.2 and 9.3, no sale or transfer (whether by one or by a series of transactions) to a person or its Affiliates or anyone acting in concert with that person of any Shares and, as applicable, Warrants (the "Specified Shares") in the Company held by a Selling Shareholder (as defined in clause 9.4) (other than a sale or transfer to a Shareholder) shall be made or registered without the prior consent of the other Shareholder unless, before such sale or transfer is made, the proposed transferee has irrevocably and unconditionally offered to purchase all of the Shares and, as applicable, Warrants in the Company held by the other Shareholder for the time being at the Specified Price and otherwise on the same terms (including as to the time of completion and the manner of payment) as the proposed transferee has offered to purchase the Specified Shares.

(b) In this clause 9.5, the expression the "Specified Price" shall mean a consideration for each of the Shares and Warrants at least equal to the aggregate of that offered or paid or payable by the proposed transferee for each of the Specified Shares. For the purposes of this clause, the consideration payable for such of the Specified Shares shall include any amount received or receivable by the holder of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for each of the Specified Shares and, in the event of any disagreement about the calculation of the Specified Price, its calculation shall be referred to the auditors of the Company within seven days of the dispute arising (acting as experts and not as arbitrators) whose decision with respect to the Specified Price shall be final and binding on the parties. The parties shall give all reasonable assistance to the auditors of the Company in verifying the Specified Price, including, without limitation, the disclosure of all relevant documentation containing the terms of the transaction relating to the proposed sale of the Specified Shares.

(c) The sale of any Shares and Warrants under the above provisions of this clause shall comprise the entire legal and beneficial ownership of the Shares and Warrants in question, with a full title guarantee covenant.

9.6 TdF's Rights on Change of Control

(a) Change of Control

(i) CCIC agrees that if the TDF Rollup shall not have been consummated on or prior to the second anniversary of the date of this Agreement or, if earlier, if TdF shall cease to be Qualified (as determined in accordance with the Governance Agreement) TdF shall have the option to require CCIC to acquire all, but not less than all, of the Shares and the Warrants legally or beneficially owned or held by TdF (the "TdF Interest") for cash in an amount equal to the Fair Market Value (as determined in accordance with the procedures set forth in clause 9.6(b)) of the TdF Interest at any time in the event of a Change of Control (the "Change in Control Option").

(ii) The Change of Control Option may be exercised by TdF serving written notice (a "Change of Control Notice") within 45 days of TdF becoming aware on reasonable grounds of a Change of Control in accordance with clause 28.

(b) The valuation procedures referred to in clause 9.6(a) shall be as follows. Each of CCIC and TdF shall negotiate in good faith to determine the Fair Market Value per share and per

warrant of the TdF Shares Interest (the "CTSH Per Share/Warrant Value") within 30 days following the delivery by TdF to CCIC of the Change of Control Notice. If CCIC and TdF do not agree on a CTSH Per Share/Warrant Value within such 30 day period, they shall, within three days, appoint an independent investment banker of international stature with its principal office in New York City (the "Appraiser") and shall provide such Appraiser with their respective written determinations of the CTSH Per Share/Warrant Value. Such Appraiser shall then choose (taking into account all relevant factors but no discount shall be applied as a result of the termination or potential termination of the BBC Contracts), as between the written determinations of the CTSH Per Share/Warrant Value provided by CCIC and TdF to the Appraiser, the CTSH Per Share/Warrant Value which most closely approximates, in the expert opinion of the Appraiser, the Fair Market Value per Share and per Warrant of the TdF Interest as of the Option Exercise Date. If the parties are unable to agree on the selection of such Appraiser within such three-day period, they shall on such third day so notify the Chairman of the New York Stock Exchange, Inc., who shall, within five days of such notification, appoint an investment banker meeting the qualifications set forth above to serve as the Appraiser. In any case, the Appraiser shall make its decision with respect to the CTSH Per Share/Warrant Value within ten days of the date of its engagement and must choose (taking into account all relevant factors but no discount shall be applied as a result of the termination or potential termination of the BBC Contracts) a CTSH Per Share/Warrant Value presented by either of CCIC or TdF pursuant to their respective written determinations (i.e. such Appraiser may not select a different value). The fees and expenses of the Appraiser shall be paid by CCIC.

9.7 TdF Exit Right

(a) CCIC agrees that at any time after the earlier to occur of (i) the second anniversary of the date of this Agreement or (ii) TdF ceasing to be Qualified for the purposes of the Governance Agreement, TdF shall have the right at any time in its sole discretion, so long as the CTSH Option shall not have been consummated, (the "TdF Exit Right"), upon not less than six months' notice (the "TdF Exit Notice") by TdF to CCIC, to require CCIC to purchase all, but not less than all, of the Shares and Warrants legally or beneficially owned or held by TdF ("the TdF Interest") in exchange for, in CCIC's sole discretion, (i) that number of shares of Common Stock (the "TdF Exit Shares") as have an aggregate price equal to the Fair Market Value (as determined in accordance with the procedures set forth in clause 9.7(e)) of the TdF Interest divided by the weighted average price per share of Common Stock over the five trading days on the principal stock exchange on which such Common Stock was traded immediately preceding the closing of the TdF Exit Right pursuant to clause 9.7(e) (discounted by 15 per cent.), or (ii) cash in an amount equal to such Fair Market Value (determined as aforesaid) of the TdF Interest.

(b) The closing of the TdF Exit Right shall, subject to the satisfaction of the conditions precedent set forth in Schedule 2, take place on any Business Day within 6 months after the date on which CCIC shall have received the TdF Exit Notice (or, if later, such date which is the second Business Day after the date on which such conditions shall have been satisfied), at a date, time and place specified by CCIC or such other date, time and place as may be agreed to by TdF and CCIC. On the closing date of the TdF Exit Right, CCIC shall deliver or, as the case may be, pay to TdF, against delivery of (i) duly executed transfers in respect of the Shares and Warrants legally or beneficially owned or held by TdF and the share or warrant certificate(s) in respect thereof (which Shares and Warrants TdF undertakes to sell free and

clear of all Liens) and (ii) such other documents, including evidence of ownership and authority, as CCIC may reasonably request, the TdF Exit Shares (and certificates in respect thereof) registered in the name of TdF (or, as it may require, its nominees or Affiliates) or, as the case may be, an amount in cash equal to the Fair Market Value of the TdF Interest (by unconditional and irrevocable credit to such bank account as TdF may specify for such purpose). In connection with such closing, CCIC and TdF shall also provide such other customary closing certificates and opinions as TdF or CCIC, as appropriate, may reasonably request.

(c) All TdF Exit Shares to be issued pursuant to any exercise of the TdF Exit Right shall be issued as fully paid and free from all Liens and shall carry all rights, benefits and advantages attached to the Common Stock except any right with a record date prior to the date of issue of the TdF Exit Shares including, without limitation, the right to any dividend declared but not paid.

(d) If TdF shall receive Common Stock pursuant to clause 9.7(b)(i) in respect of its exercise of the TdF Exit Right, the Company shall grant TdF demand registration rights (the "Demand Rights") comparable to those set forth in Section 4.02 of the Stockholders Agreement with respect to such Common Stock and "tag along" rights comparable to those set out in section 5.02 in the Stockholders' Agreement with respect to such Common Stock. TdF shall on a disposal of such Common Stock pursuant to the aforementioned Demand Rights appoint an underwriter reasonably satisfactory to CCIC.

(e) The valuation procedures referred to in clause 9.7(b) shall be as follows. Each of CCIC and TdF shall negotiate in good faith to determine the Fair Market Value per share and per warrant of the TdF Interest (the "CTSH Per Share/Warrant Value") within 30 days following the delivery by TdF to CCIC of the TdF Exit Notice. If CCIC and TdF do not agree on a CTSH Per Share/Warrant Value within such 30 day period, they shall, within three days, appoint an independent investment banker of international stature with its principal office in New York City (the "Appraiser") and shall provide such Appraiser with their respective written determinations of the CTSH Per Share/Warrant Value. Such Appraiser shall then choose (taking into account all relevant factors), as between the written determinations of the CTSH Per Share/Warrant Value provided by CCIC and TdF to the Appraiser, the CTSH Per Share/Warrant Value which most closely approximates, in the expert opinion of the Appraiser, the Fair Market Value per Share and per Warrant of the TdF Interest as of the closing of the TdF Exit Right. If the parties are unable to agree on the selection of such Appraiser within such three-day period, they shall on such third day so notify the Chairman of the New York Stock Exchange, Inc., who shall, within five days of such notification, appoint an investment banker meeting the qualifications set forth above to serve as the Appraiser. In any case, the Appraiser shall make its decision with respect to the CTSH Per Share/Warrant Value within ten days of the date of its engagement and must choose (taking into account all relevant factors) a CTSH Per Share/Warrant Value presented by either of CCIC or TdF pursuant to their respective written determinations (i.e. such Appraiser may not select a different value). The fees and expenses of the Appraiser shall be paid by CCIC.

(f) The sale of any Shares and Warrants under the above provisions of this clause shall comprise the entire legal and beneficial interest of the Shares and the Warrants in question, with a full title guarantee covenant.

9.8 CCIC Deadlock Right

(a) Subject to clause 9.3 and provided that the TdF Rollup shall not have been consummated, TdF agrees that CCIC shall have the right (the "CCIC Deadlock Right") to require TdF to sell all, but not less than all, of the TdF Interest in exchange for cash in an amount equal to the Fair Market Value of the TdF Interest determined in accordance with the procedures set out in clause 9.7(e). The CCIC Deadlock Right may be exercised on one occasion only but shall not be exercisable unless the following conditions shall have been satisfied:

(i) a period of three years shall have elapsed from the date of this Agreement; and

(ii) in any consecutive period of six months following the third anniversary of this Agreement, TdF shall on three separate occasions have refused to give its agreement in respect of a matter or matters relating to Permitted Business or permitted by the Operating Agreement of the type described in clause 6.1(a), (f), (g), (h), (i), (j) or (k) or clause 6.2(a), (f), (g), (h), (i), (j) or (p) in each case relating to any matter or thing relating to Permitted Business and/or as permitted by the Operating Agreement in circumstances in which CCIC has given its agreement and in which the matters in question have been proposed in good faith; and

(iii) TdF has not elected to withdraw the latest veto giving rise to the Deadlock Right within 14 Business Days after receipt of the CCIC Deadlock Right Notice (and during which period TdF and CCIC agree to negotiate in good faith with respect to the matter concerned with a view to reaching agreement or a mutually acceptable compromise with respect to such matter).

The CCIC Deadlock Right shall only be exercisable by CCIC serving on TdF a written notice (the "CCIC Deadlock Right Notice") stating its intention to exercise such right unless TdF withdraws the latest veto giving rise to the Deadlock Right within 14 Business Days after receipt of such notice, and only so long as such notice is served on TdF within 14 Business Days after condition (ii) above has been satisfied.

(b) The closing of the CCIC Deadlock Right shall, subject to satisfaction of the conditions precedent set out in Schedule 2, take place on the tenth Business Day after the date on which TdF gives notice to CCIC of its election not to withdraw the latest veto or if no such notice is given the latest day on which TdF has the right to withdraw such veto under clause (a) above (or, if later, such date which is the second Business Day after the date on which each of such conditions shall have been satisfied), at a time and place specified by CCIC as such notice or such other date, time and place as may be agreed by CCIC and TdF. On the closing date of the CCIC Deadlock Right, CCIC shall pay to TdF, against delivery of (i) duly executed transfers in respect of the Shares and Warrants legally or beneficially held by TdF and the share and warrant certificate(s) in respect thereof (which Shares and Warrants TdF undertakes to sell free and clear of all Liens) and (ii) such other documents, including evidence of ownership and authority, as CCIC may reasonably request, an amount in cash equal to the Fair Market Value of the TdF Interest (by unconditional and irrevocable credit to such bank account as TdF may specify for such purpose). In connection with such closing, CCIC and TdF shall also provide such other customary closing certificates and opinions as TdF or, as the case may be, CCIC may reasonably request.

(c) The sale of any Shares and Warrants under the above provisions of this clause shall comprise the entire legal and beneficial interest of the Shares and the Warrants in question, with a full title guarantee covenant.

9.9 CCIC Shotgun Right

(a) Provided that the TdF Rollup shall not have been consummated, CCIC may (i) by not more than 90 and not less than 60 days' notice in writing, expiring on the fifth anniversary of the date of this Agreement or (ii) at any time within 45 days of CCIC becoming aware on reasonable grounds of a TdF Change of Control (in each case, the "Shotgun Notice") offer to TdF to acquire the TdF Interest, in the case of (a)(i), on the fifth anniversary of the date of this Agreement (or, if such day is not a Business Day, the first Business Day thereafter) or, in the case of (a)(ii), on the forty-fifth day after the date of the Shotgun Notice. Such Shotgun Notice shall specify the cash price per Share and per Warrant at which the offer is made and shall request TdF to notify CCIC in writing within 30 days from the date of the Shotgun Notice:

(i) whether or not TdF is willing to sell the TdF Interest; and

(ii) (if TdF is not so willing) that TdF (by itself or together with any other person or persons) is willing to acquire from CCIC all the Shares and Warrants for the time being held by CCIC at the same price per Share and per Warrant as is specified in the Shotgun Notice.

(b) If, after the expiry of the 30 day period referred to in clause 9.9(a), TdF shall not have given any notice in writing to CCIC in the form required by clause 9.9(a), TdF shall be deemed to have accepted the offer made by CCIC and shall be bound to sell the TdF Interest at the price specified in the Shotgun Notice on the date for completion specified in clause 9.9(a).

(c) If TdF gives notice to CCIC of its willingness to sell the TdF Interest (as contemplated by clause 9.9(a)(i)), TdF shall be bound to sell the TdF Interest at the price specified in the Shotgun Notice given by CCIC on the date for completion specified in clause 9.9(a).

(d) If TdF gives notice (the "TdF Notice") to CCIC of its willingness to purchase all the Shares and Warrants then held by CCIC (as contemplated by clause 9.9(a)(ii)), CCIC shall be bound to sell such Shares and Warrants at the price specified in the Shotgun Notice on the date for completion specified in clause 9.9(a).

(e) The closing of any sale of Shares and Warrants pursuant to this clause 9.9 shall, subject to the satisfaction of the conditions precedent set out in Schedule 2 to this Agreement, take place at a time and place specified by CCIC, if CCIC is the purchaser, or by TdF, if TdF is the purchaser, by not less than 15 days' notice in writing. On the closing date, the Shareholder which is obliged to sell its Shares and Warrants shall deliver (i) duly executed transfers in respect of such Shares and Warrants and the share and warrant certificate(s) in respect thereof (which Shares and Warrants shall be sold free and clear of any Liens) and (ii) such other documents, including evidence of ownership and authority, as the purchaser may reasonably request, against which the purchaser shall pay the price specified in the notice given by CCIC pursuant to clause 9.9(a). In connection with such closing, CCIC and TdF shall also provide such other customary closing certificates as TdF or, as the case may be, CCIC may reasonably request.

(f) The sale of any Shares and Warrants under the above provisions of this clause shall comprise the entire legal and beneficial interest of the Shares and Warrants in question, with a full title guarantee covenant.

9.10 Other options

For the avoidance of doubt, the Shareholders confirm that the rights contained in Section 5 of the Governance Agreement are additional to those set out in this Agreement.

9.11 Legends on Share Certificates

All certificates representing Company Shares shall bear the following legend:

"The shares represented by this Certificate are subject to an agreement among Castle Transmission Services (Holdings) Limited and its shareholders which, inter alia, restricts transfer of these shares and in some circumstances requires the transfer of these shares. Any transfer in violation of that agreement will be void, and any transferee is required to become party to that agreement."

9.12 Admission of Shareholders

No Shareholder may transfer any Company Shares to any person unless such person has first executed and delivered to the other Shareholder a deed of adherence in the form set out in Schedule 1.

9.13 The Company shall have no obligation to register the transfer of any Company Shares if the proposed transfer does not comply with the provisions of this clause 9.

9.14 TdF and CCIC each undertake to the other to use all reasonable endeavours to obtain any consents or approvals required to give effect to the provisions of this clause 9 and agree not to take any steps which may adversely affect the prospects of obtaining any such consents or approvals.

10. SERVICES AGREEMENT WITH TeLeDIFFUSION DE FRANCE, S.A.; WARRANTS; OPERATING AGREEMENT

10.1 Services Agreement

Each Shareholder shall, in its capacity as shareholder of the Company, pass resolutions and procure the passing of resolutions by the Directors of CTI and do everything else necessary (in each case, so far as they are able by the exercise of their rights and powers as Shareholders so to pass, procure and/or do) to cause CTI immediately following Completion to enter into and thereafter to perform its obligations under a services agreement in the agreed form between CTI and TeleDiffusion de France, S.A. TdF undertakes immediately following Completion to procure that TeleDiffusion de France, S.A. shall enter into and thereafter perform its obligations under the TDF Services Agreement.

10.2 Warrants

Each Shareholder shall, in its capacity as shareholder of the Company, pass resolutions and procure the passing of resolutions by the Directors of the Company and do everything else necessary (in each case, so far as they are able by the exercise of their rights and powers as Shareholders so to pass, procure and/or do) to cause the Company to execute and thereafter perform its obligations under the Warrant Documentation provided always that TdF may not exercise its Warrants if the effect would be to cause TdF to have an interest in more than 20 per cent. of the Company Shares and CCIC may not exercise its Warrants if the effect would be to cause TdF to have an interest in less than 20 per cent. of the Company Shares.

10.3 Operating Agreement

Each Shareholder shall, in its capacity as shareholder of the Company, pass resolutions and procure the passing of resolutions by the Directors of the Company and CTI and do everything else necessary (in each case, so far as they are able by the exercise of their rights and powers as Shareholders so to pass, procure and/or do) to cause the Company and CTI on Completion to execute and thereafter perform its obligations under the Operating Agreement.

11. SPECIFIC PERFORMANCE

11.1 The Company Shares cannot be readily purchased or sold in the open market, and for that reason, among others, the Company and the Shareholders will be irreparably damaged in the event that this Agreement is not specifically enforced. Accordingly each Shareholder and the Company agree that specific performance and injunctive relief would be appropriate remedies in the event of any breach or threatened breach of this Agreement. Without limiting the generality of the foregoing, should any controversy arise concerning a sale or disposition of any Company Shares, an injunction may be issued restraining any sale or disposition pending the determination of such controversy, and the resolution thereof shall be enforceable in a court of equity by a decree of specific performance. The remedies specified in this clause 12.1 shall be cumulative and not exclusive, and shall be in addition to any other remedies which the parties may have.

11.2 Each party confirms to each other party that, for the purposes of entering into the transactions contemplated by this Agreement:

(a) it has entered into such transactions entirely on the basis of its own assessment of the risks and effect thereof;

(b) save as expressly set out in this Agreement is owed no duty of care or other obligation by any other party in respect thereof; and

(c) in so far as it is owed any such duty or obligation as referred to in subparagraph (b) above (whether in contract, tort or otherwise) (save as expressly set out in this Agreement) by such other party it hereby waives, to the extent permitted by law, any rights which it may have in respect of such duty or obligation.

12. TERM

12.1 Term

This Agreement shall continue in force until the date on which only one Shareholder remains as a party to this Agreement (in accordance with clause 12.2).

12.2 This Agreement shall cease and determine in respect of a Shareholder, upon that Shareholder ceasing to be Qualified. Upon TdF ceasing to be Qualified after the TDF Rollup, TdF shall transfer its remaining Ordinary Share to CCIC at par value and shall (a) deliver to CCIC a duly executed transfer in respect thereof and the share certificate therefor and (b) shall cause the directors nominated by TdF to resign without compensation.

12.3 Certain Rights and Obligations to Survive

Termination of this Agreement shall in no way affect the operation of clauses 10, 11, 14, 20, 21, 22, 23, 25, 26, 27 and 28 or any rights of any Shareholder arising from any happening or event prior to the date of termination of this Agreement and any cause of action accruing prior to that date shall survive and be disposed of as though the provisions of this Agreement continued in full force and effect.

13. WARRANTIES

Each party warrants to the other parties as follows:

(a) Power to Enter into Agreement: It has the legal right and power to enter into this Agreement and to consummate the transactions contemplated hereby on and subject to the terms and conditions of this Agreement, and the execution, delivery and performance of this Agreement by it has been duly and validly authorised and this Agreement is a valid and binding agreement enforceable in accordance with its terms.

(b) No Further Authorisation: No further authorisation, consent or approval of any person is required by or in relation to it as a condition to the validity of this Agreement or to give effect to the transactions contemplated hereby.

14. CONFIDENTIALITY

14.1 Confidentiality

Subject as provided in clause 14.4 below, all matters relating to this Agreement and the negotiations relating to this Agreement and all information acquired or received by any party under or in connection with this Agreement shall be held confidential during the continuance of this Agreement, and each party agrees that it shall not divulge any such confidential information to any third party, without the prior written approval of all other Shareholders provided that any party may, without such approval, disclose such matters or information:

(a) Assignees: to a bona fide intending assignee of such party upon obtaining a similar undertaking of confidentiality from such intending assignee;

(b) Professionals: to any outside professional consultants upon obtaining a similar undertaking of confidentiality from such consultants;

(c) Banks etc.: to any bank or financial institution from whom such party is seeking to obtain finance, upon obtaining a similar undertaking of confidentiality from such bank or institution;

(d) Public Domain: to the extent that the same has become generally available to the public other than as a result of unauthorised disclosure by a party;

(e) Partners: in the case of a Shareholder which is a partnership, to the Shareholder's constituent partners; and

(f) Law/Listing Regulations: to persons or the general public if disclosure to such persons or the general public is required to comply with any applicable law or regulation of any country or the rules or regulations of the London Stock Exchange or any other exchange or market on which securities of a Shareholder or the parent corporation of a Shareholder are quoted, provided that any such information disclosed pursuant to this paragraph (f) shall be disclosed only after consultation with the other parties unless such consultation is prohibited or the time limits within which such disclosure must be made are such that consultation is impracticable.

14.2 Employees etc.

Each party shall use its reasonable endeavours to ensure that those of its employees, agents, contractors and partners who are at any time in possession of confidential information of a kind referred to in clause 16.1 and the employees, agents and contractors of the Company and each of the Subsidiaries do not disclose or suffer or permit the disclosure of the same.

14.3 The Company's Confidentiality Obligation

The Company shall (and the Company shall procure that each of the Subsidiaries shall) observe a similar obligation of confidence in favour of each of the parties to this Agreement.

14.4 Any Shareholder may communicate any information received by it pursuant to this Agreement, and the Director nominated by it pursuant to clause 3.3(c) may communicate any information received by him pursuant to this Agreement or otherwise in his capacity as director of the Company, to that Shareholder. Any Shareholder may communicate any such information (other than information which relates to the business or affairs of a Shareholder or its Affiliates) to any company which is its subsidiary or holding company or a subsidiary of its ultimate holding company or to its manager or investment or other professional adviser or any person or persons on behalf of whom it holds Company Shares subject to the obligations set out in clause 14.2; provided that nothing in this Agreement shall require such disclosure unless the Director's fiduciary duty to the Company or any of its Subsidiaries would be breached as a result.

15. PUBLIC ANNOUNCEMENTS

No party shall issue or make any public announcements or statement regarding this Agreement, the Company's or any Subsidiary's Business or its involvement in the Company or with any Subsidiary unless prior thereto such party furnishes all Shareholders with a copy

of such announcement or statement and obtains the approval of the other Shareholders which approval shall not be unreasonably withheld provided that, notwithstanding any failure to obtain approval, no party shall be prohibited from issuing or making any such public announcement or statement if it is necessary to do so in order to comply with any applicable law or regulation of any country or the rules or regulations of the London Stock Exchange or any other exchange or market on which securities of a party are quoted, it being recognised, however that the parties will endeavour to ensure that any such public announcements or statements are made contemporaneously.

16. FURTHER ASSURANCES

The parties shall each execute and deliver such further and other documents and instruments and do such further and other things as may be necessary to implement and carry out the intent of this Agreement.

17. OTHER AGREEMENTS AMONG SHAREHOLDERS

17.1 No Existing Agreements

Each of the Shareholders represents and warrants that as of the execution of this Agreement it is not party to any written or other enforceable agreement with any other Shareholder with respect to the subject matter of this Agreement, except for this Agreement.

17.2 Disclosure of Future Agreements

Each of the Shareholders agrees that it will not enter into any written or other enforceable agreement with any other Shareholder with respect to the subject matter of this Agreement without first obtaining the prior written approval of all of the Shareholders.

17.3 Competitive Bidding

Each of the Shareholders agrees that if it or any of its Affiliates bids or intends to bid for any contract or project in competition with the Company or CTI, then:

(a) it will promptly disclose that fact to the other Shareholders; and

(b) the Company, CTI and the other Shareholders will be entitled to withhold from that Shareholder and its Group and its nominated Director any confidential information relating to the proposed bid for that contract or project by the Company or CTI.

17.4 Conflicts involving a Shareholder

Each Shareholder agrees that neither it, any of its Affiliates, any of its Permitted Transferees nor its nominated Director will be entitled to participate in decisions (but shall be entitled to participate in discussions) of the Directors of the Company or any Subsidiary involving:

(a) any claim or prospective legal proceedings by the Company or any Subsidiary against that Shareholder or any of its Affiliates;

(b) any claim or prospective legal proceedings by that Shareholder or any of its Affiliates against the Company or any Subsidiary;

(c) any bid by the Company or any Subsidiary for any contract or project in respect of which that Shareholder or any of its Affiliates intends to bid in competition with the Company or any Subsidiary; and

(d) any transaction or proposed transaction between the Company or a Subsidiary and a Shareholder or an Affiliate of a Shareholder.

In relation to any of the circumstances set out in clause 17.4(a), (b), (c) or (d), the Company, any Subsidiary and the other Shareholders shall be entitled to withhold from that Shareholder and its Group and its nominated Director any confidential information relating thereto.

18. SUBSIDIARIES TO ACKNOWLEDGE AGREEMENT

The Shareholders (in their capacity as shareholders of the Company) and the Company will procure Subsidiaries to acknowledge the provisions hereof and to agree to be bound by the same to the extent applicable, by execution of deeds of adherence in a form approved by resolution of the Directors of the Company.

19. COMPLIANCE BY THE COMPANY AND SUBSIDIARIES

The Shareholders each undertake (in their capacity as Shareholders) to:

(a) Exercise Voting Rights: exercise the voting rights attributable to the Company Shares which they hold; and

(b) Cause Directors to Vote: cause the Directors of the Company and the directors of each of the Subsidiaries nominated by them respectively to vote,

to ensure that the Company and each of the Subsidiaries operate in accordance with the provisions of this Agreement and the Finance Documents and so as to give full effect to the terms of this Agreement and the Finance Documents.

20. MODIFICATION

No purported variation of this Agreement shall be effective unless made in writing and agreed by all the Shareholders.

21. EFFECT OF WAIVER

No waiver by any party of any default in the strict and literal performance or compliance with any provision, condition or requirement herein shall be deemed to be a waiver of strict and literal performance of and compliance with any other provision, condition or requirement herein nor to be a waiver of or in any manner release any other party from strict compliance with any provision, condition or requirement in the future. Nor shall any delay or omission by any party to exercise any right hereunder in any manner impair the exercise of any such right accruing to such party thereafter. Except when otherwise expressly stated therein, no remedy expressly granted herein to any party shall exclude or be deemed to exclude any other remedy which would otherwise be available.

22. PARTIAL INVALIDITY

If any of the provisions of this Agreement is or becomes invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired. The parties shall nevertheless negotiate in good faith in order to agree the terms of a mutually satisfactory provision, achieving as nearly as possible the same commercial effect to be substituted for the provision so found to be void or unenforceable.

23. IMPLIED RELATIONSHIPS

Nothing contained in this Agreement shall be deemed or constituted to constitute any party a partner, agent or representative of any other party or to create any trust or partnership. No party shall have the authority to act for or to incur any obligation on behalf of any other party except as expressly provided in this Agreement.

24. COSTS

Save as provided in the Share Exchange Agreement, all costs incurred by any party in connection with this Agreement shall be borne by that party.

25. AGREEMENT TO TAKE PRIORITY

In the event of any conflict between the provisions of this Agreement and, as the case may be, the provisions of the Company's Constitution or the memorandum and articles of association of any Subsidiary, the provisions of this Agreement shall take priority and apply to the exclusion of the relevant provisions of the Company's Constitution or the memorandum and articles of association of any Subsidiary, as the case may be. The parties shall exercise all voting and other rights and powers available to them so as to give effect to the provisions of this Agreement and shall also (if necessary) procure any required amendment to the Company's Constitution or the memorandum and articles of association of any Subsidiary as may be necessary. The parties agree that the rights of CCIC and TdF under this Agreement, the Governance Agreement and the Stockholders Agreement are separate, cumulative rights independent of one another.

26. ENTIRE AGREEMENT

This Agreement (together with the Transaction Documents (as defined in the Share Exchange Agreement), the Financing Documents, the Services Agreement and the Operating Agreement) set out the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes any prior communication or correspondence with respect to the subject matter hereof. It is agreed that:

(a) no party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other party which is not expressly set out or referred to in this Agreement;

(b) no party shall have any remedy in respect of misrepresentation or untrue statement made by any other party unless and to the extent that a claim lies for breach of warranty under this Agreement;

(c) this clause shall not exclude any liability for fraudulent misrepresentation.

27. GOVERNING LAW AND JURISDICTION

27.1 This Agreement shall be governed by and construed and interpreted in accordance with the laws of England.

27.2 Each of the Shareholders (for itself and on behalf of its respective holding and subsidiary companies and the directors, employees and agents of each of them) agrees that the English Courts shall have exclusive jurisdiction to hear and decide any and all claims, disputes, complaints, actions or proceedings ("Claims or Proceedings"), whether in contract or tort, which may arise at any time out of or in connection with any of the matters referred to in this Agreement, including, but not limited to, any Claim or Proceeding asserting dishonesty, improper or illegal conduct or breach of trust or duty or based on the effects of any of those matters in any jurisdiction and any Claim or Proceedings which may be material to any of the Shareholders but of which any of the Shareholders is unaware or does not suspect exists and for this purpose each of the Shareholders irrevocably submits to the exclusive jurisdiction of the English Courts.

27.3 CCIC hereby irrevocably authorises and appoints Norose Notices Limited (AMC/99/Z865000) (for the attention of the Director of Administration) at the address of its registered office for the time being or such other person resident in England as it may by notice to all other parties substitute) to accept service of all legal process arising out of or connected with this Agreement and service on Norose Notices Limited (or such substitute) shall be deemed to be service on the party concerned.

27.4 TdF hereby irrevocably authorises and appoints Fleetside Legal Representative Services Limited (for the attention of Denis Stewart) at the address of its registered office for the time being (or such other person resident in England as it may by notice to all other parties substitute) to accept service of all legal process arising out of or connected with this Agreement and service on Fleetside Legal Representative Services Limited (or such substitute) shall be deemed to be service on the party concerned.

28. NOTICES

All notices and other communications required or permitted under this Agreement shall be in writing and shall be delivered personally, sent by air courier (in the case of notices given by a party in one jurisdiction to a party in another), first class pre-paid post (in the case of a notices given by a party in one jurisdiction to a party in the same jurisdiction), telexed or sent by facsimile transmission (and promptly confirmed by air courier service in the case of notices sent from one jurisdiction to another and by first class pre-paid post in the case of notices sent by a party in one jurisdiction to another party in the same jurisdiction). Any such notice shall be deemed given when so delivered personally, telexed or sent by facsimile transmission or air courier or first class pre-paid post to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

CCIC: if to CCIC, to:

Crown Castle International Corp.
510 Bering Drive
Suite 500
Houston
Texas TX 77057

Attention: President
Fax 001 713 570 3150

With a copy to:

Norton Rose
Kempson House
Camomile Street
London EC3A 7AN

Attention: Alan Crookes
Fax: 0171 283 6500

TdF: if to TdF, to:

TeleDiffusion de France International, S.A.
10 rue d'Oradour-sur-Glane
Paris Cedex 15
75732 France

Attention: Michel Azibert
Fax: 00 331 5595 2066

With a copy to:

Allen & Overy
One New Change
London EC4M 9QQ

Attention: Michael Scargill
Fax: 0171 330 9999

the Company: if to the Company, to:

the Company at its registered office
Attention: Managing Director

29. RESTRICTIONS IN THE AGREEMENT

Notwithstanding any other provision of this Agreement (or any other agreement which, together with this Agreement, may form part of an agreement for the purposes of the Restrictive Trade Practices Act 1976 (together the "RTPA Agreement")) the parties hereto

agree that they will not give effect, and will procure that none of their subsidiaries shall give effect, to any restriction or restrictions contained in the RTPA Agreement which cause the RTPA Agreement to be registrable under the Restrictive Trade Practices Act 1976 until one day after particulars of the RTPA Agreement shall have been furnished to the Director General of Fair Trading.

30. COUNTERPARTS

This Agreement may, be executed in any number of counterparts with the same effect as if the signatures to each such counterpart were upon the same instrument.

IN WITNESS of which this Agreement has been executed.

SCHEDULE 1

DEED OF ADHERENCE

THIS DEED OF ADHERENCE is made on 199

BETWEEN:

[insert name of New Shareholder] of [insert name of company] (the "New Shareholder") in favour of the persons whose names are set out in the schedule to this deed and is supplemental to the Shareholders' Agreement dated , 199 between and others (the "Agreement").

THE PARTIES AGREE AS FOLLOWS:

1. The New Shareholder confirms that it has read a copy of the Agreement and covenants with each person named in the schedule to this deed to perform and be bound by all the terms of the Agreement as if the New Shareholder were named in the Agreement as [CCIC/TdF] and there shall be substituted for all references in the Agreement to [CCIC/TdF] references to the New Shareholder.

2. This deed is governed by English law.

3. [Include jurisdiction clause and agent for service clause in appropriate circumstances.]

IN WITNESS whereof this deed has been executed by the New Shareholder and is intended to be and is hereby delivered on the date first above written.

SCHEDULE 2

CONDITIONS PRECEDENT
TO PUT AND CALL RIGHTS

1. The delivery of all notices required by law or regulation in relation to the transaction and the expiry of all waiting or notice periods in relation to such notices;

2. The receipt of all governmental and other regulatory consents or notifications required in relation to the transaction, including, without limitation, where the grant or the exercise of any of the rights under clause 9 requires a notification to be made to the European Commission under the Merger Regulation (4064/89, as amended):

   (a) the European Commission issuing a Phase I decision under Article 6(1)(a) or Article 6(1)(b) of the Merger Regulation and not making a decision under Article 9(1) thereof; or

   (b) in respect of the United Kingdom, as follows:

      (i) the Office of Fair Trading indicating in terms satisfactory to the parties, that it is not the intention of the Secretary of State to refer the acquisition of the shares to the UK Monopolies and Mergers Commission ("MMC") pursuant to the Fair Trading Act 1973; or

      (ii) the Secretary of State accepting undertakings from the buyer of the shares in lieu of a reference of the said acquisition to the MMC as aforesaid;

3. The prior written consent of the BBC to the extent required in relation to the transaction under or otherwise necessary to prevent triggering a right of the BBC to terminate any of the Analogue Transmission Contract, the Digital Transmission Contract, the Commitment Agreement pursuant to the terms thereof and any other agreement containing substantially similar restrictions and any agreement amending or replacing the same; and

4. The receipt of any consent required under the Finance Documents in relation to the transaction or any agreement (whether or not with the same banks) amending, replacing or refinancing (in whole or in part) the same or any other agreement providing finance to the CTSH Group.

SIGNED for and on behalf of)
CROWN CASTLE INTERNATIONAL)
CORP.) /s/ Kathy Broussard
By)
in the presence of:)

SIGNED for and on behalf of)
TELEDIFFUSION DE FRANCE)
INTERNATIONAL S.A.) /s/ M. Azibert
By)
in the presence of:)

SIGNED for and on behalf of)
CASTLE TRANSMISSION SERVICES)
(HOLDINGS) LIMITED) /s/ George Reese
By)
in the presence of:)

EXHIBIT 10.40

DATED August, 1998

CASTLE TRANSMISSION INTERNATIONAL LIMITED

and

TELEDIFFUSION DE FRANCE S.A.

AMENDED AND RESTATED
SERVICES AGREEMENT

ALLEN & OVERY
London
C2:209768.4

THIS AMENDED AND RESTATED SERVICES AGREEMENT is dated August, 1998 and is made BETWEEN:

(1) CASTLE TRANSMISSION INTERNATIONAL LIMITED (No. 3196207) whose registered office is at Warwick Technology Park, Gallows Hill, Heathcote Lane, Warwick CV34 6TN (the "Company"); and

(2) TELEDIFFUSION DE FRANCE S.A. of 10 rue d'Oradour sur Glane, 75015 Paris, France (the "Contractor").

WHEREAS:

(A) The parties hereto entered into a services agreement dated 28th February, 1997 (the "Original Services Agreement"). The parties have agreed to amend and restate such agreement on the terms set out in this Agreement.

(B) This Agreement sets out the terms on which the Contractor has agreed to provide certain services to the Company.

(C) Without limiting the rights of the Company under this Agreement, it is the current intention of the parties hereto that this Agreement shall continue for a period of seven years, which period shall be deemed to have begun on the Commencement Date (as defined below).

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS

In this Agreement, unless the context otherwise requires:

"Applicable Rates" means normal commercial arm's length rates as agreed between the Contractor and the Company from time to time for the provision of any of the services under this Agreement;

"CCIC" means Crown Castle International Corp.;

"CCIC Group" means CCIC and its subsidiaries (other than members of the CTI Group);

"Commencement Date" means 28th February, 1997;

"Committed Services" means services falling within the scope of the categories of services listed in paragraph 1(b) of Part A of the Schedule;

"Company Default" means any material or persistent breach or persistent non-performance by the Company of its obligations under this Agreement which, if capable of remedy, is not remedied within 45 days after receiving written notice from the Contractor requiring the Company so to do;

"Contract Year" means the period of 12 months commencing on the Commencement Date and each successive period of 12 months thereafter;

"Contractor Default" means any material or persistent breach or persistent non-performance by the Contractor of the terms on which the Contractor is to provide the services pursuant to the provisions of this Agreement which, if capable of remedy, is not remedied within 45 days after receiving written notice from the Company requiring the Contractor so to do;

"Contractor's Materials" means any property of the Contractor (other than the New Material) including without limitation any know how, materials, products and methodologies proprietary to the Contractor;

"CTI Group" means Castle Transmission Services Holdings Limited and its subsidiaries (including the Company);

"group" means, in relation to a company, its subsidiaries, holding companies and any subsidiaries of any such holding companies ("holding companies" and "subsidiary" having ascribed thereto the meanings respectively attributed to them by section 736 Companies Act 1985 (as amended));

"Initial Period" means the period commencing on the Commencement Date and ending on the sixth anniversary of the Commencement Date;

"International Business Opportunities" means business within a Permitted Business Line undertaken and developed by members of the CCIC Group anywhere in the world except the United Kingdom;

"Material Default" means, in relation to a party to this Agreement, that:

(a) it becomes unlawful for that party to perform its obligations pursuant to and in accordance with the provisions of this Agreement;

(b) that party takes any action or legal proceedings are commenced for a general reconstruction or rescheduling of its debts (or its equivalent in the jurisdiction of incorporation of that party) or for its winding up or dissolution;

(c) a liquidator, receiver or an administrative receiver or similar is appointed over the assets of or a petition is granted for an administration order (or its equivalent in the jurisdiction and incorporation of that party) in respect of that party;

"New Material" means any works and materials to the extent created, developed, written or prepared by the Contractor solely in relation to the Services;

"Permitted Business Line" means (i) the ownership, operation or management (for third party owners or otherwise) of terrestrial wireless communication (including, without limitation, voice, data and video) infrastructure (including equipment and facilities principally related thereto) and (ii) the provision of infrastructure services principally related thereto, including but not limited to network transmission and services (it being understood for the avoidance of doubt that the transmission of radio and television broadcasting shall be within the foregoing definition);

"Yearly Fee" means the sum determined in accordance with Clause 3(1) to this Agreement (subject to adjustment for the sixth and subsequent Contract Years by agreement between the

parties) to be paid by the Company to the Contractor in respect of Committed Services provided in the relevant Contract Year.

2. APPOINTMENT

(1) The Contractor agrees to provide the Committed Services to the Company as may reasonably be required by the Company from time to time.

(2) Without limiting the generality of subclause 2(1), the Contractor agrees to provide such additional services of the type described in paragraph 2 of Part A of the Schedule to this Agreement as the Company may reasonably request. Such additional services shall be provided on substantially the same commercial terms as the Committed Services other than as to the Yearly Fee. The fees for such additional services shall be determined in accordance with normal commercial arm's length terms and shall be in addition to the Yearly Fee.

(3) Without limiting the generality of subclause 2(1), the parties acknowledge that the Company may request the Contractor to provide services relating to training and research and development as described in Part B of the Schedule to this Agreement on a contract basis on commercial arm's length terms and conditions(including as to fees) to be separately agreed and the parties shall negotiate in good faith with a view to agreeing such terms and conditions as soon as practicable after the date of such request by the Company. The fees for such services shall be in addition to the Yearly Fee.

(4) The parties acknowledge that the Company may request the Contractor to provide some or all of the Committed Services, additional services of the type described in paragraph 2 of Part A of the Schedule (as referred to in subclause 2(2)) and services relating to training and research and development as described in Part B of the Schedule (as referred to in subclause 2(3)), on its behalf to members of the CCIC Group in relation to International Business Opportunities. The terms and conditions of any such services, provided in relation to International Business Opportunities, shall be negotiated in accordance with the provisions of subclauses 2(2) and 2(3), as applicable, as soon as practicable after the date they are requested by the Company. The fees for any Committed Services provided in relation to International Business Opportunities to the Company, under this subclause 2(4) ,shall be included in, and shall form part of the calculation of, the Yearly Fee. The fees for any other services provided to the Company in relation to International Business Opportunities shall be in addition to the Yearly Fee.

3. FEES AND EXPENSES

(1) In consideration of the agreement of the Contractor to provide the Committed Services the Company shall (subject to subclause 6(1)) pay to the Contractor the Yearly Fee (together with value added tax thereon, if applicable). The Yearly Fee in respect of Committed Services provided in the relevant Contract Year shall be whichever is the greater of (i) (Pounds)400,000 and (ii) a sum in pounds sterling equal to the product of the number of man hours worked by the Contractor's personnel referred to in paragraph 1(a) of Part A of the Schedule to this Agreement multiplied by the Applicable Rates.

(2) The Company agrees to reimburse the Contractor for all reasonable out-of-pocket expenses (together with any value added tax thereon) incurred by it or its employees in connection with the provision of the Committed Services (including any Committed Services provided

under subclause 2(4)) and any additional services to be provided pursuant to subclauses 2(2), 2(3) and 2(4). Such out-of-pocket expenses shall be payable by the Company within 30 days after receipt by the Company of the Contractor's invoice in respect of the same.

(3) The Yearly Fee shall be payable in such manner and at such times as the parties may agree and, in the absence of agreement, shall be paid in 12 equal instalments monthly in arrears.

(4) Any instalment of the Yearly Fee and any amount in respect of the Contractor's reasonable out-of-pocket expenses which is not paid on its due date shall bear interest at 2 per cent. per annum above the base rate of Barclays Bank PLC from time to time from the due date for payment until payment is actually made.

(5) If this Agreement shall, in accordance with its terms, terminate other than on the last day of a Contract Year, the Yearly Fee payable in respect of that year shall be apportioned on a time apportionment basis.

(6) For the avoidance of doubt, the Contractor shall not be obliged to supply and the Company shall not be obliged to accept Committed Services over and above the level contemplated in paragraph 1(a) of Part A of the Schedule to this Agreement. Any additional services shall be provided by agreement between the Contractor and the Company on a contract by contract basis in accordance with normal commercial arm's length terms .

4. OTHER OBLIGATIONS

(1) The Contractor shall provide the Committed Services and any additional services using reasonable skill and care and reasonably promptly and to a standard which might reasonably be expected of a person providing services of the type which the Contractor is obliged to provide pursuant to the provisions of this Agreement.

(2) The Company and the Contractor shall liaise together with a view to agreeing a rolling schedule of future Committed Services which are likely to be required by the Company either pursuant to subclauses 2(1) or 2(4).

(3) The Contractor shall in no circumstances be liable for indirect or consequential loss (including loss of profits) deriving from the provision or failure to provide any Committed Services or any additional services to the Company.

(4) The Company acknowledges that the Contractor's Materials shall remain the property of the Contractor and that, save as provided in Clause 4(5), the Company shall not acquire any rights or interest in the Contractor's Materials under this Agreement.

(5) The parties agree that any intellectual property which is created solely by reason of the provision of the Committed Services shall either belong to the Company or shall be licensed on a non-exclusive basis to the Company on a royalty-free basis.

5. ANNUAL REVIEW

Not later than three months before the end of the fifth and each subsequent Contract Year, the parties shall discuss in good faith the extent and quality of the Committed Services provided during that Contract Year, the extent to which the Yearly Fee for that Contract Year

represents a fair and equitable fee for the provision of those Committed Services and the extent to which the Yearly Fee would represent a fair and equitable fee for the provision of those Committed Services which are then forecast to be required by the Company during the Contract Year next following, all with a view to agreeing a mutually acceptable Yearly Fee for the Contract Year next following (but on the basis that the Yearly Fee shall not be reduced unless any such reduction is justifiable on objective grounds).

6. TERM AND TERMINATION

(1) Subject to the rights of the Company and the Contractor under the remaining provisions of this Clause 6, this Agreement shall continue for the Initial Period and thereafter may be terminated by the Company or the Contractor at any time by giving twelve months notice in writing to the other party to expire at the end of the seventh Contract Year or any anniversary thereof save that the Company agrees that (subject to and without limiting its rights under the remaining provisions of this Clause 6), it shall not give notice to terminate this Agreement under this subclause 6(1) unless the directors for the time being of the Company shall in good faith determine that the Committed Services provided by the Contractor are not required or are not value-enhancing or that they cease to be commercially acceptable or cost effective for the Company.

(2) The Company shall be entitled at any time after the date of this Agreement and by giving notice in writing to the Contractor to terminate this Agreement with six months notice for Contractor Default.

(3) Either party shall be entitled by giving notice to the other to terminate this Agreement with immediate effect if that other party is in Material Default.

(4) The Contractor shall be entitled at any time after the date of this Agreement and by giving notice in writing to the Company to terminate this Agreement with six months' notice for Company Default.

(5) Any termination by either party of or the exercise by either party of its rights to terminate the provisions of this Agreement in accordance with this Clause 6 shall be without payment of compensation or damages whatsoever to the defaulting party (but without prejudice to any sums due and payable under the terms of this Agreement for Committed Services or additional services already provided by the Contractor in accordance with the terms of this Agreement).

(6) It is hereby acknowledged by the parties hereto that the Contractor shall be given notification of any further services required by the Company from time to time where the services required are of a type which, in the opinion of the Company acting in good faith, the Contractor has the know-how to so provide so as to give the Contractor the opportunity to tender. The Company shall, in good faith, consider any application to tender for services made by the Contractor in these circumstances and, in the event that such tender is unsuccessful, shall provide the Contractor with a full explanation of the reasons therefor.

(7) No director nominated by the Contractor or any company in its Group nor shall the Contractor or any company in its Group be entitled to participate in any decision of the Directors of the Company which is expressed in this Agreement as being a decision to be made by the Company (provided however that the Contractor shall be entitled to participate

in any discussions leading up to such decisions). For the avoidance of doubt, notwithstanding the provisions of this Clause 6(7), the Director nominated by the Contractor or any member of its Group shall be entitled to participate in any decision of the Directors of the Company regarding the nature and level of services to be provided to the Company generally and not specifically in relation to this Agreement to the extent to which it otherwise has such rights.

7. ASSIGNMENT AND SUB-CONTRACTING

(1) Neither party may assign any of its rights under this Agreement without the consent of the other, such consent not to be unreasonably withheld.

(2) The Contractor may not sub-contract or delegate the performance of its obligations under this Agreement (save to a company which is a subsidiary or holding company of the Contractor, or which is a subsidiary of' any such holding company).

8. NOTICE

All notices and other communications required or permitted under this Agreement shall be in writing and shall be delivered personally, sent by air courier (in the case of' notices given by a party in one jurisdiction to a party in another), first class pre-paid post (in the case of a notice given by a party in one jurisdiction to a party in the same jurisdiction), telexed or sent by facsimile transmission (and promptly confirmed by air courier service in the case of notices sent from one jurisdiction to another and by first class pre-paid post in the case of notices sent by a party in one jurisdiction to another party in the same jurisdiction). Any such notice shall be deemed given when so delivered personally, telexed or sent by facsimile transmission or air courier or first class pre-paid post to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

the Company: if to the Company, to:

the Company at its registered office for the time being
Attention: the Managing Director

the Contractor: if to the Contractor, to:

TeleDiffusion de France S.A.
10 rue d'Oradour sur Glane
75015

Paris
France
Attn: Michael Azibert
Fax: 331 5595 2066

9. CONFIDENTIALITY

(1) All information given by the Company to the Contractor or otherwise obtained by the Contractor relating to the business or operations of the Company or of any person, firm, company or organisation associated with the Company including, without limitation, the names and other particulars of the Company's customers or clients (except for information

which is in or enters the public domain other than by breach of this Clause 9(1)) will be treated by the Contractor, its employees, agents and sub-contractors as confidential and not used other than for the benefit of the Company nor disclosed to third parties without the prior written consent of the Company.

(2) All information given by the Contractor to the Company or otherwise obtained by the Company relating to the business or operations of the Contractor or of any person, firm, company or organisation associated with the Contractor (other than information which is supplied in the provision of the Committed Services and any additional services) including, without limitation, the names and other particulars of the Contractor's customers or clients (except for information which is in or enters the public domain other than by breach of this Clause 9(2)) will be treated by the Company, its employees, agents and sub-contractors as confidential and not used other than for the benefit of the Contractor nor disclosed to third parties without the prior written consent of the Contractor.

(3) The foregoing obligations as to confidentiality shall remain in full force and effect notwithstanding any termination of this Agreement.

10. FORCE MAJEURE

Neither party will be liable to the other for any loss or damage suffered as a direct or indirect result of any failure to provide any of the Committed Services or any additional services or to perform or observe any other obligation in this Agreement as a result of the occurrence of any of the following: act of God, governmental act, war, fire, flood, explosion and commotion or industrial dispute of a third party which prevents or substantially hinders such performance and observance; provided that in the event of any such circumstances arising the non-performing party shall as soon as practical give notice thereof in writing to the other party with reasonable details of' the nature of the particular circumstances and the anticipated duration of suspension or other inhibition on performance and shall further notify the other party on the cessation of any such circumstances as are described in this Clause 10.

11. SECONDMENT

The provision of Committed Services or any additional services under this Agreement may include the provision of services of an employee of the Contractor made available on a full or part time basis to the Company by means of secondment in which event the individual shall remain an employee of the Contractor.

12. GENERAL

(1) Nothing in this Agreement shall be deemed to create a partnership or agency relationship between the Company and the Contractor or be deemed to authorise either party to incur any liabilities or obligations on behalf of or in the name of the other.

(2) A waiver (whether express or implied) by one of the parties of any of the provisions of this Agreement or of any breach of or default by the other parry in performing any of those provisions shall not constitute a continuing waiver and that waiver shall not prevent the waiving party from subsequently enforcing any of the provisions of this Agreement not waived or from acting on any subsequent breach of or default by the other party under any of the provisions of this Agreement.

(3) Any amendment, waiver or variation of this Agreement shall not be binding on the parties unless set out in writing, expressed to amend this Agreement and signed by or on behalf of each of the parties.

(4) The invalidity, illegality or unenforceability of any of the provisions of this Agreement shall not affect the validity, legality and enforceability of the remaining provisions of this Agreement.

(5) This Agreement supersedes in all respects the Original Services Agreement which the parties agree shall be of no further force or effect except for any liability arising before the date of this Agreement. For the avoidance of doubt all services provided by the Contractor to the Company on and from the date of this Agreement shall be provided on and subject to the terms of this Agreement.

(6) This Agreement may, be executed in any number of counterparts with the same effect as if the signatures to each such counterpart were upon the same instrument.

13 GOVERNING LAW AND JURISDICTION

(1) This Agreement shall be governed by and construed and interpreted in accordance with the laws of England.

(2) Each of the parties (for itself and on behalf of its respective holding and subsidiary companies and the directors, employees and agents of each of them) agrees that the English Courts shall have exclusive jurisdiction to hear and decide any and all claims, disputes, complaints, actions or proceedings ("Claims or Proceedings") whether in contract or tort, which may arise at any time out of or in connection with any of the matters referred to in this Agreement, including, but not limited to, any Claim or Proceedings asserting dishonesty, improper or illegal conduct or breach of trust or duty or based on the effects of any of those matters in any jurisdiction and any Claim or Proceedings which may be material to either of the parties but of which that party is unaware or does not suspect exists and for this purpose each of the parties irrevocably submits to the exclusive jurisdiction of the English Courts.

(3) The Contractor hereby irrevocably authorises and appoints Fleetside Legal Representative Services Limited (for the attention of Denis Stewart) at its registered office for the time being (or such other person resident in England as the Contractor may by notice to all other parties substitute) to accept service of all legal process arising out of or connected with this Agreement and service on Fleetside Legal Representative Services Limited (or such substitute) shall be deemed to be service on the party concerned.

IN WITNESS whereof this Agreement has been entered into the day and year first above written.

Schedule

The Services

Part A

1. Transmission Operation

(a) The Contractor will commit on the availability of 10 engineers or executives (7 "senior engineers" and 3 "experts" - the latter category refers to executives occupying one of the top thirty positions in the Contractor), such commitment to be for an average of a quarter of each senior engineer or expert's working time, or 500 man-days per year altogether.

(b) Committed Services from the Contractor to the Company will cover the following range of skills:

- TV network planning and engineering (focus on digital networks), including frequency planning, coverage prediction, network deployment.

- Radio network planning and engineering (focus on digital networks).

- Wireless communication network planning and engineering (focus on digital networks)

- Technical and marketing (including pricing) support for launching new services.

- Technical and commercial support for international projects (in relation to International Business Opportunities).

- Other potential services include equipment expert evaluation, equipment procurement (that captures economies of scale) and any technical solutions and methodology capable of improving the Company's services.

- Spectrum and coverage planning for broadcasting and communications systems (digital and analogue).

- Radio frequency environmental support.

The Contractor will (at no cost) provide a benchmark review of the Company, including comparisons with the Contractor and other European transmission companies.

2. Additional Services

Additional services (other than those set out in Part B) will be provided by the Contractor on the basis set out in Clause 2(2). If needed, the Contractor can further draw on expertise within the France Telecom Group to provide the Company with advice and/or services such as conditional access (CA), subscriber management systems (SMS) and electronic program guide (EPG).

Part B

1. Research and Development

Availability of research and development resources from the Contractor's research centres: CCETT and TDF C2R The Contractor and the Company will negotiate in good faith a Memorandum of Understanding defining the ways by which the services are delivered to the Company and the Contractor's remuneration.

Possible service areas, to be discussed with the Company, include:

- Digital terrestrial TV and radio, including digital MMDS.

- Additional services: traffic information and guidance, datacasting, monitoring and remote management systems, Synchronous FM, multimedia and interactive services.

2. Professional Training

Complementary training of the Company's employees in areas such as:

- Digital terrestrial TV and radio

- Cross-activity training: training of television technicians on maintenance of radiocoms equipment (new standards and technologies)

- Sales and marketing

- In addition, the Contractor provides a proactive training methodology based on anticipating and planning future development of the Company's businesses. This allows the Contractor to define the skills that the Company will require to remain competitive and the ways to foster development of these skills throughout the organisation. The Contractor will provide this methodology as well as its training facilities to the Company in coordination with the Company's management.

The Contractor and the Company will negotiate in good faith a Memorandum of Understanding defining the ways by which the services are delivered to the Company and the Contractor's remuneration.

3. Exchange of Middle Management/Engineers

In order to foster a cross-fertilisation approach between the Company and the Contractor, the Contractor will use its best efforts to encourage the exchange of middle management and engineers between both organisations.

SIGNATORIES

SIGNED by)
George Reese)
for and on behalf) /s/ Geroge Reese
of the Company) .....
Duly authorised

SIGNED by)
M. Azibert)
for and on behalf) /s/ M. Azibert
of the Contractor) .....
Duly authorised

EXHIBIT 10.43

Dated 1998

Castle Transmission Services (Holdings) Ltd.

- and -

Castle Transmission (Trustees) Limited

Employee Benefit Trust

KPMG
1 Puddle Dock
London EC4V 3PD
CAS4.DOC

THIS TRUST DEED is made the day of 1998

BETWEEN:-

(1) Castle Transmission Services (Holdings) Limited whose registered office is situate at Warwick Technology Park Gallows Hill Heathcote Lane Warwick CV34 6TN company number 3242381 ("the Company")

(2) Castle Transmission (Trustees) Limited whose registered office is situated at Warwick Technology Park Gallows Hill Heathcote Lane Warwick CV34 6TN company number 3507483 ("the Original Trustee")

WHEREAS:-

(A) The Company wishes to establish an employee share ownership trust to encourage and facilitate the holding of Shares by or for the benefit of Employees

(B) The Group Companies intend to make cash contributions and/or loans and/or act as guarantor for loans made to the Trustees for the above purpose to be held in accordance with the terms of the Trust

(C) It is intended that the Trustees will inter alia make awards pursuant to any Scheme and/or transfer Shares pursuant to any such Scheme

(D) It is intended the Trust will be irrevocable and will be an "employees' share scheme" as defined in section 743 of the Companies Act 1985 and that section 75(6)(d) of the Financial Services Act 1986 and Section 86 of the Act will apply to the Trust

(E) The Original Trustee is a Group Company

NOW THIS DEED WITNESSES AND IT IS HEREBY AGREED as follows:

1(a) In this Deed unless the context otherwise requires the following expressions have the following meanings respectively:

"the Act"	means the Inheritance Tax Act 1984;
"Beneficiaries"	means Employees and former Employees and their Dependants;
"The Bonus Share Plan"	means the Castle Transmission Services (Holdings) Ltd Bonus Share Plan;
"Close Company"	means a company within the meaning of the Income and Corporation Taxes Act 1988 which is (or would be if resident in the United Kingdom) a close company for the purposes of that Act;
"Dependants"	means wives, husbands, widows, widowers and children or step-children under the age of 18;
"Directors"	means the board of directors of the Company;
"Employees"	means employees and executive directors of any Group Company;
"Group Company"	means the Company and any company which is its subsidiary, its holding company or a subsidiary of its holding company. The definitions in section 736 of the Companies Act 1985 (as amended) apply for this purpose;
"Scheme"	means any employees' share scheme (as defined by section 743 of the Companies Act 1985)

which any Group Company may from time to time establish and includes, where the context permits or requires the Bonus Share Plan;

"Shares" means shares or debentures in any Group Company;

"Trust" means the trust constituted by this document;

"Trustees" means the Original Trustees or other the trustee or trustees for the time being of the Trust;

"Vesting Day" means the earlier of:

(i) the expiry of the period of 80 years less one day from the date hereof (the period of 80 years being the perpetuity period applicable for the purposes of the Perpetuities and Accumulations Act 1964 to the dispositions made by or pursuant to this deed); and

(ii) such date as the Company appoints in writing (which date shall not be earlier than the date of such appointment);

(b) In this Trust, except insofar as the context otherwise requires:

(i) words denoting the singular shall include the plural and vice versa;

(ii) words importing a gender shall include every gender and references to a person shall include bodies corporate and unincorporated and vice versa;

(iii) reference to any enactment shall be constructed as a reference to that enactment as from time to time amended, modified, extended or re-enacted and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant enactment.

2 The Trust is made for the above purpose for the benefit of the Beneficiaries and shall be known as "The Castle Transmission Services (Holdings) Employee Benefit Trust".

3(a) The Trustees shall hold the sum of (Pounds)100 transferred by the Company to the Trustees on the date hereof (the receipt whereof the Trustees hereby acknowledge) and all such further sums or property transferred to them to be held upon the trusts of this deed and all accretions thereto whether by way of accumulation of income or otherwise and all money and property from time to time representing any of the foregoing ("the Trust Fund") upon trust to invest so much thereof as consists of money in any investment or asset authorised by this deed or by law and as to any part thereof not consisting of money upon trust to sell the same with power in the Trustees' absolute discretion to postpone sale and upon trust to reinvest the proceeds of sale in any such authorised investment or asset with like power to sell vary transpose or exchange the same until the Vesting Day.

(b) The Trustees shall divide the Trust Fund into sub-funds so that all assets or sums contributed by any one Group Company and all income (if any) or other assets derived therefrom shall be allocated to a single sub-fund comprising only assets representing the contributions made by that same Group Company and the Beneficiaries of which for so long as such company is in existence shall be confined to the employees and former employees of such Group Company and their Dependants unless the Trustees

and the relevant Group Company otherwise agree.

4(a) Subject to clause 3(b) the Trustees shall stand possessed of the Trust Fund and the income thereof upon trust to pay or apply the same to or for the benefit or advancement of the Beneficiaries or any one or more of them exclusive of the other or others of them at such times and in such shares and in such manner as the Trustees shall in their absolute discretion think fit PROVIDED THAT the Trustees may in their absolute discretion from time to time accumulate the whole or any part of any income and shall hold such accumulations as an accretion to the capital of the Trust Fund save that if an individual makes a gift to the Trust the Trustees must not accumulate any income arising from the subject matter of the gift or the property from time to time representing it following the expiry of 21 years from the date of such gift or following the Vesting Day if earlier.

(b) Subject as aforesaid and to clause 3(b) on the Vesting Day the Trustees shall hold the capital and income of the Trust Fund upon trust for such of the Beneficiaries as are living on the Vesting Day and in such shares (if more than one) as the Trustees shall in their absolute discretion by irrevocable deed appoint and subject to and in default of such appointment in equal shares absolutely and subject the foregoing IN TRUST absolutely for such charities as the Trustees shall in their absolute discretion think fit

PROVIDED THAT no power conferred by this clause 4 or by clause 5 shall authorise any payment transfer sale or advance to a Beneficiary or the trustees of another trust if any of the Employees excluded from benefit pursuant to clause 7 would or might benefit from the same in any circumstances save where the proviso to clause 7(c) applies.

5 The Trustees shall without prejudice to all powers conferred upon them by law have the powers set out in Schedule 1 hereto (provided that no such power shall be exercised in a manner inconsistent with the terms of this Trust) and without prejudice to the generality of such powers the Trustees shall subject to clause 3(b) also have the following additional powers:

a) to invest the Trust Fund in Shares either by way of subscription or purchase and deal with the Shares in any way permitted by the Trust and in making such investments they shall not be obliged to have regard to:

(i) whether the acquisition represents a prudent financial investment; or

(ii) whether the Shares produce or are likely to produce income; or

(iii) whether the Shares are being acquired at the most advantageous price or on the most advantageous terms.

b) to grant options over Shares or other assets comprised in the Trust Fund to any Beneficiary either for nothing or for an amount agreed by the Beneficiary (which need not be market value) or otherwise on such terms as the Trustees shall in their absolute discretion think fit.

c) to transfer Shares to any Beneficiary either for nothing or for an amount agreed by the Beneficiary (which need not be market value) and on such terms as the Trustees shall in their absolute discretion determine including (without limitation) the transfer of Shares to Beneficiaries in satisfaction of options granted by the Company pursuant to any Scheme.

d) to make grants or loans to any Beneficiary on any terms with a view to that Beneficiary acquiring Shares or for any or no specific purpose.

e) to enter into put and/or call option arrangements with any person in respect of Shares on such terms as the Trustees shall in their absolute discretion think fit.

f) (i) to bind themselves to provide particular benefits in the future so far as the assets in the Trust Fund permit;

(ii) to agree or adopt rules setting out the way in which they will exercise their powers;

(iii) to establish or co-operate in the establishment of Schemes for providing benefits to Beneficiaries.

g) to transfer all or any part of the Trust Fund to the trustees of an other settlement to be held by them on the trusts applicable to capital monies comprised in such settlement if such transfer would not infringe the rule against perpetuities and if the provisions of such other settlement shall in the opinion of the Trustees be such that such transfer would be beneficial to the persons whom it is thereby sought to benefit.

h) to transfer Shares at such prices as the Trustees shall in their absolute discretion determine.

i) to enter into an agreement with any Group Company (so as to bind the Trust Fund) that, if that Group Company shall at any time by notice direct the Trustees to transfer to any Beneficiary any number of Shares in respect of which such Beneficiary shall have validly exercised an option granted under a Scheme, the Trustees shall (to the extent that such Shares are available in the Trust Fund) transfer to such Beneficiary such Shares in consideration of the payment to the Trustees of the exercise price.

6 The Trustees may apply any monies or other funds received by them or in their hands in any of the following ways:

(a) in the acquisition of Shares or in the payment of any outstanding costs charges and expenses of and incidental to the preparation operation or determination of this Trust or any Scheme in accordance with clause 15;

(b) in or towards repayment of the principal of or payment of the interest (if any) on any loan from any Group Company or any other person;

(c) in payment to or for the benefit of any Beneficiary

PROVIDED THAT if there shall from time to time be monies or other funds available after the application of monies and other funds in the ways set out in (a) to (c) above such monies or other funds may be advanced by way of loan evidenced by a debenture (within the meaning of paragraph 20(4) of Schedule 1 to the Financial Services Act 1986) to any Group Company on such terms as the Trustees shall in their absolute discretion think fit and subject thereto such money or other funds shall be held by the Trustees on a non-interest-bearing bank current account and the Trustees shall not be liable to any person for any loss to the Trust as a result direct or indirect of this proviso the exercise of any discretion thereunder or the holding of money or other funds or a non interest bearing bank current account.

7(a) When a Group Company is a Close Company no person may benefit under the Trust if this would result in a charge to inheritance tax under section 72 of the Act unless the Company, the relevant Group Company (if different) and the person concerned first agree in writing.

(b) If the Trustees accept from a Group Company which is a Close Company a loan or contribution or other disposition which is or would apart from clause 7(b)(i) hereof be a transfer of value for inheritance tax purposes:

(i) the Trustees shall hold it on the terms of the Trust only if before they accept it all the persons who are or who may be liable under section 202 of the Act for any inheritance tax chargeable on the transfer of value agree in writing; otherwise

(ii) the Trustees shall hold it on the terms of the Trust except that no person may benefit under the Trust if the benefit would prevent section 13(1) of the Act from applying to the loan or contribution or other disposition.

(c) Notwithstanding any other provision of this Trust no part of the Trust Fund or the income thereof shall be applied at any time for the benefit of a person falling within section 13(2) (and not section 13(3)) of the Act whilst any Group Company is a Close Company PROVIDED THAT this clause 7(c) shall not affect the power of the Trustees to make a payment which is the income of such a person for any of the purposes of United Kingdom income tax or would be so if he were resident in the United Kingdom.

(d) The Trustees shall be entitled to rely without further enquiry on all information supplied to them by any Group Company.

8(a) The Trustees hereby waive any rights to receive dividends (or any part thereof) in respect of Shares and shall not be liable for any loss to the Trust Fund (for so long as such Shares remain in the beneficial ownership of the Trustees) as a result of such waiver [save that this waiver shall not extend to the full amount of any such dividends declared so that the Trustees shall remain entitled to receive up to 0.01 pence per Share]. The Group Companies to which this deed applies agree to accept this waiver and to act in compliance with it PROVIDED THAT the Company may instruct the Trustees in writing to accept a particular dividend or dividends paid on the Shares comprised in the Trust Fund in whole or in part in which case the waiver in relation to the specified dividend or dividends shall not apply.

(b) The Trustees may vote or abstain from voting Shares or accept or reject any offer relating to Shares in any way they see fit without incurring any liability and without being required to give reasons for their decision. They may take the following matters into account:

(i) the longer term interests of the Beneficiaries;

(ii) interests of the Beneficiaries other than financial interests;

(iii) interests of the Beneficiaries in their capacity as Employees or former Employees or their Dependants;

(iv) interest of persons (whether or not identified) who may become Beneficiaries in the future.

9 Notwithstanding any other provision of this Trust:

(i) no assets or income of the Trust Fund shall be applied at any time for the benefit of any Group Company other than to repay any loan and interest thereon made to the Trustees by a Group Company; and

10 If a person other than a Group Company makes a gift to the Trust or transfers assets to the Trust otherwise than on bona fide commercial terms with gratuitous intent then the

Trustees may not provide any benefit under the Trust to that person nor during that person's lifetime to his or her spouse.

11 The Trust shall vest on the Vesting Day in accordance with clause 4 and the Trustees shall not accept any more assets on or after the Vesting Day.

12(a) The Company may at any time and from time to time with the consent of the Trustees by irrevocable deed amend modify or add to all or any of the provisions of the Trust and in particular but without prejudice to the generality of the foregoing the Company may modify the Trust so as to exclude any person from the class of Beneficiaries who would otherwise qualify (but not so as to leave no member of the class or so as to prejudice any prior benefit received from the Trust by such a person), to reinstate any person so excluded and to add new beneficiaries provided that:

(i) the proviso to clause 4(b), clauses 7 and 13 and this clause 12 may not be altered;

(ii) no alteration may be made which would prevent the Trust being an employees' share scheme as defined in the Companies Act 1985 or would prevent section 86 of the Act or section 75(6)(d) of the Financial Services Act 1986 applying to the Trust;

(iii) the perpetuity period applicable to the Trust may not be altered if this would make the Trust void under the rule against perpetuities;

(iv) clauses 9 and 10 may not be altered so as to allow the Trustees to provide any benefit to any Group Company or any other person who or which has contributed money or property to the Trust or is otherwise a settlor of the Trust for UK tax purposes;

(v) the power conferred by this clause 12 may not be exercised and shall not be exercised in such a manner if to do so would result in the Trust being void.

(b) A Group Company not being the Company shall become bound by the provisions of this Deed if it makes a contribution to the Trust Fund pursuant to clause 3(b) above and shall cease to be bound by this Deed with effect from the date it ceases to be a Group Company.

13 No power herein shall be exercised by the Trustees in such a way as to cause the trusts hereof not to comply with the provisions of section 86 of the Act, section 743 of the Companies Act 1985 and section 75(6)(d) of the Financial Services Act 1986 and insofar as any power is purportedly exercised in such a way that purported exercise shall be invalid and ineffective.

14(a) This clause 14 applies where a Beneficiary is liable to tax, duties or other amounts on the payment or transfer of any property to the Beneficiary and either his employer or former employer being a Group Company or the Trustees would be liable to make a payment to the appropriate authorities on account of that liability.

(b) The Trustees shall not make any payment or transfer any property to any Beneficiary unless:

(i) the Beneficiary has made a payment to his employer or former employer or the Trustees equal to the amount which the employer or former employer or Trustees are required to pay to the appropriate authorities; or

(ii) alternative arrangements are specified in the Scheme rules or agreed between the

Trustees and the Beneficiary whereby the liability for tax, duties or other amounts will be satisfied.

(c) The Trustee shall, to the extent that they have withhheld or received amounts from the Beneficiaries in accordance with sub-clause (b) above, account for such amounts to the employer or former employer being a Group company or, at such company's request, to the appropriate authorities.

15 All costs charges and expenses of and incidental to the preparation operation and determination of the trusts hereof (including any stamp duty payable by and remuneration of the Trustees) shall be payable by the Group Companies bound by the provisions of this Deed if and to the extent that there is insufficient money comprised in the Trust Fund when the same are due and payable in such proportion as they shall inter se agree having regard to the circumstances.

16(a) The Company may at any time by irrevocable deed or deeds and without any other formality:-

(i) remove any person from the office of Trustee;

(ii) accept the resignation of any person as a Trustee; or

(iii) appoint a new or additional Trustee.

(b) Subject to sub-clause (c) below, the minimum number of Trustees shall be two unless a company is a Trustee hereof in which event the company may be may act as sole Trustee hereof.

(c) On the retirement of a Trustee he shall be entitled to be discharged by deed from the trusts hereof notwithstanding that following his retirement there will be a sole continuing Trustee which is not a company but the Company shall in such latter event forthwith appoint an additional Trustee.

(d) A person may be appointed to be a trustee hereof notwithstanding that such person is not resident in the United Kingdom and remaining out of the United Kingdom for more than 12 months shall not be a ground for the removal of a Trustee.

17(a) Every Trustee shall be answerable only for losses arising from his own fraud or wilful default or neglect and shall not be answerable for any act neglect or default of his co-Trustee (unless he knew of or participated in the same) and any Trustee who shall pay over to his co-Trustee or do any act or thing or make any omission enabling such co-Trustee to receive any moneys or other property for the purpose of these trusts shall not be bound to see to their due application or be subsequently rendered liable by any express notice of the misapplication of any such moneys or property nor shall the Trustees be liable for any neglect or default of any solicitor accountant banker valuer or other agent employed by the Trustees.

(b) The Company shall keep the Trustees (and their estates where applicable) indemnified against any loss or deficiency incurred by it in connection with the Trust and against any claims liabilities and demands arising out of anything lawfully done or caused or omitted to be done by them in the exercise of the powers and discretion vested in them by this deed or otherwise arising howsoever out of or in connection with the administration and operation of the Trust but so that no Trustee shall be indemnified in respect of any fraud or wilful default on his part or in the case of a Trustee engaged in the business of providing a trustee service for a fee his negligence.

(c) In addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925.

18 Any Trustee who shall be or become a director of or holder of any other office or employment within the Group may retain for his own absolute benefit any fees or remuneration received by him in connection with such office or employment notwithstanding that his appointment to or retention of such office or employment may be directly or indirectly due to the exercise or non-exercise of any votes in respect of Shares held by the Trustees or other persons on their behalf under the trusts hereof.

19(a) Any Trustee (and any director or officer of a body corporate or a trust corporation acting as Trustee) shall not on his own account be precluded from acquiring holding or dealing with any Shares or any other company in the shares of which any Group Company may be interested or from entering into any contract or transaction with a view thereto and nor shall he be in any way liable to account to any Group Company or any Beneficiary for any profits made fees commissions shares of brokerage discounts allowed or advantages obtained by him from or in connection with such acquisition holding dealing contract or transaction.

(b) No officer or employee of the Trustees shall be liable to account to any Beneficiary for any remuneration or other benefit received in connection with the trusts hereof and no Trustee or officer or employee of the Trustees shall be liable to account to other Beneficiaries for any profit derived from the appointment of the whole or part of the Trust Fund.

20 Any individual Trustee shall be entitled to receive and retain as remuneration for his services hereunder such sum or sums as the Directors may from time to time vote and pay to him therefor and in particular but without prejudice to the generality of the foregoing any Trustee being a solicitor accountant stockbroker or other person engaged in any profession or business shall be entitled to be paid all usual professional or other proper charges for business transacted time expended or acts done by him or any employee or partner of his firm in connection with these trusts including acts which a Trustee not being in any profession or business could have done personally. Any Trustee being a body corporate (whether or not a trust corporation) may charge and be paid such reasonable remuneration or charges as shall from time to time be agreed in writing between the Company and such body corporate and any such body corporate (being a bank) shall be entitled (without accounting for any resultant profit) to act as banker and perform any services in relation to these trusts on the same terms as would be made with a customer in the ordinary course of its business as a banker.

21(a) The Trustees may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit and may determine the quorum necessary for the transaction of business. Until so fixed and unless a company shall for the time being be the sole Trustee hereof the quorum shall be two. Questions arising at any meeting shall be decided by a majority of votes and in case of any equality of votes the Chairman of the meeting (who shall be elected by the meeting) shall have a second or casting vote.

(b) A resolution in writing signed by all the Trustees for the time being shall be as valid and effectual as a resolution passed at a meeting of the Trustees. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Trustees for the time being.

(c) A meeting of the Trustees at which a quorum is present shall be competent to exercise all the powers and discretion exercisable by the Trustees generally.

(d) The Trustees shall cause proper minutes to be kept and entered in a book provided for the purpose of all their resolutions and proceedings and any such minutes of any meeting of the Trustees if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting shall be admissible as prima facie

evidence of the matters stated in such minutes.

(e) The Trustees shall keep adequate and proper accounts of all moneys and other property comprised in and all transactions affecting these trusts and shall once at least in every year cause such accounts to be made up and audited by qualified accountants approved by the Company and shall submit such accounts to the Company.

(f) The Trustees shall prepare and keep all such documents and records as may be required for the purpose of the Trust.

(g) The Trustees may place any documents of title for the time being in their possession in connection with the trusts hereof in any bank or safe deposit and shall not be responsible for any loss incurred by their so doing.

(h) The Trustees may in any particular case or cases in their sole discretion decide not to commence proceedings for the recovery of any moneys due to them whether from any Beneficiary or his legal personal representatives or any other party and shall not be responsible for any loss incurred by their so doing.

(i) Valid and effectual receipts and discharges for any moneys or other property payable transferable or deliverable to the Trustees or any of them may be given by any one Trustee or by any person from time to time authorised in writing for the purpose by the Trustees.

(j) The Trustees may from time to time appoint and remunerate for the proper administration and management of these trusts such secretarial or executive officers or staff or other persons as they consider desirable and the Company approves.

22(a) The proper law of the Trust shall be that of England and Wales and all rights hereunder and its construction and effect shall be subject to the jurisdiction of and construed according to the laws of England and Wales.

(b) The Courts of England and Wales shall be the forum for the administration of these Trusts.

23 It is hereby confirmed by the parties hereto that this instrument falls within category L in the Schedule to the Stamp Duty (Exempt Instruments) Regulations 1987.

IN WITNESS whereof this document has been duly executed as a deed and has been duly delivered on the day and year first before written.

EXECUTED as a DEED by)
Castle Transmission Services (Holdings) Ltd.)
acting by:)

Director

Director/Secretary

EXECUTED as a DEED by)
Castle Transmission (Trustees) Limited)
acting by:)

Director

Director/Secretary

SCHEDULE ONE

The Trustees shall have the following powers:

1 Power to acquire and hold or dispose of any property (tangible or intangible, movable or immovable), whether or not it produces income and whether involving liabilities or not and the Trustees shall not be under a duty to diversify the investments of the Trust Fund;

2 Power to transfer the whole or any part of the Trust Fund to nominees on such terms as to remuneration or otherwise as the Trustees may think fit and the trustees shall not be liable for any loss resulting from the proper use of this power;

3 Power to enter into any contract or incur any obligation;

4 Power to borrow money or other property on any terms for any purposes (including acquiring assets) from any person or persons;

5 Power to grant any mortgage or charge over or give any right of recourse against any of or all of the Trust Fund;

6 Power to insure assets of the Trust Fund for any amount against any risk and any moneys received under such assurance may be applied in the replacement of any such asset and any premiums may be paid out of the Trust Fund;

7 Power to delegate all powers duties or discretion conferred hereby or by law to any person or persons and on any terms;

8 Power to give warranties indemnities and undertakings in connection with the disposal of any Shares comprised in the Trust Fund ;

9 Power to enter into any agreement in relation to shares debentures or securities comprised in the Trust Fund or arrangement for the variations of rights attaching thereto or to enter into a scheme for the reconstruction or amalgamation of any company whose shares debentures or securities are comprised in the Trust Fund and power to exercise all voting and other rights conferred by such shares debentures or securities in such manner as they shall deem fit;

10 Power to leave the management and conduct of the affairs and business of any company the shares or securities of which are comprised in the Trust Fund (including the payment or non-payment of dividends) to the directors of such company without being under a duty to interfere with the management of such company;

11 Power to lend any money comprised in the Trust Fund to any Beneficiary on such terms and conditions as they shall in their absolute discretion think fit provided that no such loan shall be made upon terms that repayment may be made after the Vesting Day;

12 Power in any case where the Trustees are hereby or by law directed or empowered to apply any income or capital of the Trust Fund for the benefit of any Beneficiary who is an infant (instead of themselves so applying the same) to pay or transfer the same to any parent or guardian of such infant (whose receipt shall be a good discharge to them) without being liable to see to the due application by such parent or guardian;

13 Power to enter into any indemnity in favour of any former Trustees or other person or persons in respect of any tax or other liability arising out of these trusts and power to

charge or deposit any property comprised in the Trust Fund as security for such indemnity;

14 Power to pay all taxes arising out of these trusts which may be assessed on them whether or not by reason of the residence of the person assessed or otherwise the assessment shall be unenforceable;

15 Power to disclose such information about such matters to such persons as they may think fit PROVIDED THAT they shall not do so to persons other than professional advisers and Group Companies without the prior consent in writing of the Company;

16 Power to compromise any disputes affecting the Trust Fund or to submit the same to arbitration and to compromise or compound any debts owing to the Trustees or any other claim against them upon such evidence and such terms as shall reasonably seem sufficient to the Trustees;

17 Power to appropriate any property from time to time comprised in the Trust Fund in or towards satisfaction of the beneficial interest of any Beneficiary and for the purpose of such appropriation the Trustees shall have power to ascertain and fix the value of such property in all respects as they shall in their absolute discretion think fit and every appropriation and valuation made pursuant to this power shall be binding on all persons then or thereafter interested hereunder;

18 Power generally to have and to exercise all the powers of an absolute beneficial owner in respect of assets comprised in the Trust Fund including without limitation power to exercise all voting and other rights in respect of Shares in such manner as they shall deem fit;

Exhibit 10.60

Date: 1999

One 2 One

and

Castle Transmission International Ltd

FRAMEWORK AGREEMENT

in relation to greenfield sites

CONTENTS

CONTENTS

Schedules

THIS AGREEMENT is made the day of 1999

BETWEEN:

a) MERCURY PERSONAL COMMUNICATIONS being an English partnership between MEDIA ONE PCN INC a company incorporated under the laws of the State of Colorado with offices at 7800 East Orchard Road, Englewood, Colorado 80111 USA; MERCURY PERSONAL COMMUNICATIONS LIMITED whose registered office is at Elstree Tower, Elstree Way, Borehamwood, Hertfordshire, WD6 1DT and MPC 92 LIMITED whose registered office is at Elstree Tower, Elstree Way, Borehamwood, Hertfordshire, WD6 1DT ("One 2 One"); and

b) CASTLE TRANSMISSION INTERNATIONAL LTD (registered number 3196207) whose registered office is at Warwick Technology Park, Gallows Hill, Heathcote Lane, Warwick CV34 6TN ("CTI");

and the expressions "CTI" and "One 2 One," shall include their respective successors and permitted assigns

1. Definitions and Interpretation

1.1 In this Agreement the following expressions shall have the following meanings:

"ADC Contractor"	means any third party appointed by One 2 One to inter alia acquire design manage and construct Sites and New Sites
"Apparatus"	means on a site by site basis telecommunication apparatus (as the same is defined in the Code) including but not limited to antennas, aerials, cables, radio frequency and transceiver equipment and all

	types of equipment containers, cabins and other housing provided by One 2 One
"Assets"	means all those physical assets located or to be located on the Properties including the Towers (but excluding One 2 One Retained Apparatus and any exclusive assets owned by third parties and installed on the Properties pursuant to the provisions of a Third Party Site Sharing Contract)
"Assignment Deed"	means the Deed of Assignment to be completed to give effect to the assignment of the Properties or any of them where no variation to the terms of the Leases is required, the agreed form of which is set out in Schedule 5
"Assignment Protocol"	means the protocol for assignment of the Properties described in Schedule 4
"the Confidentiality Agreement"	means the Confidentiality and Exclusivity Agreement entered into between CTI and One 2 One dated 30 day of November 1998.
"Code"	means the Telecommunications Code set out at Schedule 2 to the Telecommunications Act 1984
"CTI Existing Shared Stations"	means those existing 166 Stations owned and/or managed by CTI listed in Schedule 1 upon which One 2 One has located Apparatus and shares facilities under the terms of the Master Site Sharing Agreement

"CTI Existing Shared Stations Discount"	means a rent holiday for the CTI Existing Shared Stations between the period 1st April 1998 to 31 March 2000
"CTI's Group"	means CTI and any Subsidiary or parent company or any Subsidiaries of the same.
"CTI New Sites"	means greenfield sites to be acquired in the name of CTI after the date of this Agreement in accordance with the New Sites Protocol.
"Expert"	means an expert appointed in accordance with Clause 19
"Expert Determination"	means determination of any issue, disagreement or dispute between the parties pursuant to the provisions of Clause 19
"Framework Commencement Date"	means in respect of this Agreement the date calculated in accordance with the provisions contained in Clause 2.2 save for the purpose of calculating the Commencement Date of the Licence Fees and the Commencement Date of the Option Period it shall be either the Framework Commencement Date or the date of completion of commissioning if later in respect of each of the Properties and CTI New Sites.
"greenfield site"	means a site defined in accordance with the provisions contained in Clause 2.1 hereof. (and any Non-Compliant Greenfield Site,

	which the parties agree to treat as a greenfield site for the purposes of this Agreement)
"Guarantee"	means any guarantee, indemnity, letter of comfort or other assurance, security or right of set-off given or undertaken by a person to secure or support the obligations (actual or contingent) of any third party and whether given directly or by way of counter-indemnity to any third party who has been provided a Guarantee.
"Interest"	means interest at a daily rate on any outstanding amounts at a rate equal to 4% above the Royal Bank of Scotland base lending rate as current from time to time
"Landlords"	means the respective grantors of the Leases
"Leases"	means the freehold title deeds, leases, licences or letter arrangements and all supplemental documentation pursuant to which One 2 One occupy the Sites or One 2 One New Sites and the expression "Leases" shall mean the Leases as renewed varied extended or replaced from time to time
"Licence Fees"	means the licence fees payable by One 2 One to CTI for the Properties and the CTI New Sites in accordance with the provisions for payment contained in the Master Site Sharing Agreement and calculated in

	accordance with the formulae set out in Schedule 10
"Limited Power of Attorney"	means the document set out in agreed form in Schedule 9 to be provided by One 2 One to CTI on the Framework Commencement Date to enable CTI (subject to the provisions of Clause 4) to act in One 2 One's name to procure the assignment of the Sites from One to One to CTI
"Master Site Sharing Agreement"	means the site sharing Agreement granted by CTI to One 2 One for the CTI Existing Shared Stations dated 27 June 1996
"Master Site Sharing Agreement"	means the individual site Schedules
"Schedules"	incorporating any agreed Special Conditions, appended to the Master Site Sharing Agreement
"New Assets"	means those physical assets to be located on the CTI New Sites (excluding the One 2 One Retained Apparatus)
"New Sites Protocol"	means the agreed procedure for location, building and ownership of New Sites described in Schedule 6.
"New Sites"	means One 2 One and CTI New Sites
"NonCompliant Greenfield Sites"	means sites which do not meet the criteria set out in the definition of greenfield sites, but which the parties agree to include in this Agreement subject to the provisions contained in Clause 2 and in Schedule 10.

"One 2 One's Group"	means One 2 One or any of the partnership of companies which comprise One 2 One and any Subsidiary or parent company or any Subsidiaries of the same
"One 2 One's Licence"	means the Licence to operate One 2 One's business issued to Mercury Personal Communications on 9th May 1995 under the Telecommunications Act 1984 including any renewal or extension of the same granted to One 2 One at any time during the Term.
"One 2 One New Sites"	means new greenfield sites to be acquired in name of One 2 One after the date of this Agreement in accordance with the New Sites Protocol
"One 2 One's Permitted Use"	means the right to locate and retain the relevant Permitted Equipment on the Sites and the New Sites for the purposes of creating radio base stations forming part of One 2 One's network
"One 2 One Retained Apparatus"	means the Towers located on the Properties until the assignment of those Properties and any One 2 One Permitted Equipment located on the Properties and CTI New Sites
"the Option"	means the option for CTI to take an assignment of the Sites the One 2 One New Sites and the Third Party Site Sharing Contracts during the Option Period.

"The Option Period"	means the period from the Framework Commencement Date until the third anniversary of the Framework Commencement Date and in relation to One 2 One New Sites until the third anniversary of the date of completion of their commissioning or legal completion of One 2 One's acquisition of the One 2 One's New Sites if later
"Permitted Equipment"	means the Apparatus already installed by One 2 One on the Sites as at the date of this Agreement and the Apparatus reserved for installation by One to One on the Sites or the New Sites to the full extent of the relevant Reserved Capacity
"Properties"	means the Sites and the One 2 One New Sites which are to be managed by CTI in accordance with the provisions of this Agreement
"Retail Price Index"	means the General Index of Retail Prices as published in the Digest of Statistics by the Office for National Statistics or if such Index shall cease to be published such other index as may be published officially in substitution therefor
"Reserved Capacity"	means such Client's Equipment referred to in Schedule 8 (Special Conditions) which is notated reserved in respect of any site for which a Master Site Sharing Schedule is issued or any substitute Apparatus which has

	an equivalent windloading, an equivalent weight where weight is a material factor, does not increase the requirement for antenna separation between the Permitted Equipment and other users and if installed would occupy the same space on the Tower as such Client Equipment is shown on the annexed data sheets in respect of the Sites and to be illustrated in respect of New Sites as described in Schedule 12
"Security Interest"	means a mortgage, lien, pledge, charge or other security interest (or agreement or commitment to create any of them).
"Sites"	means the 821 greenfield sites owned leased or licensed by One 2 One at the date of this Agreement and listed (or to be listed) in Schedule 2
"Site Licence Fee Supplement"	means the supplemental licence fee payable by One 2 One to CTI for the Sites calculated in accordance with the formula set out in Schedule 10
"Site Management Agreement"	means the agreement between One 2 One and CTI in respect of the Properties as the same is set out in agreed form in Schedule 7
"Special Conditions"	means those special conditions to be incorporated into the Master Site Sharing Agreement Schedules granted to One 2 One for site sharing of the Properties and the CTI

New Sites, as such Special Conditions are set out in Schedule 8.

"Subsidiary" means a subsidiary (as defined by sections 736 and 736A of the Companies Act 1985) or a subsidiary undertaking as defined by section 258 of that Act.

"Taxation" means any liability to any form of taxation, whenever created or imposed and whether of the United Kingdom or elsewhere (and without limitation includes income tax, P.A.Y.E., corporation tax, advance corporation tax, capital gains tax, inheritance tax, stamp duty, stamp duty reserve tax, value added tax, development land tax, withholding tax, rates, Customs and Excise duties, National Insurance contributions, Social Security and other similar liabilities or contributions) and generally any amount payable to the revenue, customs or fiscal authorities, whether of the United Kingdom or elsewhere, and all interest and/or penalties related to or arising in respect thereof.

"Tower" means the mast, tower or other antenna mounting structure located on any of the Properties or CTI New Site.

"the Term" means collectively the period of

(a) 10 years from the Framework Commencement Date ("the Initial Period"), and

(b) at CTI's option by giving written notice not more than one year and not less than 6 months before the expiry of the Initial Period, the further period of 15 years from the expiry of the Initial Period or, if shorter, the duration unexpired of One 2 One's Licence

"Third Party Site Sharing Contracts"	means those agreements entered into prior to the date of this Agreement whether formal or informal whereby One 2 One has permitted others to share occupation of the Sites or One 2 One New Sites subject to any requisite Landlords' consent including but not limited to those contracts referred to in Schedule 3
"VAT"	means value added tax as provided for in the Value Added Tax Act 1994.

1.2 In this Agreement unless the context otherwise requires:

(a) a document expressed to be "in agreed form" means a document in a form which has been agreed by the parties contemporaneously with or before the execution of this Agreement and which has for the purposes of identification been initialled by them or on their behalf;

(b) references to statutes or other enactments shall be construed as including a reference to:-

(i) any enactment which that enactment has directly or indirectly replaced (whether with or without modification); and

(ii) that enactment as re-enacted, replaced or modified from time to

time, whether before, on or after the date hereof;

(c) references to a Clause or a Schedule are to a clause of, or a schedule to this Agreement, references to this Agreement include its Schedules and references in a Schedule or part of a Schedule to a paragraph are to a paragraph to that Schedule or that part of that Schedule;

(d) words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include corporations, partnerships and other unincorporated associations or bodies or persons;

(e) descriptive headings to Clauses, Schedules and paragraphs are inserted for convenience only, have no legal effect and shall be ignored in the interpretation of this Agreement;

(f) all agreements, obligations and liabilities (whether under warranties, representations, indemnities or otherwise) on the part of the partnership known as One 2 One are joint and several in relation to the members of that partnership and shall be construed accordingly.

2. The Site Management Agreement

2.1 The provisions of this Agreement relate to the management acquisition assignment and sharing of greenfield sites. For the purposes of this Agreement a greenfield site shall mean a site that:-

(a) is not less than 90 m2;

(b) has been or is to be acquired on a freehold or leasehold basis;

(c) has at the date it is intended to include the site in the Management Agreement or otherwise assign the same from One 2 One to CTI (whichever is the earlier);

- a commencing rental which does not increase the average rental of the total number of New Sites which have been included in the Management Agreement to greater than X, where X is a sum equivalent to (Pounds)4,000 as adjusted by annual increases in the Retail Prices Index calculated from the Framework Commencement Date to the date of such inclusion or assignment as aforesaid); or alternatively

- has in place of rent a capital acquisition cost or premium payable which is not greater than (Pounds)X x 8 ;

(d) has a minimum term of 15 years;

(e) has no material restrictions on access;

(f) has no restrictions on shared use by One 2 One and has no material restrictions on third party site sharing;

(g) upon which no Tower has been constructed or if constructed is not owned or partly owned or funded by a third party and which site does not form part of or include any third party owned buildings or structures.

And where any one or more of the above criteria do not apply to any site then CTI will not be required to treat the same as greenfield site for the purposes of this Agreement unless the provisions of Clause 2.7 below apply.

2.2.1 The Framework Commencement Date shall be the working day immediately following the date by which both:-

(a) One 2 One has given written notice to CTI that it has received written confirmation from its bankers that the Properties will be released from any Security Interests on or prior to assignment to CTI, and confirmation it has received its accountants and Board

approval to this transaction; and

(b) CTI has given written notice to One 2 One that it has received approval of its bankers, accountants and Board to this transaction;

provided if the Framework Commencement Date is delayed beyond 31 March 1999 or such later date as the parties may agree then either party will be at liberty to determine this Agreement by notice

2.2.2 With effect from the Framework Commencement Date the parties will perform their other obligations hereunder and One 2 One will enter into the Site Management Agreement with CTI for the duration of the Term as therein described

2.3 In consideration of the sum of (Pounds)1 per each of the Sites listed in Schedule 2 payable or otherwise credited to One 2 One on the Framework Completion Date, One 2 One will use all reasonable endeavours to assist CTI in procuring the assignment of the Sites and the One 2 One New Sites and the Third Party Contracts to CTI as herein after provided and with effect from the Framework Commencement Date One 2 One will grant the Option to CTI for the Option Period for this purpose.

2.4 With effect from the Framework Commencement Date the beneficial right to receipt of income from Third Party Site Sharing Contracts contained in the Framework Agreement and the obligations of CTI in relation to payment of rents and other outgoings will take effect in accordance with the provisions contained in the Framework Agreement save in respect of any apportionment of sums payable by One 2 One to CTI or CTI to One 2 One in consequence, where the due date shall be 14 days calculated from the Framework Commencement Date or the date CTI receive written confirmation of the amount required whichever is the later, and any payment not received by the due date shall give rise to Interest on the unpaid amount calculated from the due date to the date of actual payment

2.5 The Site Management Agreement will not apply to CTI New Sites or to any Properties once the Leases and any relevant Third Party Site Sharing Contracts in relation to such Properties have been assigned to CTI pursuant to Clause 4 but without prejudice to the obligations of CTI contained in Clause 3.1

2.6 The Site Management Agreement shall be dated co-incident with the Framework Commencement Date and shall apply to the Properties in accordance with its terms including One 2 One New Sites from the date of completion of site commissioning and handover from the relevant One 2 One ADC Contractor and the Schedule of Sites annexed thereto shall be updated as appropriate to record this information.

2.7 It is agreed that where any of the criteria contained in Clause 2.1 are not met by any site then One 2 One and CTI will discuss the extent to which this Agreement can be applied to such site and the variations to the terms of this Agreement that may reasonably need to be agreed between the parties before such site can be deemed a greenfield site for the purposes of this Agreement but there shall be no obligation on One 2 One to deem any site which does not meet the said criteria a greenfield site

2.8 One 2 One shall not with effect from the date of this Agreement sell or otherwise dispose, assign, sub-let, part with possession or share possession of any Properties or any rights relating thereto (including without limitation any access rights) without the previous consent in writing of CTI, such consent not to be unreasonably withheld or delayed in respect of any applications in process at the date of this Agreement, unless CTI is in material breach of this Agreement

3 Master Site Sharing Agreement

3.1 In respect of the Properties and CTI New Sites CTI shall with effect from the Framework Commencement Date (or the date of completion of commissioning and hand over of New Sites if later), grant to One 2 One

site sharing facilities in respect of One 2 One's Permitted Equipment for the Term in accordance with the terms and conditions set out in the Master Site Sharing Agreement as amended by the Special Conditions, and will issue supplemental Master Site Sharing Agreement Schedules to One 2 One in respect of the relevant Permitted Equipment for the Properties and the CTI New Sites incorporating the Special Conditions and the relevant Licence Fees

3.2 One 2 One will pay the Licence Fees in accordance with the provisions set out in relevant Special Condition and will pay the Site Licence Fee Supplement if due in accordance with the provisions of Schedule 10

3.3 The consent of CTI is not required for One 2 One to locate Permitted Equipment on a Site or New Site to the extent of the Reserved Capacity (which for the avoidance of doubt will include any additional Permitted Equipment capable of being placed in the One 2 One container(s), cabin(s) or other housing forming part of the Permitted Equipment) Further, CTI will not unreasonably withhold or delay its consent to a request by One 2 One for further site sharing rights of any Site or New Site for Apparatus in addition to the Permitted Equipment, such site sharing rights to be subject to the terms and conditions of the Master Site Sharing Agreement as amended by the Special Conditions, the licence fees to be calculated in accordance with CTI's standard ratecard for site sharing applicable at the Framework Commencement Date adjusted by no greater than any annual increase in Retail Price Index following that date.

3.4 On the Framework Commencement Date CTI will pay or otherwise credit One 2 One with the CTI Existing Shared Stations Discount to be paid within 14 days of the Framework Commencement Date ("the due date") and any payment not received by the due date shall give rise to Interest on the unpaid amount calculated from the due date to the date of actual payment.

3.5 For the avoidance of doubt in the event of conflict between the conditions contained in the Master Site Sharing Agreement and the Special Conditions the Special Conditions shall prevail

4. Assignment of Properties

4.1 In consideration of the Option Fee One 2 One will use all reasonable endeavours during the Option Period to assist CTI to procure the assignment of the Leases, the Assets, the Towers and the Third Party Site Sharing Contracts in relation to the Properties to CTI free from any Security Interest in accordance with the Assignment Protocol and the New Sites Protocol

4.2 CTI will, at its own expense, issue notifications to and seek Landlords' consent to the assignment from One 2 One to CTI of the Leases and the Third Party Site Sharing Contracts, such notifications and consents to be in a form reasonably approved by One 2 One and to contain an acknowledgement by the Landlord that One 2 One will be permitted to share occupation of the Property after assignment for One 2 One's Permitted Use and confirmation that CTI can re-assign the Lease to One 2 One without requiring additional consent and confirmation by the Landlord that before forfeiting any Lease notice of breach will be given to One 2 One and One 2 One given the opportunity to take a re-assignment of the Property and remedy the breach (provided where the parties consider the landlord is alleging breach where CTI is not in material breach of its obligations then One 2 One agrees to apply the provisions of Clause 4.6(c) to any such re-assigned lease and in the event of dispute to apply the provisions of Clause 19 to determine between the parties whether such material breach has in fact occurred.)

4.3 Subject to Clause 4.2 One 2 One will issue the Limited Power of Attorney to CTI to enable CTI to seek Landlords' consent to assign the Leases from One 2 One to CTI and the Third Party Site Sharing Contracts and to

execute the Assignment Deed on behalf of One 2 One

4.4 On a site by site basis the completion of the transfer or other assignment of the Lease, and Third Party Site Sharing Contracts in respect of any of the Properties will also operate to transfer title to the relevant Assets (including the Tower) to CTI free of any Security Interest.

4.5 CTI will ensure that in exercising the Option and generally in carrying out any acquisition, assignment, variation, renewal or other dealings with the Leases such dealings will not prohibit prevent or in any way adversely affect One 2 One's Permitted Use during the Term (or in the event of Clause 4.6 applying, prejudice One 2 One's dealings with the Landlord at the end of the Term)

4.6 If at any time during the Term CTI is given notice of any landlord's intention to oppose any application to renew any lease for any of the Properties or the CTI New Sites (an "expiring lease"), and that expiring lease is due to expire prior to the end of the Term and CTI is unable to reach agreement with the landlord to renew an expiring lease on terms acceptable to CTI or CTI is unwilling to extend the Term beyond the Initial Period or One 2 One is required to perform any of the grantee's, tenant's or licensee's covenants in the Leases because of a breach by CTI, CTI will give such notice as is reasonable, but in the case of an expiring lease or if the Term is not to be renewed beyond the Initial Period not less than 6 month's notice of such circumstances to One 2 One whereupon:-

(a) One 2 One shall have an option to require CTI to assign the expiring lease together with relevant Apparatus and Assets (including the Tower) the Third Party Contracts and any existing Site Sharing Agreements, but otherwise free of any CTI Security Interests to One 2 One at CTI's expense; and

(b) if appropriate One 2 One will seek with all assistance from CTI to

novate the expiring lease to One 2 One by exercising its powers under the Code; and

(c) if appropriate any of the Properties or CTI New Sites to which the expiring lease relates shall to the extent that One 2 One has renewed or novated an expiring Lease be treated as a "Site" as defined in and for the purposes of the Site Management Agreement and the provisions of the Site Management Agreement shall apply.

4.7 Until the assignments or novations referred to in Clause 4.1 are completed or otherwise for the duration of the Term, One 2 One agrees that CTI is irrevocably authorised to manage and maintain the Properties as agent for One 2 One under the terms of the Site Management Agreement.

4.8 If in CTI's reasonable opinion completion of the assignment of any of the Properties is impractical to achieve during the Option Period CTI will give notice to One 2 One confirming such Properties will remain part of the Site Management Agreement for the remainder of the Term, and further confirming One 2 One's obligations in respect of the relevant Property under Clauses 4.1 have ceased.

4.9 Conditions 4.5, 6.3, 6.5, 6.6, 7.8 and 9 of the Standard Conditions of Sale (Third Edition) shall apply to an assignment of any Property

5. New Sites

5.1 New Sites required by One 2 One will continue to be developed by ADC Contractors, the cost of the site acquisition and development (including the cost of those Assets specified in the specification for any New Sites provided to the ADC Contractor) to be met by One 2 One in accordance with the New Site Protocol

5.2 One 2 One will use reasonable endeavours to permit CTI to act in concert

with third party ADC Contractors for New Sites in the ways described in the New Site Protocol

5.3 Ownership of Assets on One 2 One New Sites will transfer to CTI in accordance with the provisions contained in Clause 4.4. In relation to CTI New Sites, CTI shall own all New Assets including those for which it has received a contribution payment from One 2 One.

5.4 It is agreed the Site Licence Fee Supplement payable for the Sites will be reduced in accordance with the formula set out in Schedule 10 in proportion to the volume of New Site builds contracted to be performed by CTI on behalf of One 2 One during the Option Period

5.5 For the purposes of the New Sites Protocol and determination of the relevant Licence Fees, Sites not acquired as at the date of this Agreement shall be treated as New Sites

6. Representations

6.1 One 2 One hereby confirms that it will take all necessary corporate action to obtain financial, bank and board approval to this transaction with CTI.

6.2 One to One confirms:-

(a) that it will meet outstanding commitments for capital expenditure in relation to the Properties or the Assets and the New Assets and in respect of the Third Party Site Sharing Contracts as at the date of this Agreement and otherwise in accordance with Clause 5.1 and the New Sites Protocol;

(b) that all Taxation in relation to the Properties, the Assets, the New Assets and the Third Party Site Sharing Contracts for which One 2 One is liable will remain payable by One 2 One and One to One shall fully indemnify CTI in respect of the same;

(c) that One 2 One has not made an election pursuant to paragraph 2 Schedule 10 Value Added Tax Act 1994 in respect of each of the Properties but shall do so at the request and expense of CTI;

(d) that all documents relating to the Properties which attract stamp or transfer duty in the United Kingdom or elsewhere have been or will be duly stamped;

(e) that One 2 One has paid all rent or licence fees and all other outgoings which have become due in respect of each of the Properties and has performed and observed in all material respects all its obligations under all covenants, conditions, agreements, statutory requirements, planning consents and regulations affecting any of the Properties and no notice of any breach of any such matter has been received and no existing use of any of the Properties contravenes any of such covenants, conditions, agreements, statutory requirements, planning consents or regulations;

(f) that One 2 One is not engaged in any capacity in any litigation, arbitration, prosecution or other legal proceedings (including Landlord and Tenant Act renewals or rent or rates tribunals) or in any proceedings or hearings before any statutory or Governmental body, department, board or agency; no such matters are pending or threatened; and One 2 One is not aware of any circumstances which may give rise to any such matter;

(g) there are no outstanding orders or notices affecting the Properties or any judgements, orders, decrees, arbitral awards or decisions of any court, tribunal, arbitrator, local or national government or governmental agency or licensing body or industry regulator against One 2 One in respect of the Properties;

(h) that One 2 One is not a party to any recurring payments paid to third parties in respect of the Properties details of which have not been disclosed to CTI;

(i) that the Third Party Site Sharing Contracts in place at the date of this Agreement produce an annual revenue recoverable by CTI in excess of (Pounds)112,000.

and to the extent such representations are incorrect One 2 One will seek to remedy the same at its own cost and to indemnify CTI to the extent of any direct costs incurred in consequence.

6.3 That all information disclosed in One 2 One's answers to due diligence questions and all other information in writing which has been given by any of the One 2 One's employees or officials or professional advisers to any employees, Directors, officials or professional advisers of CTI in the course of the negotiations leading to this Agreement was when given and remains true and accurate in all material respects and is not misleading.

7. Additional Obligations of CTI

7.1 CTI confirms that it will take all necessary corporate action to obtain financial, bank and board approval to the transaction with One 2 One.

7.2 From the Framework Commencement Date, CTI confirms and agrees to perform and discharge the obligations and liabilities of One 2 One under the Leases and Third Party Sharing Contracts which remain in whole or in part to be performed in accordance with the terms of this Agreement and the Framework Agreement and to fully indemnify One 2 One in respect of all claims, costs, proceedings or demands arising out of any breach thereof.

7.3 CTI confirms and agrees it will with effect from the Framework Commencement Date:-

(a) issue supplemental Master Site Sharing Schedules to One 2 One in respect of all the Properties and the CTI New Sites, incorporating the Special Conditions and including but without limiting the generality of the foregoing a list of One 2 One's Permitted Equipment notated either to be installed or reserved in accordance with Schedule 12;

(b) perform its obligations under the Site Management Agreement in accordance with its terms;

(c) provide One 2 One with copies of all documents in agreed form executed by CTI on behalf of One 2 One under the Limited Power of Attorney and consult with One 2 One in respect of any such documents which are not in the agreed form prior to their execution by CTI;

(d) where applicable reduce the Site Licence Fee Supplement payable by One 2 One in respect of the Sites in accordance with the provisions contained in Schedule 10.

(e) apply the agreed inter operator fees set out in Schedule 11 including any Retail Prices Indexation therein described to Third Party Site Sharing Contracts unless otherwise agreed between CTI and the third party sharers.

8. Rates, Insurance, Electricity.

8.1 One 2 One will be responsible for payment of any rates assessed on One 2 One Retained Apparatus and a reasonable proportion (according to user) of any Assets and New Assets, the use of which is shared by One 2 One which shall in the case of New Assets be no greater than the rates which would have been payable had the New Assets been installed in accordance with the specification for the New Sites provided by One 2 One to an ADC Contractor.

8.2 One 2 One will be responsible for insuring One 2 One Retained Apparatus against any accidental loss or damage and also for insuring against third party liability in respect of such One 2 One Retained Apparatus and arising out of One 2 One's continuing use of the Properties and the CTI New Sites.

8.3 One 2 One will pay or otherwise indemnify CTI against any costs and expenses incurred by CTI in providing and maintaining the requisite electricity supply to One 2 One's Retained Apparatus and in arranging any telephone connections and charges in relation to One 2 One's Retained Apparatus and the costs and expenses incurred under any service contracts retained by One 2 One relating to annual electricity safety checks of the Apparatus.

9. Licensing

One to One confirms it currently holds the One 2 One Licence, which is not due to, expire until May 2020. It further confirms that it is not presently aware of any matter likely to jeopardise the continuation and renewal of the Licence and further confirms it has no intention to do or cause to be done any act which deliberately seeks to end that Licence prior to its expiry date or cause it not to be renewed for a further period expiring on or after the 25th anniversary of the Framework Commencement Date.

10 Employment

10.1 It is not intended by the parties that the contract of employment of any of the employees of the One 2 One shall be transferred to CTI.

10.2 One 2 One confirms that the transfer of the Properties and the Assets will not be a transfer to which the Transfer of Undertakings (Protection of Employment) Regulations 1981 (as amended) will apply and that One 2 One shall be liable for and shall indemnify CTI in respect of all or any redundancy payments unfair dismissal or other compensation (whether

statutory or contractual) salaries wages commissions remuneration national insurance contributions damages costs claims PAYE tax deductions or expenses which may be incurred by CTI as a result of any persons being employees of One 2 One or otherwise engaged in connection with the Properties in such a way that their employment transfers to CTI pursuant to or by virtue of the relevant TUPE regulations

11. Continuing effects of this Agreement

All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding completion except in respect of those matters then already performed and completion shall not constitute a waiver of any of CTI's rights in relation to this Agreement.

12. Announcements

The parties agree to keep the financial terms of this Agreement confidential and not to release or make any publicity statement, advertisement or make any other disclosure to any party in relation to this Agreement save as herein expressly permitted, without the express consent of the other party, such consent not to be unreasonably withheld or delayed.

13. Releases and waivers

13.1 CTI may, in its discretion, in whole or in part release, compound or compromise, or waive its rights or grant time or indulgence in respect of any liability to it under this Agreement.

13.2 Subject to clause 13.1, neither the single or partial exercise or temporary or partial waiver by CTI of any right, nor the failure by CTI to exercise in whole or in part any right or to insist on the strict performance of any provision of this Agreement, nor the discontinuance, abandonment or adverse determination of any proceedings taken by CTI to enforce any

right or any such provision shall (except for the period or to the extent covered by any such temporary or partial waiver) operate as a waiver of, or preclude any exercise or enforcement or (as the case may be) further or other exercise or enforcement by CTI of, that or any other right or provision.

13.3 The giving by CTI of any consent to any act which by the terms of this Agreement requires such consent shall not prejudice the right of CTI to withhold or give consent to the doing of any similar act.

14. Notices

14.1 Each of the parties to the partnership which comprises One 2 One ("the appointor") hereby irrevocably authorises and appoints One 2 One's in-house General Counsel (or such other person or persons, being a firm of solicitors resident in England, as the appointor may hereafter as regards himself by notice in writing to all the other parties hereto from time to time substitute) to accept on his behalf service of all legal process arising out of or connected with this Agreement.

14.2 Except as otherwise provided in this Agreement, every notice under this Agreement shall be in writing and shall be deemed to be duly given if it (or the envelope containing it) identifies the party to whom it is intended to be given as the addressee and:

(i) it is delivered by being handed personally to the addressee (or, where the addressee is a corporation, any one of its Directors or its Secretary); or

(ii) it is delivered by being left in a letter box or other appropriate place for the receipt of letters at the addressee's authorised address; or

(iii) the envelope containing the notice is properly addressed to the

addressee at his authorised address and duly posted by first class mail (or by airmail registered post if overseas) or the notice is duly transmitted to that address by facsimile transmission;

and, in proving the giving or service of such notice, it shall be conclusive evidence to prove that the notice was duly given within the meaning of this clause 14.2.

14.3 A notice sent by post (or the envelope containing it) shall not be deemed to be duly posted for the purposes of clause 14.2 (iii) unless it is put into the post properly stamped or with all postal or other charges in respect of it otherwise prepaid.

14.4 For the purposes of this clause 14 the authorised address of One 2 One shall be the address of One 2 One's in-house General Counsel or (in the case of notices transmitted by facsimile transmission) the facsimile number (if any) of One 2 One's in-house General Counsel and the authorised address of CTI shall be the address of its registered office for the time being or (in the case of notices transmitted by facsimile transmission) its facsimile number at that address.

14.5 Any notice duly given within the meaning of clause 14.2 shall be deemed to have been both given and received:

(i) if it is delivered in accordance with clause 14.2(i) or 14.2(ii), on such delivery;

(ii) if it is duly posted or transmitted in accordance with clause 14.2(iii) by any of the methods there specified, on the second (or, when sent airmail, fifth) business day after the day of posting or in the case of a notice transmitted by facsimile transmission upon receipt by the sender of the correct transmission report.

14.6 For the purposes of this Clause 14 "notice" shall include any request,

demand, instruction, communication or other document.

15. Entire Agreement

15.1 This Agreement (together with all documents which are required by its terms to be entered into by the parties or any of them and all other documents which are in the agreed form and are entered into by the parties or any of them in connection with this Agreement) set out the entire agreement and understanding between the parties in connection with this Agreement and other matters described in it.

15.2 Without prejudice to the generality of Clause 15.1, this Agreement shall supersede as from the date hereof the Confidentiality Agreement.

15.3 Notwithstanding the provisions contained in Clause 15.1, the parties acknowledge that save only as herein elsewhere specifically provided, nothing in this Agreement is intended to modify, supersede or to replace any site sharing agreement (including the Master Site Sharing Agreement) now or in the future entered into between the parties, whether in respect of the CTI Existing Shared Stations, the Properties, or the CTI New Sites or any other sites owned, operated or maintained by CTI.

16. Alterations

No purported alteration of this Agreement shall be effective unless it is in writing, refers to this Agreement and is duly executed by each party hereto.

17. Counterparts

This Agreement may be entered into in the form of two or more counterparts each executed by one or more of the parties but, taken together, executed by all and, provided that all the parties so enter into the Agreement, each of the executed counterparts, when duly exchanged or delivered, shall be deemed to be an original, but, taken together, they shall constitute one instrument.

18 Disputes Resolution

If, representatives of CTI and One 2 One fail to agree any matter relating to this Agreement and are unable to resolve such dispute within 30 days the matter will be referred for resolution to the Chief Operating Officer of CTI and the General Counsel of One 2 One, and failing their agreement, either party will be at liberty to refer the matter to Expert Determination

19. Expert Determination

19.1 This Clause shall apply to any issue, disagreement or dispute which falls to be determined under this Agreement by Expert Determination

19.2 Whenever this Clause applies, the issue, disagreement or dispute shall be referred to an Expert agreed between the parties or, in default of agreement, an Expert nominated at the request of either party by the President or other duly appointed Officer of such UK professional body as the parties may agree or in the absence of agreement:

(a) in the case of a dispute as to the interpretation or construction of this Agreement, to an officer of the Law Society of England and Wales (or for sites in Scotland to the President of the Scottish Law Society)

(b) in the case of a dispute concerning the operation and maintenance of Apparatus, to an officer of the Institution of Civil Engineers or the Institution of Mechanical Engineers or the Institute of Electrical Engineers (each with not less than 5 years relevant experience of telecommunications technology) as appropriate in the circumstances

(c) in the case of all other disputes concerning any obligations under this Agreement to an officer of the Royal Institution of Chartered Surveyors

19.3 Each of the parties shall be entitled to provide the Expert with such information and such written representations as may be necessary to assist in the determination of the dispute in question provided such information and/or representations are made within 30 days of the date of referral. Each of the parties shall simultaneously send copies of any correspondence with the Expert to the other party save where the Expert agrees that such copies should not be sent to the other party for reasons of commercial confidentiality

19.4 The Expert shall be required by the parties to reach a determination of the issues referred to him as soon as is reasonably practicable and unless the parties otherwise agree within 45 days of his appointment

19.5 The Expert shall act as an expert and not as an arbitrator and his decision shall be notified to both parties simultaneously and implemented as soon as is practicable upon notification Unless both parties agree in writing prior to the appointment of the Expert, the Expert's decision (including his decision as to costs) shall be final and binding upon the parties except in the case of fraud or manifest error

20. Restrictive Trade Practices

Notwithstanding any other provisions of this Agreement, no provision of this Agreement which is of such a nature as to make this Agreement liable to registration under the Restrictive Trade Practices Act 1976 shall take effect until the day after that on which particulars thereof have been duly furnished to the Director General of Fair Trading.

21. Assignment

21.1 This Agreement shall be binding on and shall enure for the benefit of the successors in title and personal representatives of each party.

21.2 Save as provided in Clause 21.3 none of the parties hereto shall be entitled

to assign the any rights and obligations under this Agreement without the prior consent of the other(s), such consent not to be unreasonably withheld or delayed.

21.3 The benefit (but not the burden) of this Agreement may be assignable by CTI (in all or in part) to any CTI Group Company or other CTI Subsidiary and, in the case of One 2 One (in all or in part) to any company in the One 2 One Group or in the event of a change in the partnership trading under the name or style "One 2 One", and in the event of any such assignment all references in this Agreement to CTI or One 2 One shall be deemed to include such assigns.

21.4 CTI may sub-contract part or parts (but not the whole) of its obligations under this Agreement without One 2 One's consent provided it ensures that any such sub-contractor shall comply with the obligations on the part of CTI contained in this Agreement.

22. Severability

22.1 Each and every undertaking contained herein shall be read as a separate and distinct undertaking and the invalidity or unenforceability of any part of this Agreement shall not affect the validity or enforceability of the remainder.

22.2 If any provision of this Agreement is illegal or unenforceable as a result of any time period being stated to endure for a period in excess of that permitted by a regulatory authority, that provision shall take effect with a time period that is acceptable to the relevant regulatory authorities subject to it not negating the commercial intent of the parties under this Agreement.

23. Set Off

Any party to this Agreement (the "Paying Party") shall be entitled to withhold or

set off against any amount due and payable by it to any other party to this Agreement (the "Receiving Party") any amount which, under or in relation to this Agreement, has become due and payable by the Receiving Party to the Paying Party.

24. Waiver

No waiver by either CTI or One 2 One of any of its rights hereunder shall be deemed a continuing waiver of any rights hereunder.

25. Additional Documentation

Without prejudice to the other provisions contained in this Agreement, One 2 One and CTI acknowledge that while this Agreement is legally binding on the parties, additional contractual documentation may be required to give full legal effect to this Agreement. The parties each agree to enter into such additional contracts as are reasonably required in order to give full effect to this Agreement, in accordance with the intention and spirit of the principles set out elsewhere herein, and to progress diligently and in good faith to complete the negotiation of the remaining terms of any such additional contracts

26 Costs

Each party will be responsible for its own legal fees in connection with this Agreement. CTI will be responsible for any third party fees arising in connection with the exercise of the Option and any additional legal documentation referred to in Clause 25

27. Applicable Law

The parties agree this Agreement is to be governed by the laws of England and the jurisdiction of the English Courts.

Schedule I

CTI Existing Shared Stations

(166 Station List)

STATION NAME	SHARER NAME	SS NO.	Cell ID	Licence Term	Start Date	Start Date 2	Review Date	Licence Expiry Date
Abercraf	Mercury One 2 One	6996	92926	12	01/09/97		01/09/99	31/08/09
Aberdeen	Mercury One 2 One	7027	97305	3	01/10/97		01/10/99	02/10/00
Abertillery	Mercury One 2 One	7019	92966	12	01/09/97		01/09/01	31/08/09
Aberystwyth	Mercury One 2 One	7459	94333	12	01/11/98		01/11/01	31/10/10
Acklam Wold	Mercury One 2 One	5915	36750	3	01/10/96		01/10/99	01/10/99
Afon Dyfi	Mercury One 2 One	7681	94322	12	01/12/98		01/12/01	28/11/10
Aldeburgh	Mercury One 2 One	5975	96370	3	01/12/96		01/12/99	03/12/99
Alexandra Palace	Mercury One 2 One	930	80003	9	01/08/97		01/08/00	01/08/06
Ascott-under-Wychwood	Mercury One 2 One	6946	92770	12	01/05/98		01/05/03	30/04/10
Ashbourne	Mercury One 2 One	6977	93929	3	30/09/97		30/09/00	29/09/00
Ashford-in-the-Water	Mercury One 2 One	7739	93910	12	01/12/98		01/12/01	28/11/10
Ashkirk	Mercury One 2 One	5927	97411	3	01/10/96		01/10/99	01/10/99
Bargoed	Mercury One 2 One	7215	92159	12	01/12/97		01/12/00	28/11/09
Barnstaple VHF	Mercury One 2 One	6978	94910	3	30/09/97		30/09/00	01/10/00
Bath	Mercury One 2 One	1405	94043	12	01/04/95		01/04/98	31/03/07
Beecroft Hill	Mercury One 2 One	1363	30008	12	01/05/94		01/05/97	30/04/06
Bethesda North	Mercury One 2 One	6892	97176	12	01/12/97		01/12/00	30/11/09
Betws-y-Coed	Mercury One 2 One	7669	94305	12	01/11/98		01/11/01	31/10/10
Bexhill MF	Mercury One 2 One	5523	94660	12	01/01/96		01/01/99	31/12/07
Bincombe Hill	Mercury One 2 One	6796	92475	12	01/07/97		01/07/99	01/07/00
Bishops Stortford	Mercury One 2 One	5750	94747	12	01/07/96		30/06/99	30/06/08
Blaenavon	Mercury One 2 One	7102	92961	12	01/09/97		01/09/99	31/08/09
Blaenplwyf	Mercury One 2 One	7460	94336	12	01/09/98		01/09/01	31/08/10
Blair Atholl	Mercury One 2 One	742	97909	12	01/10/98		01/10/01	30/09/10
Bolehill	Mercury One 2 One	7742	93927	12	01/12/98		01/12/01	30/11/10
Bow Brickhill	Mercury One 2 One	1254	501066	12	01/10/93		01/10/99	30/09/05
Brierley Hill	Mercury One 2 One	866	93277	12	01/09/97		01/09/00	31/08/09
Brighton MF	Mercury One 2 One	6159	94559	12	01/08/97		01/08/04	31/07/09
Bristol Ilchester Crescent	Mercury One 2 One	5764	94034	12	01/05/96		30/04/99	30/04/08
Broneirion	Mercury	7683	94329	12	01/01/99		01/01/02	31/12/10

	One 2 One							
Brookmans Park	Mercury One 2 One	7600	91358	3	01/09/98		01/09/99	31/08/01
Buxton	Mercury One 2 One	6979	93908	3	30/09/97		30/09/00	29/09/00
Carmarthen	Mercury One 2 One	6980	94909	3	01/01/98		01/01/01	02/01/01
Carmel	Mercury One 2 One	6981	94912	3	30/09/97		30/09/00	01/10/00
Carno	Mercury One 2 One	7603	94325	12	01/12/98		01/12/01	30/11/10
Cerne Abbas	Mercury One 2 One	6780	THS 45020	12	01/05/97		01/05/99	30/04/09
Chesham	Mercury One 2 One	949	91207	12	01/05/93	01/05/96	01/05/99	30/04/08
Churchdown Hill	Mercury One 2 One	1415	94013	9	01/08/97		01/08/00	01/08/06
Clarborough	Mercury One 2 One	5905	96634	3	01/10/96		01/01/10	99/10/99
Clevedon	Mercury One 2 One	6141	94078	12	01/10/96		01/10/99	30/09/08
Clyro	Mercury One 2 One	7686	94214	12	01/12/98		01/12/01	28/11/10
Conway	Mercury One 2 One	5939	97173	3	01/08/97		01/08/00	31/07/00
Corfe Castle	Mercury One 2 One	6850	92524	12	01/12/97		01/12/00	30/11/09

STATION NAME	SHARER NAME	SS NO.	Cell ID	Licence Term	Start Date	Start Date 2	Review Date	Licence Expiry Date
Corwen	Mercury One 2 One	7687	94311	12	01/12/98		01/12/01	30/11/10
Cow Hill	Mercury One 2 One	7445	97919	12	01/10/98		01/10/01	30/09/10
Creteway Down	Mercury One 2 One	5637	94661	12	01/01/96		01/01/02	31/12/07
Daventry	Mercury One 2 One	1344	93155	12	01/01/94	01/01/97	01/01/00	31/12/08
Deiniolen	Mercury One 2 One	6950	97179	3	01/08/97		01/08/99	31/07/00
Dolgellau	Mercury One 2 One	7896	94318	12	01/12/98		01/12/01	30/11/10
Dorking	Mercury One 2 One	5708	90617	12	01/07/96		01/07/99	30/06/08
Dunkeld	Mercury One 2 One	7446	94261	12	01/10/98		01/10/01	28/09/10
Durham	Mercury One 2 One	5896	96992	3	01/10/96		01/10/99	01/10/99
East Grinstead	Mercury One 2 One	5529		12	01/09/96		01/09/99	31/08/08
Ebbw Vale	Mercury One 2 One	7101	92962	12	01/12/97		01/12/00	28/11/09
Exeter MF	Mercury One 2 One	5995	92340	12	01/11/96		01/11/99	31/10/08
Fenton	Mercury One 2 One	6930		12	01/11/96		31/10/99	31/10/08
Findon	Mercury One 2 One	1416	94532	12	01/02/95		01/02/01	31/01/07
Fishguard	Mercury One 2 One	7461	94220	12	01/04/98		01/04/01	31/03/10
Fort William	Mercury One 2 One	7449	97978	12	01/12/98		01/12/01	30/11/10
Geddington	Mercury One 2 One	5940	96585	3	01/01/97		01/01/00	01/01/00
Glossop	Mercury One 2 One	1469	95054	12	01/08/96		01/08/99	31/07/08
Grantown	Mercury One 2 One	7736	97971	12	01/12/98		01/12/01	30/11/10
Great Missenden	Mercury One 2 One	1200	91297	12	01/05/93	01/05/96	01/05/99	30/04/08
Guildford	Mercury One 2 One	1239	202-11A	12	01/09/93	01/09/96	01/09/99	31/08/08
Guisborough	Mercury One 2 One	6129	96791	3	01/01/97		01/01/99	01/01/00
Haltwhistle	Mercury One 2 One	5963	97225	3	01/01/97		01/01/00	01/01/00
Hameldon Hill	Mercury One 2 One	5943	6104T	3	01/01/97		01/01/00	01/01/00
Hannington	Mercury One 2 One	1448	94500	12	01/11/95		31/11/01	31/10/07
Haslemere	Mercury One 2 One	5649	94718	12	01/05/96		01/05/99	30/04/08
Hastings	Mercury One 2 One	5526	94764	12	01/05/97		30/05/00	30/04/09
Haverfordwest	Mercury One 2 One	7462	94225	12	01/09/98		01/09/01	29/08/10
Hazler Hill	Mercury One 2 One	6879		12	01/05/98		01/05/01	30/04/10
Heathfield	Mercury	5557	94641	12	01/04/96		01/04/99	31/03/08

	One 2 One						
Helston	Mercury One 2 One	7475	94288	12	01/10/98	01/10/01	30/09/10
Henley-On-Thames	Mercury One 2 One	958	91226	12	01/06/93	01/06/99	31/05/05
High Hunsley	Mercury One 2 One	5922	36780	3	01/10/96	01/10/99	01/10/99
High Wycombe	Mercury One 2 One	1199	91214	12	01/05/93	01/05/99	30/04/05
Holme Moss	Mercury One 2 One	1462	95047	12	01/08/96	01/08/99	31/07/08
Hunmanby	Mercury One 2 One	6130	96759	3	01/01/97	01/01/00	01/01/00
Icomb Hill	Mercury One 2 One	6137	92764	12	01/05/97	01/05/00	30/04/09
Kendal	Mercury One 2 One	6113	97205	3	01/01/97	01/01/00	01/01/00
Kenley	Mercury One 2 One	915	90305	12	01/12/92	01/12/01	30/11/04
Kerry	Mercury One 2 One	7463	94327	12	01/04/98	01/04/01	31/03/10
Kidderminster	Mercury One 2 One	1419	94058	12	01/05/95	01/05/98	30/04/07
Kilmacolm	Mercury One 2 One	5929	97682	3	01/01/97	01/01/00	01/01/00
Kilvey Hill	Mercury One 2 One	5898	92103	12	01/10/96	01/10/99	30/09/08
Kirk O'Shotts	Mercury One 2 One	5937	92047	3	01/10/96	01/10/99	01/10/99
Kirkton Mailer	Mercury One 2 One	6871	97705	3	01/10/97	01/10/99	30/09/00

STATION NAME	SHARER NAME	SS NO.	Cell ID	Licence Term	Start Date	Start Date 2	Review Date	Licence Expiry Date
Ladder Hill	Mercury One 2 One	6982	93907	3	30/09/97		30/09/00	29/09/00
Leek	Mercury One 2 One	6983	93919	3	30/09/97		30/09/00	01/10/00
Llanbrynmair	Mercury One 2 One	7690	94323	12	01/12/98		01/12/01	30/11/10
Llandinam	Mercury One 2 One	7464	94330	12	01/09/98		01/09/01	31/08/10
Llandrindod Wells	Mercury One 2 One	7692	94204	12	01/12/98		01/12/01	30/11/10
Llanelli	Mercury One 2 One	6819	92258	12	01/05/97		01/05/00	30/04/09
Llangeinor	Mercury One 2 One	6997	92933	12	01/09/97		01/09/99	31/08/09
Llangollen VHF	Mercury One 2 One	5979		3	01/08/97		01/08/99	31/07/00
Llwyn Onn	Mercury One 2 One	7648	94319	12	01/11/98		01/11/01	29/10/10
Long Mountain	Mercury One 2 One	6984	94916	3	30/09/97		30/09/00	29/09/00
Ludlow	Mercury One 2 One	6120	97145	3	01/07/97		01/07/00	02/07/00
Luton	Mercury One 2 One	867	90334	12	01/08/93	01/08/96	01/08/99	31/07/08
Madingley	Mercury One 2 One	5569	94682	12	01/07/95		01/07/01	30/06/07
Maesteg	Mercury One 2 One	6949	92268	12	01/09/97		01/09/00	31/08/09
Malvern	Mercury One 2 One	1388	94005	9	01/07/97		01/07/00	01/07/06
Manningtree	Mercury One 2 One	6169	96400	12	01/06/97		01/06/00	31/05/09
Mansfield	Mercury One 2 One	5941	96668	3	01/07/97		01/07/00	30/06/00
Marlow Bottom	Mercury One 2 One	954	91101	12	01/05/93		01/05/99	30/04/05
Meldrum	Mercury One 2 One	7557	97940	12	01/10/98		01/01/01	28/09/10
Mendip	Mercury One 2 One	6114	THS	12	01/12/96		01/12/99	30/11/08
Merseyside	Mercury One 2 One	1398	5504T	18 mths	01/07/96		01/07/96	01/07/98
Merthyr Tydfil	Mercury One 2 One	6108	92162	12	01/11/96		01/11/99	31/10/08
Mickleham	Mercury One 2 One	5812	90629	12	01/01/97		01/01/00	31/12/08
Midhurst	Mercury One 2 One	1423	50034	12	01/01/95		01/01/01	31/12/06
Millburn Muir	Mercury One 2 One	7159	97665	3	01/04/98		01/04/01	02/04/01
Morecambe Bay	Mercury One 2 One	6985	94900	3	30/09/97		30/09/00	01/10/00
Netherton Braes	Mercury One 2 One	5930	97659	3	01/10/96		01/10/99	01/10/99
Newmarket Hill	Mercury One 2 One	5524	94656	12	01/01/96		01/01/02	31/12/07
Newton	Mercury One 2 One	5895	97031	3	01/10/96		01/10/99	01/10/99
Oakeley Mynd	Mercury	6885	97141	12	01/04/98		01/04/01	31/03/10

	One 2 One						
Okehampton	Mercury One 2 One	7476	94263	12	01/10/98	01/10/01	30/09/10
Oliver's Mount	Mercury One 2 One	5989	96785	3	01/10/97	01/10/99	30/09/00
Penmaen Rhos	Mercury One 2 One	6889	97188	3	01/08/97	01/08/00	31/07/00
Pennar	Mercury One 2 One	6948	92248	12	01/09/97	01/09/00	29/08/09
Penrhyn-Coch	Mercury One 2 One	7700	94331	12	01/11/98	01/11/01	31/10/10
Penryn	Mercury One 2 One	7477	94285	12	01/10/98	01/10/01	28/09/10
Perranporth	Mercury One 2 One	7619	94294	12	01/11/98	01/11/01	29/10/10
Peterborough	Mercury One 2 One	6154	96416	12	01/06/97	01/06/00	31/05/09
Pitlochry	Mercury One 2 One	7555	97911	12	01/10/98	01/10/01	30/09/10
Pontop Pike	Mercury One 2 One	5936	97044	3	01/10/96	01/10/99	01/10/99
Pontypool	Mercury One 2 One	6103	92190	12	01/04/97	01/04/00	31/03/09
Poole	Mercury One 2 One	1412	94552	3	01/08/97	01/08/99	31/07/00
Porth	Mercury One 2 One	6102	92183	12	01/01/97	01/01/00	31/12/08
Redruth	Mercury One 2 One	6986	94901	3	30/09/97	30/09/00	01/10/00
Reigate	Mercury One 2 One	1181	500154	12	01/12/92	01/12/01	30/11/04
Rheola	Mercury One 2 One	6797	45024	12	01/04/97	01/04/00	31/03/09

STATION NAME	SHARER NAME	SS NO.	Cell ID	Licence Term	Start Date	Start Date 2	Review Date	Licence Expiry Date
Rhymney	Mercury One 2 One	7018	92151	12	01/09/97		01/09/99	29/08/09
Richmond	Mercury One 2 One	6131	97006	3	01/03/97		01/03/00	29/02/00
Rosemarkie	Mercury One 2 One	7454	97943	12	01/11/98		01/11/01	31/10/10
Rowridge	Mercury One 2 One	1425	34584	12	01/05/95		01/05/01	30/04/07
Salisbury	Mercury One 2 One	5996	32900	1	01/07/97	01/01/98	31/12/98	01/01/99
Sandale	Mercury One 2 One	6987	94918	3	30/09/97		30/09/00	29/09/00
Scarborough	Mercury One 2 One	6127	96704	3	01/03/97		01/03/02	29/02/00
Seaham	Mercury One 2 One	5897	96986	3	01/10/96		01/10/99	01/10/99
Sheffield	Mercury One 2 One	1379	30010	9	01/07/97		01/07/00	01/07/06
Shotleyfield	Mercury One 2 One	6881	97029	3	01/10/97		01/10/99	02/10/00
South Knapdale	Mercury One 2 One	7560	97860	12	01/10/98		01/10/01	28/09/10
St. Marks	Mercury One 2 One	1266	THS 201-6	12	01/09/93	01/09/96	01/09/99	31/08/08
Storeton	Mercury One 2 One	1382	93579	12	01/05/97		01/05/00	30/04/09
Sudbury	Mercury One 2 One	5990	7106T	3	01/02/97		01/02/00	01/02/00
Sutton Coldfield	Mercury One 2 One	939	501474	12	01/01/94		01/01/97	31/12/05
Tarbert Loch Fyne	Mercury One 2 One	7932	97859	12	01/12/98		01/12/01	30/11/10
Tideswell Moor	Mercury One 2 One	6988	93909	3	30/09/97		30/09/00	01/10/00
Ton Pentre	Mercury One 2 One	6104	92185	12	01/02/97		01/02/00	31/01/09
Torosay	Mercury One 2 One	7566	97921	12	01/10/98		01/10/01	28/09/10
Tunbridge Wells	Mercury One 2 One	1240	500589	12	01/09/93	01/09/95	01/09/98	28/08/07
Waltham	Mercury One 2 One	5909	96616	3	01/12/96		01/12/99	01/12/99
Wenvoe	Mercury One 2 One	5861	92090	12	01/11/96		01/11/99	31/10/08
West Runton	Mercury One 2 One	5976	96417	3	01/11/96		01/11/99	01/11/99
Westwood	Mercury One 2 One	1418	94047	12	01/11/95		01/11/01	31/10/07
Weymouth	Mercury One 2 One	6795	92476	12	01/06/97		01/06/00	31/05/09
Whitehaven FM	Mercury One 2 One	6989	94902	3	30/09/97		30/09/00	30/09/00
Whitehawk Hill	Mercury One 2 One	1417	94540	12	01/09/94		01/09/00	31/08/06
Whittingslow	Mercury One 2 One	6884	97140	3	01/12/97		01/12/00	02/12/00
Windermere	Mercury One 2 One	6990	94917	3	30/09/97		30/09/00	01/10/00
Winterborne Stickland	Mercury	7540	708168	12	01/11/98		01/11/01	31/10/10

	One 2 One						
Wooburn	Mercury One 2 One	6087	91318	12	01/07/97	01/07/00	30/06/09
Wrotham	Mercury One 2 One	6171	91311	12	01/07/97	01/07/00	30/06/09

Schedule 2

The Sites

Schedule 3

List of Third Party Site Sharing Contracts

It is agreed this list will be provided by One 2 One on or after completion,

Schedule 4

Assignment Protocol

On the date of execution of the Management Agreement , or in respect of One 2 One New Sites on the date the said sites become the responsibility of CTI under the terms of the Management Agreement , One 2 One will

- hand over the Limited Power of Attorney in favour of CTI,
- deliver all the title deeds to the Properties to CTI's solicitors together with any relevant Properties documents and other available information including reports on title, planning consents, and Third Party Site Sharing Contracts
- give written confirmation to CTI's Solicitors that all Security Interests and Guarantees given by One 2 One in respect of the Property have been or will be released before completion of the assignment; and
- deliver to CTI a list of Assets (including the Tower) transferred or to be transferred with the Properties

Schedule 5

Assignment Deed for the Properties

Date: 1999

[.]
(1)

Castle Transmission International Ltd
(2)

ASSIGNMENT

THIS ASSIGNMENT is made the 1999
BETWEEN:

(1) [Insert name of relevant assignor] whose regional office is at Elstree Tower, Elstree Way, Borehamwood, Hertfordshire, WD6 1DT ("One 2 One")

(2) CASTLE TRANSMISSION INTERNATIONAL LTD whose registered office is at Warwick Technology Park, Gallows Hill, Heathcote Lane, Warwick CV34 6TN ("CTI")

WHEREAS:

(A) by the lease or leases ("the Leases)" short particulars of which are set out in the schedule hereto the premises mentioned in the said schedule ("the Premises") were demised for the term or terms ("the Terms") and subject to the rent reserved by and the tenant's or lessee's covenants and the conditions contained in the Leases;

(B) One 2 One has agreed to assign the Premises to CTI in consideration only of the covenant by CTI implied as mentioned below

NOW THIS DEED WITNESSES:

1. As agreed One 2 One assigns the Premises to CTI for the unexpired residue of the Terms subject to the Assignee paying the rent reserved by and observing the lessees' covenants and the conditions contained in the Leases for the residue of the Terms or (in the case of any leases which are "new" tenancies for the purposes of the Landlord and Tenant (Covenants) Act 1995) whilst the relevant Terms are vested in it).

2. There are implied into this Deed such covenants (by One 2 One and CTI respectively) as would have been implied had this Deed been a conveyance for valuable consideration and in which One 2 One conveyed and was expressed to convey with full title guarantee

IN WITNESS of which this Deed has been duly executed by One 2 One the date first before written

The Schedule

Particulars of the Lease(s)

Date	Parties	The Premises	The Term	Current Annual Rent

THE COMMON SEAL of.....)
was hereunto.....)
affixed in the presence of:.....)

..... Director

..... Secretary

Schedule 6

New Sites Protocol

1. One 2 One will free issue any One 2 One Retained Apparatus to be installed on the new greenfield sites together with a Tower design specification for the purposes of identifying Reserved Capacity and meet the cost of the New Assets installed by the ADC Contractor to meet One 2 One's Permitted Equipment specification. One 2 One will also meet the development costs of such new greenfield sites including acquisition, design and legal costs, provided that where legal work has not already commenced, early access or any other operational requirements are not compromised and the landlord is willing, CTI may at any time during the period of 3 years from the Framework Commencement Date take over responsibility to complete the legal acquisition of such new greenfield sites in its own name and at its own cost and will procure the Landlord and all others with a superior interest in the CTI New Sites consent in writing to the occupation of the CTI New Sites by One 2 One and will use all reasonable endeavours not to agree any restrictions on access to the CTI New Sites for One 2 One's Permitted Use and any such restrictions will require the consent of One 2 One (such consent not to be unreasonably withheld or delayed) To the extent One 2 One has paid a premium in place of rent, then CTI will reimburse such premium to One 2 One.

2. One 2 One will use all reasonable endeavours to permit CTI to require the ADC Contractor to modify the design and construction of New Sites to meet CTI's business interests and to enable CTI to better perform its rights and obligations under the Management Agreement provided in doing so: -

   (a) CTI agrees to meet any additional costs and expenses incurred in consequence which exceed those applicable to One 2 One's Permitted Equipment specification , including

(i) incentive payments to third party ADC Contractors in order that they submit an alternative planning application in accordance with CTI's requirement for the relevant New Site to run in parallel with but without prejudice to any application made by such third party ADC Contractor for One 2 One's Permitted Equipment specification;

(ii) incentive payments to the third party ADC Contractor in order to acquire the New Site in a condition more suitable for multi-occupational site sharing provided such incentives do not exceed any bonuses offered by One 2 One for meeting or exceeding the New Site delivery timetable set out in One 2 One's Permitted Equipment specification.

(b) a dual purpose base designed by CTI may be substituted for One 2 One's standard mast base set out in One 2 One's Permitted Equipment specification provided that CTI pay any difference in costs arising as a result of making this substitution

(c) Subject to sub-paragraph (d) below, an alternative Tower may be substituted by CTI for One 2 One's free issue Tower provided the alternative CTI Tower is capable of carrying One 2 One's Permitted Equipment specification and One 2 One shall where CTI has elected not to use a free issue Tower provided by One 2 One pay to CTI a contribution equal to the cost of the Tower requisite for the Permitted Equipment specification which One 2 One would otherwise have installed and CTI will agree with One 2 One a Tower design specification for the purpose of identifying Reserved Capacity.

(d) in making any arrangements with the third party ADC Contractor CTI will not seek to carry out any modifications or alterations to One 2 One's Permitted Equipment specification which:

(i) jeopardise the timetable for access by One 2 One to the relevant New Site; or

(ii) adversely compromise One 2 One's Permitted Equipment specification or One 2 One's Permitted Use; or

(iii) compromise One 2 One's rights under the Master Site Sharing Agreement as amended by the Special Conditions in relation to the relevant New Site.

2. The rates payable by One 2 One on New Sites shall be the lower of the rates payable on the hypothetical site which would have been built in accordance with One 2 One's Permitted Equipment specification for its sole occupation or a fair proportion (according to user) of the rates payable for the site as built.

3. Where One 2 One completes the acquisition of New Site then such site shall on completion form part of the portfolio of sites from time to time managed by CTI under the Site Management Agreement and the parties shall record such inclusion by formally completing a memorandum within 10 working days of such completion to be annexed to the Site Management Agreement.

4. One 2 One shall instruct its ADC Contractors in relation to this Protocol and shall at all times during the Term give CTI sufficient advance details of new greenfield sites and Non-Compliant Greenfield Sites being acquired to enable CTI to establish the New Sites Protocol and manage their incorporation, if appropriate, into the Site Management Agreement

Schedule 7

Site Management Agreement

EXECUTION COPY

EXHIBIT 10.61

CROWN CASTLE INTERNATIONAL CORP.

As Issuer

SERIES A AND SERIES B

SENIOR EXCHANGE NOTES DUE 2007

INDENTURE

Dated as of March 15, 1999

United States Trust Company of New York

As Trustee

CROSS-REFERENCE TABLE*

Trust Indenture Act Section		Indenture Section
310	(a)(1)	7.10
	(a)(2)	7.10
	(a)(3)	N.A.
	(a)(4)	N.A.
	(a)(5)	7.10
	(b)	7.10
	(c)	N.A.
311	(a)	7.11
	(b)	7.11
	(c)	N.A.
312	(a)	2.05
	(b)	11.03
	(c)	11.03
313	(a)	7.06
	(b)(1)	11.03
	(b)(2)	7.07
	(c)	7.06; 11.02
	(d)	7.06
314	(a)	4.03; 11.02
	(b)	11.02
	(c)(1)	11.04
	(c)(2)	11.04
	(c)(3)	N.A.
	(d)	N.A.
	(e)	11.05
	(f)	N.A.
315	(a)	7.01
	(b)	7.05, 11.02
	(c)	7.01
	(d)	7.01
	(e)	6.11
316	(a)(last sentence)	2.09
	(a)(1)(A)	6.05
	(a)(1)(B)	6.04
	(a)(2)	N.A.
	(b)	6.07
	(c)	2.12
317	(a)(1)	6.08
	(a)(2)	6.09
	(b)	2.04
318	(a)	11.01
	(b)	N.A.
	(c)	11.01

N.A. means not applicable.

*This Cross-Reference Table is not part of the Indenture.

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EXHIBITS

INDENTURE dated as of March 15, 1999 between Crown Castle International Corp., a Delaware corporation (the "Company"), and United States Trust Company of New York, as trustee (the "Trustee").

The Company and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the Series A Senior Exchange Notes due 2007 (the "Series A Notes") and the Series B Senior Exchange Notes due 2007 (the "Series B Notes" and, together with the Series A Notes, the "Notes"):

ARTICLE 1.

DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01. Definitions.

"144A Global Note" means a global note substantially in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"Acquired Debt" means, with respect to any specified Person:

(1) Indebtedness or Disqualified Stock of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Subsidiary of such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Adjusted Consolidated Cash Flow" has the meaning given to such term in the definition of "Debt to Adjusted Consolidated Cash Flow Ratio."

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10% or more of the Voting Stock of a Person shall be deemed to be control.

"Agent" means any Registrar, Paying Agent or co-registrar.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Certificate, the rules and procedures of the Depositary that apply to such transfer or exchange.

"Asset Sale" means:
----

(1) the sale, lease, conveyance or other disposition of any assets or rights (including, without limitation, by way of a sale and leaseback), provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole shall be governed by Section 4.15 and/or Section 5.01 hereof and not by Section 4.10 hereof; and

(2) the issue or sale by the Company or any of its Restricted Subsidiaries of Equity Interests of any of the Company's Subsidiaries (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Subsidiary), in the case of either clause (1) or (2), whether in a single transaction or a series of related transactions (a) that have a fair market value in excess of $1.0 million or (b) for net proceeds in excess of $1.0 million.

Notwithstanding the foregoing, the following items shall not be deemed to be Asset Sales:

(1) a transfer of assets by the Company to a Restricted Subsidiary or by a Restricted Subsidiary to the Company or to another Restricted Subsidiary;

(2) an issuance of Equity Interests by a Subsidiary to the Company or to another Restricted Subsidiary;

(3) a Restricted Payment that is permitted by Section 4.07 hereof;

(4) grants of leases or licenses in the ordinary course of business; and

(5) disposals of Cash Equivalents.

"Attributable Debt" in respect of a sale and leaseback transaction
----
means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

"BAM" means Cellco Partnership, a Delaware general partnership doing
---
business as Bell Atlantic Mobile.

"Bankruptcy Law" means Title 11, U.S. Code or any similar federal or
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state law for the relief of debtors.

"Berkshire Group" means Berkshire Fund III, A Limited Partnership,
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Berkshire Fund IV, Limited Partnership, Berkshire Investors LLC and Berkshire Partners LLC.

"Board of Directors" means the Board of Directors of the Company, or
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any authorized committee of the Board of Directors.

"Broker-Dealer" means any broker or dealer registered under the
----
Exchange Act.

"Business Day" means any day other than a Legal Holiday.

"Capital Lease Obligation" means, at the time any determination
 ----
thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"Capital Stock" means:
 ----

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Cash Equivalents" means:
 ----

(1) United States dollars;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than six months from the date of acquisition;

(3) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any lender party to the Senior Credit Facility or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thompson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having the highest rating obtainable from Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within six months after the date of acquisition; and

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1)-(5) of this definition.

"CCAIC" means CCA Investment Corp., which is an indirect wholly owned
 -----
Subsidiary of the Company and was formed to hold the Company's Equity Interests in Crown Atlantic Holding Company LLC.

"Cedel" means Cedel Bank, S.A.

"Centennial Group" means Centennial Fund IV, L.P., Centennial Fund V,
----
L.P. and Centennial Entrepreneurs Fund V, L.P.

"Change of Control" means the occurrence of any of the following:
----

(1) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Restricted Subsidiaries, taken as a whole, to any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) other than a Principal or a Related Party of a Principal;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than the Principals and their Related Parties, becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition), directly or indirectly, of more than 50% of the Voting Stock of the Company (measured by voting power rather than number of shares); provided that transfers of Equity Interests in the Company between or among the beneficial owners of the Company's Equity Interests and/or Equity Interests in CTSH, in each case as of November 20, 1997, shall not be deemed to cause a Change of Control under this clause (3) so long as no single Person together with its Affiliates acquires a beneficial interest in more of the Voting Stock of the Company than is at the time collectively beneficially owned by the Principals and their Related Parties;

(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors; or

(5) the Company consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Company, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Company is converted into or exchanged for cash, securities or other property, other than any such transaction where (x) the Voting Stock of the Company outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) or (y) the Principals and their Related Parties own a majority of such outstanding shares after such transaction.

"Company" means Crown Castle International Corp. and any and all
----
successors thereto.

"Consolidated Cash Flow" means, with respect to any Person for any
----
period, the Consolidated Net Income of such Person for such period plus:

(1) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was included in computing such Consolidated Net Income, plus

(2) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations), to the extent that any such expense was deducted in computing such Consolidated Net Income, plus

(3) depreciation, amortization (including amortization of goodwill and other intangibles and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income, minus

(4) non-cash items increasing such Consolidated Net Income for such period (excluding any items that were accrued in the ordinary course of business), in each case on a consolidated basis and determined in accordance with GAAP.

"Consolidated Indebtedness" means, with respect to any Person as of any date of determination, the sum, without duplication, of:

(1) the total amount of Indebtedness of such Person and its Restricted Subsidiaries, plus

(2) the total amount of Indebtedness of any other Person, to the extent that such Indebtedness has been Guaranteed by the referent Person or one or more of its Restricted Subsidiaries, plus

(3) the aggregate liquidation value of all Disqualified Stock of such Person and all preferred stock of Restricted Subsidiaries of such Person, in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP, provided that:

(1) the Net Income (but not loss) of any Person other than the Company that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person or a Restricted Subsidiary thereof;

(2) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition shall be excluded;

(3) the cumulative effect of a change in accounting principles shall be excluded; and

(4) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded whether or not distributed to the Company or one of its Restricted Subsidiaries.

"Consolidated Tangible Assets" means, with respect to the Company, the total consolidated assets of the Company and its Restricted Subsidiaries, less the total intangible assets of the Company and its Restricted Subsidiaries, as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries calculated on a consolidated basis in accordance with GAAP.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Company who:

(1) was a member of such Board of Directors on the Loan Date;

(2) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board at the time of such nomination or election; or

(3) is a designee of a Principal or was nominated by a Principal.

"Corporate Trust Office of the Trustee" shall be at the address of the Trustee specified in Section 11.02 hereof or such other address as to which the Trustee may give notice to the Company.

"Credit Facilities" means one or more debt facilities (including, without limitation, the Senior Credit Facility) or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Crown Transition Agreements" means collectively (i) the Crown Memorandum of Understanding among the Company, Robert A. Crown and Barbara A. Crown, dated as of July 2, 1998, (ii) the Crown Services Agreement between the Company and Robert A. Crown, dated as of July 2, 1998 and (iii) the Registration Rights Crown Side Letter Agreement, among the Company, Robert A. Crown and Barbara A. Crown, dated as of August 18, 1998.

"CTI" means Castle Transmission International Limited.

"CTI Operating Agreement" means the memorandum of understanding among the Company, CTSH, CTI and TdF, dated as of August 21, 1998, relating to the development of certain business opportunities outside of the United States and the provision of certain business support and technical services in connection therewith.

"CTI Services Agreement" means the amended and restated services agreement between CTI and TdF, dated as of August 21, 1998, relating to the provisions of certain services to CTI.

"CTSH" means Castle Transmission Services (Holdings) Ltd and its successors.

"CTSH Shareholders' Agreement" means the agreement entered into by the
Company, CTSH and TdF, dated as of August 21, 1998, to govern the relationship between the Company and TdF as shareholders of CTSH.

"Custodian" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"Debt to Adjusted Consolidated Cash Flow Ratio" means, as of any date of determination, the ratio of:

(1) the Consolidated Indebtedness of the Company as of such date to

(2) the sum of (a) the Consolidated Cash Flow of the Company for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available, less the Company's Tower Cash Flow for such four-quarter period, plus (b) the product of four times the Company's Tower Cash Flow for the most recent quarterly period (such sum being referred to as "Adjusted Consolidated Cash Flow"),

in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Company and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above, (i) acquisitions that have been made by the Company or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the reference period and Consolidated Cash Flow for such reference period shall be calculated without giving effect to clause (ii) of the proviso set forth in definition of Consolidated Net Income, and (ii) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to Calculation Date, shall be excluded.

"Default" means any event that is, or with the passage of time or the giving of notice or both would be, an Event of Default.

"Definitive Note" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A1 hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in each case, at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the Holder thereof, in whole or in

part, on or prior to the date that is 91 days after the date on which the Notes mature; provided, however, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Company to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.07 hereof.

"Eligible Indebtedness" means any Indebtedness other than (i) Indebtedness in the form of, or represented by, bonds or other securities or any guarantee thereof and (ii) Indebtedness that is, or may be, quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market (including, without prejudice to the generality of the foregoing, the market for securities eligible for resale pursuant to Rule 144A under the Securities Act).

"Eligible Receivables" means the accounts receivable (net of any reserves and allowances for doubtful accounts in accordance with GAAP) of the Company and its Restricted Subsidiaries that are not more than 60 days past their due date and that were entered into in the ordinary course of business on normal payment terms as shown on the most recent internal consolidated balance sheet of the Company and such Restricted Subsidiaries, all calculated on a consolidated basis in accordance with GAAP.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Euroclear" means Morgan Guaranty Trust Company of New York, Brussels office, as operator of the Euroclear system.

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

"Existing Indebtedness" means Indebtedness of the Company and its Subsidiaries (other than Indebtedness under the Senior Credit Facility) in existence on the Loan Date, until such amounts are repaid.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the Loan Date.

"Global Notes" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes, substantially in the form of Exhibit A1 or A2 hereto issued in accordance with Section 2.01, 2.06(b)(iv), 2.06(d)(ii) or 2.06(f) hereof.

"Global Note Legend" means the legend set forth in Section 2.06(g)(ii), which is required to be placed on all Global Notes issued under this Indenture.

"Governance Agreement" means the agreement among the Company, TdF and its affiliates, dated as of August 21, 1998, to provide for certain rights and obligations of the Company, TdF and its affiliates with respect to the management of the Company.

"Government Securities" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"Guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under:

(1) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements; and

(2) other agreements or arrangements designed to protect such Person against fluctuations in interest rates or currency exchange rates.

"Holder" means a Person in whose name a Note is registered.

"Indebtedness" means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of:

(1) borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) banker's acceptances;

(4) representing Capital Lease Obligations;

(5) the balance deferred and unpaid of the purchase price of any property; or

(6) representing any Hedging Obligations,

except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, as well as all Indebtedness of others secured by a Lien on any asset of such Person whether or not such Indebtedness is assumed by such Person (the amount of such Indebtedness as of any date being deemed to be the lesser of the value of such property or assets as of such date or the principal amount of such Indebtedness of such other Person so secured) and, to the extent not otherwise included, the Guarantee by such Person of any Indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be (i) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, and (ii) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

"Indenture" means this Indenture, as amended or supplemented from time to time.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Note through a Participant.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Company or a Restricted Subsidiary of the Company issues any of its Equity Interests such that, in each case, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.07 hereof.

"Joint Venture Operating Agreement" means the Crown Atlantic Holding Company LLC Operating Agreement to be entered into by the Company and BAM, substantially in the form of Exhibit 3.5 to the Formation Agreement, dated as of December 8, 1998, by and among BAM, the Transferring Partnerships (as defined therein), the Company and CCA Investment Corp.

"Legal Holiday" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"Liquidated Damages" means all liquidated damages then owing pursuant to Section 3(c) of the Registration Rights Agreement.

"Loan Date" means March 15, 1999, the date of the Term Loan Agreement.

"Nassau Group" means Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however:

(1) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with (a) any Asset Sale (including, without limitation, dispositions

pursuant to sale and leaseback transactions) or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"Net Proceeds" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of:

(1) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof;

(2) taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements);

(3) amounts required to be applied to the repayment of Indebtedness (other than Indebtedness under a Credit Facility) secured by a Lien on the asset or assets that were the subject of such Asset Sale;

(4) all distributions and other payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale;

(5) the deduction of appropriate amounts provided by the seller as a reserve in accordance with GAAP against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Company or any Restricted Subsidiary after such Asset Sale; and

(6) without duplication, any reserves that the Company's Board of Directors determines in good faith should be made in respect of the sale price of such asset or assets for post closing adjustments; provided that in the case of any reversal of any reserve referred to in clause (5) or (6) above, the amount so reserved shall be deemed to be Net Proceeds from an Asset Sale as of the date of such reversal.

"New Notes" means the Company's Series B Senior Notes due 2007 issued pursuant to this Indenture in connection with a resale of Notes in reliance on the Shelf Registration Statement.

"Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable (as a guarantor or otherwise) or (c) constitutes the lender;

(2) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Company or any of its Restricted

Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity; and

(3) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries (except that this clause (3) shall not apply to any Indebtedness incurred by CTSH and its Subsidiaries prior to August 21, 1998).

"Non-U.S. Person" means a Person who is not a U.S. Person.

"Notes" means (i) the Senior Exchange Notes due 2007 of the Company issued pursuant to this Indenture on the Loan Date and held in escrow pursuant to an escrow agreement executed by the Company under the Term Loan Agreement and (ii) the New Notes.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"Officers' Certificate" means a certificate signed on behalf of the Company by two Officers of the Company, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Company, that meets the requirements of Section 11.05 hereof.

"Opinion of Counsel" means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 11.05 hereof. The counsel may be an employee of or counsel to the Company, any Subsidiary of the Company or the Trustee.

"Pari Passu Indebtedness" means, with respect to any Asset Sale Offer, all other senior subordinated Indebtedness of the Company containing provisions similar to those set forth in this Indenture.

"Participant" means, with respect to the Depositary, Euroclear or Cedel, a Person who has an account with the Depositary, Euroclear or Cedel, respectively (and, with respect to The Depository Trust Company, shall include Euroclear and Cedel).

"Permitted Business" means any business conducted by the Company, its Restricted Subsidiaries or CTSH and its Subsidiaries on the Loan Date and any other business related, ancillary or complementary to any such business.

"Permitted Investments" means:

(1) RESERVED;

(2) any Investment in the Company or in a Restricted Subsidiary of the Company;

(3) any Investment in Cash Equivalents;

(4) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment (i) such Person becomes a Restricted Subsidiary of the Company or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(5) any Restricted Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10 hereof;

(6) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(7) receivables created in the ordinary course of business;

(8) loans or advances to employees made in the ordinary course of business not to exceed $1.0 million at any one time outstanding;

(9) securities and other assets received in settlement of trade debts or other claims arising in the ordinary course of business;

(10) purchases of additional Equity Interests in CTSH for cash pursuant to the Governance Agreement as the same is in effect on the Loan Date for aggregate cash consideration not to exceed $20.0 million since the Loan Date;

(11) the Investment of up to an aggregate of $100.0 million (i) to be used to consummate the formation of the Crown Atlantic Holding Company LLC joint venture with BAM or (ii) if the Company does not consummate the formation of the Crown Atlantic Holding Company LLC joint venture with BAM, in one or more other Subsidiaries of the Company (which may be Unrestricted Subsidiaries of the Company), each of which derives or expects to derive a majority of its revenues from one or more Permitted Businesses (each such Investment being measured as of the date made and without giving effect to subsequent changes in value);

(12) additional Investments in an aggregate amount equal to (x) $200.0 million, minus (y) the aggregate amount of Investments made or permitted to be made pursuant to clause (11) of this paragraph, minus (z) the aggregate amount of Indebtedness incurred and/or Disqualified Stock issued pursuant to clause (11) of the second paragraph of Section 4.09 hereof (each such Investment being measured as of the date made and without giving effect to subsequent changes in value); and

(13) other Investments in Permitted Businesses not to exceed an amount equal to $10.0 million plus 10% of the Company's Consolidated Tangible Assets at any one time outstanding (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

"Permitted Liens" means:
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(1) Liens securing Eligible Indebtedness of the Company under one or more Credit Facilities that was permitted by the terms of this Indenture to be incurred;

(2) Liens securing any Indebtedness of any of the Company's Restricted Subsidiaries that was permitted by the terms of this Indenture to be incurred;

(3) Liens in favor of the Company;

(4) Liens existing on the date of this Indenture;

(5) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(6) Liens securing Indebtedness permitted to be incurred under clause (4) of the second paragraph of the covenant described in Section 4.09; and

(7) Liens incurred in the ordinary course of business of the Company or any Restricted Subsidiary of the Company with respect to obligations that do not exceed $5.0 million at any one time outstanding and that (a) are not incurred in connection with the borrowing of money or the obtaining of advances or credit (other than trade credit in the ordinary course of business) and (b) do not in the aggregate materially detract from the value of the property or materially impair the use thereof in the operation of business by the Company or such Restricted Subsidiary.

"Permitted Refinancing Indebtedness" means any Indebtedness of the
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Company or any of its Restricted Subsidiaries or Disqualified Stock of the Company issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries (other than intercompany Indebtedness) or Disqualified Stock of the Company; provided that:

(1) the principal amount, initial accreted value or liquidation preference, as applicable, of such Permitted Refinancing Indebtedness does not exceed the principal amount, accreted value or liquidation preference, as applicable, of, plus accrued interest or accumulated dividends on, the Indebtedness or Disqualified Stock so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of expenses and prepayment premiums incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness or Disqualified Stock being extended, refinanced, renewed, replaced, defeased or refunded;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Notes on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded or such Disqualified Stock is issued by the Company.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

"Principals" means Berkshire Group, Centennial Group, Nassau Group, TdF and any Related Party of the foregoing.

"Private Placement Legend" means the legend set forth in Section 2.06(g)(i) to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"Prospectus" means the prospectus included in a Registration Statement at the time such Registration Statement is declared effective, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

"Public Equity Offering" means an underwritten primary public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"Registration Rights Agreement" means the registration rights agreement in the form of Exhibit C to the Term Loan Agreement to be entered into by the Company on or before the Loan Date relating to the registration of the Notes with the Commission.

"Registration Statement" means any registration statement of the Company relating to an offering of New Notes that is filed pursuant to the provisions of the Registration Rights Agreement, and includes the Prospectus included therein, all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Regulation S Global Note" means a Regulation S Temporary Global Note or Regulation S Permanent Global Note, as appropriate.

"Regulation S Permanent Global Note" means a permanent global Note substantially in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Regulation S Temporary Global Note upon expiration of the Restricted Period.

"Regulation S Temporary Global Note" means a temporary global Note substantially in the form of Exhibit A2 hereto bearing the Private Placement Legend and deposited with or on behalf of

and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

"Related Party" with respect to any Principal means:

(1) any controlling stockholder, 80% (or more) owned Subsidiary of such Principal; or

(2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, members, partners, owners or Persons beneficially holding an 80% or more controlling interest of which consist of such Principal and/or such other Persons referred to in the immediately preceding clause (1).

"Responsible Officer", when used with respect to the Trustee, means any officer within the Corporate Trust Administration of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Restricted Definitive Note" means a definitive certificate evidencing Notes, registered in the name of the holder thereof, in the form of Exhibit A1 or A2 hereto and bearing the Private Placement Legend.

"Restricted Global Note" means a 144A Global Note or a Regulation S Global Note, as appropriate.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Period" means the 40-day restricted period as defined in Regulation S.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Rights Agreement" means the agreement between the Company and ChaseMellon Shareholders Services, L.L.C., as rights agent, dated as of August 21, 1998, relating to the dividend declared by the Company consisting of the right to purchase 1/1000th of a share of the Company's Series A Participating Cumulative Preferred Stock, par value $.01 per share.

"Rule 144" means Rule 144 promulgated under the Securities Act.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"Rule 903" means Rule 903 promulgated under the Securities Act.

"Rule 904" means Rule 904 promulgated the Securities Act.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Senior Credit Facility" means that certain Amended and Restated Loan Agreement, dated as of July 10, 1998, by and among Key Corporate Capital Inc. and PNC Bank, National Association, as arrangers and agents for the financial institutions listed therein, and Crown Communication Inc. and Crown Castle International Corp. de Puerto Rico, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, modified, renewed, refunded, replaced or refinanced from time to time.

"Senior Discount Notes Indenture" means that certain Indenture, dated as of November 20, 1997, governing the Company's 10-5/8% Senior Discount Notes due 2007.

"Shelf Registration Statement" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"Significant Subsidiary" means, with respect to any Person, any Restricted Subsidiary of such Person that would be a "significant subsidiary" of such Person as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof, except that all references to "10 percent" in Rule 1-02(w)(1), (2) and (3) shall mean "5 percent" and that all Unrestricted Subsidiaries of the Company shall be excluded from all calculations under Rule 1-02(w).

"Specified Premium" means, with respect to each Note,

(1) during the one-year period commencing on the fourth anniversary of the Loan Date, a percentage of the principal amount of such Note equal to one-half of the fixed interest rate on such Note;

(2) during the one-year period commencing on the fifth anniversary of the Loan Date, a percentage of the principal amount of such Note equal to one-third of the fixed interest rate on such Note;

(3) during the one-year period commencing on the sixth anniversary of the Loan Date, a percentage of the principal amount of such Note equal to one-sixth of the fixed interest rate on such Note; and

(4) during the period commencing on the seventh anniversary of the Loan Date and ending on the day prior to the Stated Maturity of the Notes, zero percent.

For example, if the fixed interest rate on a Note was equal to 15%, then the Specified Premium would equal (a) 7.5% during the one-year period commencing on the fourth anniversary of the Loan Date and ending on the day prior to the fifth anniversary of the Loan Date; (b) 5% during the one-year period commencing on the fifth anniversary of the Loan Date and ending on the day prior to the sixth anniversary of the Loan Date; (c) 2.5% during the one-year period commencing on the sixth anniversary of the Loan Date and ending on the day prior to the seventh anniversary of the Loan Date; and (d) zero percent during the period commencing on the seventh anniversary of the Loan Date and ending on the day prior to the Stated Maturity of the Notes.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent

obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Stockholders' Agreement" means the agreement among the Company and certain stockholders of the Company, dated as of August 21, 1998, to provide for certain rights and obligations of the Company and such stockholders with respect to the governance of the Company and such stockholders' shares of Common Stock and/or Class A Common Stock of the Company.

"Strategic Equity Investment" means a cash contribution to the common equity capital of the Company or a purchase from the Company of common Equity Interests (other than Disqualified Stock), in either case by or from a Strategic Equity Investor and for aggregate cash consideration of at least $50.0 million.

"Strategic Equity Investor" means a Person engaged in a Permitted Business whose Total Equity Market Capitalization exceeds $1.0 billion.

"Subsidiary" means, with respect to any Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof).

"Term Loan Agreement" means the Term Loan Agreement dated as of March 15, 1999, among the Company, the Lenders named therein, and Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston Corporation, as arrangers.

"Term Notes" means the Term Notes representing Indebtedness of the Company incurred pursuant to the Term Loan Agreement.

"TdF" means TeleDiffusion de France International S.A.

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. (S)(S) 77aaa-77bbbb) as in effect on the date on which this Indenture is qualified under the TIA.

"Total Equity Market Capitalization" of any Person means, as of any day of determination, the sum of:

(1) the product of (A) the aggregate number of outstanding primary shares of common stock of such Person on such day (which shall not include any options or warrants on, or securities convertible or exchangeable into, shares of common stock of such person) multiplied by (B) the average closing price of such common stock listed on a national securities exchange or the Nasdaq National Market System over the 20 consecutive business days immediately preceding such day; plus

(2) the liquidation value of any outstanding shares of preferred stock of such Person on such day.

"Tower Asset Exchange" means any transaction in which the Company or one of its Restricted Subsidiaries exchanges assets for Tower Assets and/or cash or Cash Equivalents where the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the Tower Assets and cash or Cash Equivalents received by the Company and its Restricted Subsidiaries in such exchange is at least equal to the fair market value of the assets disposed of in such exchange.

"Tower Assets" means wireless transmission towers and related assets that are located on the site of a transmission tower.

"Tower Cash Flow" means, for any period, the Consolidated Cash Flow of the Company and its Restricted Subsidiaries for such period that is directly attributable to site rental revenue or license fees paid to lease or sublease space on communication sites owned or leased by the Company, all determined on a consolidated basis and in accordance with GAAP. Tower Cash Flow shall not include revenue or expenses attributable to non-site rental services provided by the Company or any of its Restricted Subsidiaries to lessees of communication sites or revenues derived from the sale of assets.

"Trustee" means the trustee under the indenture governing the Notes.

"Unrestricted Definitive Certificate" means a definitive certificate evidencing the Notes, registered in the name of the holder thereof, substantially in the form of Exhibit A1 hereto, representing a series of Notes that do not bear the Private Placement Legend.

"Unrestricted Global Certificate" means a permanent global certificate substantially in the form of Exhibit A1 attached hereto that bears the Global Certificate Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, and that is deposited with or on behalf of and registered in the name of the Depositary, representing a series of Notes that do not bear the Private Placement Legend.

"Unrestricted Subsidiary" means (i) any Subsidiary of the Company that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution; but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (x) to subscribe for additional Equity Interests or (y) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results;

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries; and

(5) has at least one director on its board of directors that is not a director or executive officer of the Company or any of its Restricted Subsidiaries and has at least one executive officer that is not a director or executive officer of the Company or any of its Restricted Subsidiaries.

Any such designation by the Board of Directors shall be evidenced to the Trustee by filing with the Trustee a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Company as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.09 hereof, the Company shall be in default of such covenant). The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (i) such Indebtedness is permitted under Section 4.09 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period, and (ii) no Default would occur or be in existence following such designation.

"U.S. Person" means a U.S. person as defined in Rule 902(o) under the Securities Act.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness or series or class of preferred stock at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal or liquidation preference, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by

(2) the then outstanding principal amount of such Indebtedness or the aggregate liquidation preference of the then outstanding preferred stock, as the case may be.

"Wholly Owned Restricted Subsidiary" of any Person means a Restricted Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned by such Person or by one or more Wholly Owned Restricted Subsidiaries of such Person and one or more Wholly Owned Restricted Subsidiaries of such Person.

Section 1.02. Other Definitions.

	Defined in

Term	Section
"Affiliate Transaction"	4.11
"Asset Sale Offer"	3.09
"Authentication Order"	2.02
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15
"Change of Control Payment Date"	4.15
"Covenant Defeasance"	8.03
"Event of Default"	6.01
"Excess Proceeds"	4.10
"incur"	4.09
"Legal Defeasance"	8.02
"Offer Amount"	3.09
"Offer Period"	3.09
"Paying Agent"	2.03
"Payment Default"	6.01
"Pari Passu Notes"	4.10
"Permitted Debt"	4.09
"Purchase Date"	3.09
"Registrar"	2.03
"Restricted Payments"	4.07

Section 1.03. Incorporation by Reference of Trust Indenture Act.

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

The following TIA terms used in this Indenture have the following meanings:

"indenture securities" means the Notes;

"indenture security Holder" means a Holder of a Note;

"indenture to be qualified" means this Indenture;

"indenture trustee" or "institutional trustee" means the Trustee; and

"obligor" on the Notes means the Company and any successor obligor upon the Notes.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA have the meanings so assigned to them.

Section 1.04. Rules of Construction.

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) provisions apply to successive events and transactions; and

(6) references to sections of or rules under the Securities Act shall be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

Section 1.05. Effectiveness of Indenture.

The provisions of this Indenture as set forth in Article 4, Article 5 and Article 6 shall not be effective unless and until the Trustee exchanges any of the Notes issued by the Company hereunder for one or more Term Notes.

ARTICLE 2.

THE NOTES

Section 2.01. Form and Dating.

(a) General.

The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A1 or A2 hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note shall be dated the date of its authentication. The Notes shall be in denominations of $1,000 and integral multiples thereof.

The terms and provisions contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) Global Notes.

Notes issued in global form shall be substantially in the form of Exhibit A1 or A2 attached hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form shall be substantially in the form of Exhibit A1 attached hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note shall represent such of the outstanding Notes as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes

represented thereby shall be made by the Trustee or the Note Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) Temporary Global Notes.

Notes offered and sold in reliance on Regulation S shall be issued initially in the form of the Regulation S Temporary Global Note, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, at its New York office or at such other office of the Trustee as the Trustee may designate, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Cedel Bank, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Restricted Period shall be terminated upon the receipt by the Trustee of (i) a written certificate from the Depositary, together with copies of certificates from Euroclear and Cedel Bank certifying that they have received certification of non-United States beneficial ownership of 100% of the aggregate principal amount of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Restricted Period pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a 144A Global Note bearing a Private Placement Legend, all as contemplated by Section 2.06(a)(ii) hereof), and (ii) an Officers' Certificate from the Company. Following the termination of the Restricted Period, beneficial interests in the Regulation S Temporary Global Note shall be exchanged for beneficial interests in Regulation S Permanent Global Notes pursuant to the Applicable Procedures. Simultaneously with the authentication of Regulation S Permanent Global Notes, the Trustee shall cancel the Regulation S Temporary Global Note. The aggregate principal amount of the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided.

(d) Euroclear and Cedel Procedures Applicable.

The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Cedel Bank" and "Customer Handbook" of Cedel Bank shall be applicable to transfers of beneficial interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes that are held by Participants through Euroclear or Cedel Bank.

Section 2.02. Execution and Authentication.

Two Officers shall sign the Notes for the Company by manual or facsimile signature. The Company's seal shall be reproduced on the Notes and may be in facsimile form.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note shall nevertheless be valid.

A Note shall not be valid until authenticated by the manual signature of the Trustee. The signature shall be conclusive evidence that the Note has been authenticated under this Indenture.

The Trustee shall, upon a written order of the Company signed by two Officers (an "Authentication Order"), authenticate Notes for original issue up to the aggregate principal amount stated in paragraph 4 of the Notes. The aggregate principal amount of Notes outstanding at any time may not exceed such amount except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent acceptable to the Company to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03. Registrar and Paying Agent.

The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Notes may be presented for payment ("Paying Agent"). The Registrar shall keep a register of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company shall notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints The Depository Trust Company ("DTC") to act as Depositary with respect to the Global Notes.

The Company initially appoints the Trustee to act as the Registrar and Paying Agent and to act as Note Custodian with respect to the Global Notes.

Section 2.04. Paying Agent to Hold Money in Trust.

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium or Liquidated Damages, if any, or interest on the Notes, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) shall have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee shall serve as Paying Agent for the Notes.

Section 2.05. Holder Lists.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA

(S) 312(a). If the Trustee is not the Registrar, the Company shall furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes and the Company shall otherwise comply with TIA (S) 312(a).

Section 2.06. Transfer and Exchange.

(a) Transfer and Exchange of Global Notes.

A Global Note may not be transferred as a whole except by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if (i) the Company delivers to the Trustee notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary or (ii) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; provided that in no event shall the Regulation S Temporary Global Note be exchanged by the Company for Definitive Notes prior to (x) the expiration of the Restricted Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(c)(3)(ii)(B) under the Securities Act. Upon the occurrence of either of the preceding events in (i) or (ii) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b),(c) or (f) hereof.

(b) Transfer and Exchange of Beneficial Interests in the Global Notes.

The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also shall require compliance with either subparagraph (i) or (ii) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(i) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; provided, however, that prior to the expiration of the Restricted Period, transfers of beneficial interests in the Temporary Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(i).

(ii) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(i) above, the transferor of such beneficial interest must deliver to the Registrar either (A) (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or (B) (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (1) above; provided that in no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Note prior to (x) the expiration of the Restricted Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903 under the Securities Act. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(g) hereof.

(iii) Transfer of Beneficial Interests to Another Restricted Global Note. A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(ii) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof; or

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Temporary Global Note or the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(iv) Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in the Unrestricted Global Note. A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(ii) above and:

(A) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(B) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (B), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (A) or (B) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) or (B) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) Transfer or Exchange of Beneficial Interests for Definitive Notes.

(i) Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes. If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the

Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) Notwithstanding Sections 2.06(c)(i)(A) and (C) hereof, a beneficial interest in the Regulation S Temporary Global Note may not be exchanged for a Definitive Note or transferred to a Person who takes delivery thereof in the form of a Definitive Note prior to (x) the expiration of the Restricted Period and (y) the receipt by the Registrar of any certificates required pursuant to Rule 903(c)(3)(ii)(B) under the Securities Act, except in the case of a transfer pursuant to an exemption from the registration requirements of the Securities Act other than Rule 903 or Rule 904.

(iii) Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement; or

(B) the Registrar receives the following:

(1) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(2) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of

a Definitive Note that does not bear the Private Placement Legend, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (B), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iv) Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes. If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(ii) hereof, the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iii) shall not bear the Private Placement Legend.

(d) Transfer and Exchange of Definitive Notes for Beneficial Interests.

(i) Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes. If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under

the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, in the case of clause (C) above, the Regulation S Global Note, and in all other cases, the 144A Global Note.

(ii) Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement; or

(B) the Registrar receives the following:

(1) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(2) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (B), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(ii), the Trustee shall cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

If any such transfer is effected pursuant to subparagraph (A) or (B) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate

one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (A) or (B) above.

(iii) Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (ii)(B), (ii)(D) or (iii) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) Transfer and Exchange of Definitive Notes for Definitive Notes. Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by his attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(i) Restricted Definitive Notes to Restricted Definitive Notes. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A under the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(ii) Restricted Definitive Notes to Unrestricted Definitive Notes. Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) any such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement; or

(B) the Registrar receives the following:

(1) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(2) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (B), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iii) Unrestricted Definitive Notes to Unrestricted Definitive Notes. A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) Legends. The following legends shall appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(i) Private Placement Legend.

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form.

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN ACCORDANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (SUBJECT TO THE DELIVERY OF SUCH EVIDENCE, IF ANY, REQUIRED UNDER THE INDENTURE PURSUANT TO WHICH THIS SECURITY IS ISSUED) AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR REGULATION S THEREUNDER OR ANOTHER EXEMPTION UNDER

THE SECURITIES ACT. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF CROWN CASTLE INTERNATIONAL CORP. THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1)(a) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (b) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (c) OUTSIDE THE UNITED STATES TO A FOREIGN PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 UNDER THE SECURITIES ACT OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL IF THE COMPANY SO REQUESTS), (2) TO CROWN CASTLE INTERNATIONAL CORP. OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN (A) ABOVE."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(iv), (c)(iii), (c)(iv), (d)(ii), (d)(iii), (e)(ii) or (e)(iii) to this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend.

(ii) Global Note Legend. Each Global Note shall bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.07 OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY."

(iii) Regulation S Temporary Global Note Legend. The Regulation S Temporary Global Note shall bear a legend in substantially the following form:

"THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON. HEDGING TRANSACTIONS INVOLVING THESE

SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT."

(g) Cancellation and/or Adjustment of Global Notes.

At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note shall be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(h) General Provisions Relating to Transfers and Exchanges.

(i) To permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate Global Notes and Definitive Notes upon the Company's order or at the Registrar's request.

(ii) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(iii) The Registrar shall not be required to register the transfer of or exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(iv) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(v) The Company shall not be required (A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection, (B) to register the transfer of or to exchange any Note so selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part or (c) to register the transfer of or to exchange a Note between a record date and the next succeeding Interest Payment Date.

(vi) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(vii) The Trustee shall authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(viii) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07. Replacement Notes

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Company shall issue and the Trustee, upon receipt of an Authentication Order, shall authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Company and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08. Outstanding Notes.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; however, Notes held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(b) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a bona fide purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes shall be deemed to be no longer outstanding and shall cease to accrue interest.

Section 2.09. Treasury Notes.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company, shall be considered as though not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned shall be so disregarded.

Section 2.10. Temporary Notes

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as shall be reasonably acceptable to the Trustee. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes shall be entitled to all of the benefits of this Indenture.

Section 2.11. Cancellation.

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall destroy canceled Notes (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all canceled Notes shall be delivered to the Company. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12. Defaulted Interest.

If the Company defaults in a payment of interest on the Notes, it shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Company shall notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company shall fix or cause to be fixed each such special record date and payment date, provided that no such special record date shall be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) shall mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

ARTICLE 3.

REDEMPTION AND PREPAYMENT

Section 3.01. Notices to Trustee.

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it shall furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date, an Officers' Certificate setting forth (i) the clause of this Indenture pursuant to which the redemption shall occur, (ii) the redemption date, (iii) the principal amount of Notes to be redeemed and (iv) the redemption price (expressed as a percentage of principal amount).

Section 3.02. Selection of Notes to Be Redeemed

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, the Trustee shall select the Notes to be redeemed or purchased among the Holders of the Notes in compliance with the requirements of the principal national securities exchange, if any, on which the Notes are listed or, if the Notes are not so listed, on a pro rata basis, by lot or in accordance with any other method the Trustee shall deem fair and appropriate; provided that no Notes of $1,000 or less shall be redeemed in part. In the event of partial redemption by lot, the particular Notes to be redeemed shall be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Notes not previously called for redemption.

The Trustee shall promptly notify the Company in writing of the Notes selected for redemption and, in the case of any Note selected for partial redemption, the principal amount thereof to be redeemed. Notes and portions of Notes selected shall be in amounts of $1,000 or whole multiples of $1,000; except that if all of the Notes of a Holder are to be redeemed, the entire outstanding amount of Notes held by such Holder, even if not a multiple of $1,000, shall be redeemed. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption.

Section 3.03. Notice of Redemption

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Company shall mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address.

The notice shall identify the Notes to be redeemed and shall state:

(a) the redemption date;

(b) the redemption price;

(c) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion shall be issued upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(g) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(h) that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee shall give the notice of redemption in the Company's name and at its expense; provided, however, that the Company shall have delivered to the Trustee, at least 45 days prior to the redemption date, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04. Effect of Notice of Redemption

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05. Deposit of Redemption Price

One Business Day prior to the redemption date, the Company shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption price of and accrued interest on all Notes to be redeemed on that date. The Trustee or the Paying Agent shall promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption price of, and accrued interest on, all Notes to be redeemed.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption date, interest shall cease to accrue on the Notes or the portions of Notes called for redemption. If a Note is redeemed on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption shall not be so paid upon surrender for redemption because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06. Notes Redeemed in Part.

Upon surrender of a Note that is redeemed in part, the Company shall issue and, upon the Company's written request, the Trustee shall authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed portion of the Note surrendered.

Section 3.07. Optional Redemption.

(a) Except as set forth in clause (b) of this Section 3.07, the Company shall not have the option to redeem the Notes pursuant to this Section 3.07 prior to the fourth anniversary of the Loan Date. Thereafter, the Company shall have the option to redeem the Notes, in whole or in part, at a redemption price equal to 100% of the principal amount thereof plus the Specified Premium plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the applicable redemption date.

(b) Notwithstanding the provisions of clause (a) of this Section 3.07, during the first 36 months after the Loan Date, the Company may on any one or more occasions redeem up to $35.0 million aggregate principal amount of Notes at a redemption price equal to 100% of the principal amount thereof plus a percentage of the principal amount of such Note equal to the fixed interest rate on such Note on the redemption date, plus Liquidated Damages thereon, if any, to the redemption date (subject to the right of Holders of record on the relevant record date to receive Liquidated Damages, if any, due on the relevant interest payment date), with the net cash proceeds of one or more Public Equity Offerings and/or Strategic Equity Investments; provided that at least $65.0 million aggregate principal amount of Notes and Term Notes remains outstanding immediately after the occurrence of such redemption (excluding Notes held by the Company or any of its Subsidiaries);and provided, further, that such redemption shall occur within 60 days of the date of the closing of such Public Equity Offering and/or Strategic Equity Investment.

(c) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Section 3.01 through 3.06 hereof.

Section 3.08. Mandatory Redemption.

The Company shall not be required to make mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09. Offer to Purchase by Application of Excess Proceeds.

In the event that, pursuant to Section 4.10 hereof, the Company shall be required to commence an offer to holders of Notes and Pari Passu Indebtedness (an "Asset Sale Offer") to purchase the maximum principal amount (or accreted value, as applicable, of Notes and Pari Passu Indebtedness that may be purchased out of Excess Proceeds), of Notes and Pari Passu Indebtedness it shall follow the procedures specified below.

The Asset Sale Offer shall remain open for a period of 20 Business Days following its commencement and no longer, except to the extent that a longer period is required by applicable law (the "Offer Period"). No later than five Business Days after the termination of the Offer Period (the "Purchase Date"), the Company shall purchase the principal amount (or accreted value, as applicable) of Notes and Pari Passu Indebtedness required to be purchased pursuant to Section 4.10 hereof (on a pro rata basis if Notes and Pari Passu Indebtedness tendered are in excess of the Excess Proceeds) (which maximum principal amount of Notes shall be the "Offer Amount") or, if less than the Offer Amount has been tendered, all Notes and Pari Passu Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased shall be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest shall be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest shall be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company shall send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The Asset Sale Offer shall be made to all Holders. The notice, which shall govern the terms of the Asset Sale Offer, shall state:

(a) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer shall remain open;

(b) the Offer Amount, the purchase price and the Purchase Date;

(c) that any Note not tendered or accepted for payment shall continue to accrue interest;

(d) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer shall cease to accrue interest after the Purchase Date;

(e) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may only elect to have all of such Note purchased and may not elect to have only a portion of such Note purchased;

(f) that Holders electing to have a Note purchased pursuant to any Asset Sale Offer shall be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, or transfer by book-entry transfer, to the Company, a depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(g) that Holders shall be entitled to withdraw their election if the Company, the depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, telex, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(h) that, if the aggregate principal amount (or accreted value, as applicable) of Notes and Pari Passu Indebtedness tendered by Holders exceeds the Offer Amount, the Company shall select the Notes to be purchased on a pro rata basis (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $1,000, or integral multiples thereof, shall be purchased and Pari Passu Indebtedness); and

(i) that Holders whose Notes were purchased only in part shall be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Company shall, to the extent lawful, accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes, Pari Passu Indebtedness or portions thereof tendered, and shall deliver to the Trustee an Officers' Certificate stating that such Notes, and Pari Passu Indebtedness or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, shall promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company shall promptly issue a new Note, and the Trustee, upon written request from the Company shall authenticate and mail or deliver such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company shall publicly announce the results of the Asset Sale Offer on the Purchase Date.

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

ARTICLE 4.

COVENANTS

Section 4.01. Payment of Notes.

The Company shall pay or cause to be paid the principal of, premium, if any, and interest and Liquidated Damages, if any, on the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, interest and Liquidated Damages, if any, shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 10:00 a.m. Eastern Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, interest and Liquidated Damages, if any, then due. The Company shall pay all Liquidated Damages, if any, in the same manner on the dates and in the amounts set forth in the Registration Rights Agreement.

The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to 1% per annum in excess of the then applicable interest rate on the Notes to the extent lawful; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace period) at the same rate to the extent lawful.

Section 4.02. Maintenance of Office or Agency.

The Company shall maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, the City of New York for such purposes. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Company in accordance with Section 2.03.

Section 4.03. Reports.

(a) Whether or not required by the rules and regulations of the SEC, so long as any Notes are outstanding, the Company shall furnish to the Holders of Notes:

(i) all quarterly and annual financial information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if the Company were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" that describes the financial condition and results of operations of the Company and its consolidated Subsidiaries (showing in reasonable detail, in the footnotes to the financial statements and in "Management's Discussion and Analysis of Financial Condition and Results of Operations" (in each case to the extent not prohibited by the SEC's rules and regulations), (A) the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company and (B) the Tower Cash Flow for the most recently completed fiscal quarter and the Adjusted Consolidated Cash Flow for the most recently completed four-quarter period) and, with respect to the annual information only, a report thereon by the Company's certified independent accountants, in each case within the time periods specified in the SEC's rules and regulations; and

(ii) all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports, in each case within the time periods specified in the SEC's rules and regulations.

In addition, whether or not required by the rules and regulations of the SEC, the Company shall file a copy of all such information and reports with the SEC for public availability within the time periods specified in the SEC's rules and regulations (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request. In addition, the Company will, for so long as any Notes remain outstanding, furnish to the holders and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(iv) under the Securities Act. The Company shall at times comply with TIA (S) 314(a).

Section 4.04. Compliance Certificate.

(a) The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Company and its

Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Notes is prohibited or if such event has occurred, a description of the event and what action the Company is taking or proposes to take with respect thereto.

(b) So long as not contrary to the then current recommendations of the American Institute of Certified Public Accountants, the year-end financial statements delivered pursuant to Section 4.03(a) above shall be accompanied by a written statement of the Company's independent public accountants (who shall be a firm of established national reputation) that in making the examination necessary for certification of such financial statements, nothing has come to their attention that would lead them to believe that the Company has violated any provisions of Article 4 or Article 5 hereof or, if any such violation has occurred, specifying the nature and period of existence thereof, it being understood that such accountants shall not be liable directly or indirectly to any Person for any failure to obtain knowledge of any such violation.

(c) The Company shall, so long as any of the Notes are outstanding, deliver to the Trustee, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto.

Section 4.05. Taxes.

The Company shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

Section 4.06. Stay, Extension and Usury Laws.

The Company covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07. Restricted Payments.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly:

(1) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company or to the Company or a Restricted Subsidiary of the Company);

(2) purchase, redeem or otherwise acquire or retire for value (including without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company (other than any such Equity Interests owned by the Company or any Restricted Subsidiary of the Company);

(3) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Notes, except a payment of interest or the payment of principal at Stated Maturity; or

(4) make any Restricted Investment, (all such payments and other actions set forth in clauses (1) through (4) above being collectively referred to as "Restricted Payments"),
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unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default shall have occurred and be continuing or would occur as a consequence thereof; and

(2) the Company would have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of Section 4.09 hereof; provided that the Company and its Restricted Subsidiaries shall not be required to comply with this clause (2) in order to make any Restricted Investment; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Loan Date (excluding Restricted Payments permitted by clauses (2), (3) and (4) of the next succeeding paragraph), is less than the sum, without duplication, of:

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after the Loan Date to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); plus

(b) 100% of the aggregate net cash proceeds received by the Company since December 20, 1998 (the day preceding the issuance of the 12 3/4% Senior Exchangeable Preferred Stock due 2010) as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Company (other than Disqualified Stock and except to the extent such net cash proceeds are used to incur new Indebtedness

outstanding pursuant to clause (10) of the second paragraph of Section 4.09 hereof) or from the issue or sale of Disqualified Stock or debt securities of the Company that have been converted into such Equity Interests (other than Equity Interests (or Disqualified Stock or convertible debt securities) sold to a Subsidiary of the Company and other than Disqualified Stock or convertible debt securities that have been converted into Disqualified Stock); plus

(c) to the extent that any Restricted Investment that was made after the Loan Date is sold for cash or otherwise liquidated or repaid for cash, the lesser of (A) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (B) the initial amount of such Restricted Investment; plus

(d) to the extent that any Unrestricted Subsidiary of the Company and all of its Subsidiaries are designated as Restricted Subsidiaries after the Loan Date, the lesser of (A) the fair market value of the Company's Investments in such Subsidiaries as of the date of such designation, or (B) the sum of (x) the fair market value of the Company's Investments in such Subsidiaries as of the date on which such Subsidiaries were originally designated as Unrestricted Subsidiaries and (y) the amount of any Investments made in such Subsidiaries subsequent to such designation (and treated as Restricted Payments) by the Company or any Restricted Subsidiary; provided that:

(i) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CTSH and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds 34.3% of the fair market value of CTSH and its Subsidiaries as a whole; and

(ii) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CCAIC and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Company's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds $250.0 million; plus

(e) 50% of any dividends received by the Company or a Restricted Subsidiary after the Loan Date from an Unrestricted Subsidiary of the Company, to the extent that such dividends were not otherwise included in Consolidated Net Income of the Company for such period.

The foregoing provisions shall not prohibit:

(1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of this Indenture;

(2) the making of any Investment or the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness or Equity Interests of the Company in exchange for, or out of the net cash proceeds of the sale after the Loan Date (other than to a

Subsidiary of the Company) of, any Equity Interests of the Company (other than any Disqualified Stock); provided that such net cash proceeds are not used to incur new Indebtedness pursuant to clause (10) of the second paragraph of Section 4.09 hereof); and provided further that, in each such case, the amount of any such net cash proceeds that are so utilized shall be excluded from clause (3) (b) of the preceding paragraph;

(3) the defeasance, redemption, repurchase or other acquisition of subordinated Indebtedness with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness;

(4) the payment of any dividend by a Restricted Subsidiary of the Company to the holders of its common Equity Interests on a pro rata basis; or

(5) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by any member of the Company's (or any of its Restricted Subsidiaries') management pursuant to any management equity subscription agreement or stock option agreement in effect as of the Loan Date; provided that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed (a) $500,000 in any twelve-month period and (b) $5.0 million in the aggregate.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated shall be deemed to be Restricted Payments at the time of such designation and shall reduce the amount available for Restricted Payments under the first paragraph of this Section 4.07. All such outstanding Investments shall be deemed to constitute Investments in an amount equal to the fair market value of such Investments at the time of such designation. Such designation shall only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if such designation would not cause a Default.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any property, assets or Investments required by this Section 4.07 to be determined shall be determined by the Board of Directors whose resolution with respect thereto shall be delivered to the Trustee.

Section 4.08. Dividend and Other Payment Restrictions Affecting Subsidiaries.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits;

(2) pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(3) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(4) transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

However, the foregoing restrictions shall not apply to encumbrances or restrictions existing under or by reason of:

(1) Existing Indebtedness or Indebtedness under the Senior Credit Facility, in each case as in effect on the Loan Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Existing Indebtedness or in the Senior Credit Facility, in each case as in effect on the Loan Date;

(2) encumbrances and restrictions applicable to any Unrestricted Subsidiary, as the same are in effect as of the date on which such Subsidiary becomes a Restricted Subsidiary, and as the same may be amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Indebtedness of such Subsidiary as in effect on the date on which such Subsidiary becomes a Restricted Subsidiary;

(3) any Indebtedness (incurred in compliance with Section 4.09 hereof) or any agreement pursuant to which such Indebtedness is issued if the encumbrance or restriction applies only in the event of a payment default or default with respect to a financial covenant contained in such Indebtedness or agreement and such encumbrance or restriction is not materially more disadvantageous to the holders of the Notes than is customary in comparable financings (as determined by the Company) and the Company determines that any such encumbrance or restriction will not materially affect the Company's ability to pay interest on or the principal of the Notes;

(4) this Indenture and the Notes;

(5) applicable law;

(6) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so

acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Indenture to be incurred;

(7) by reason of customary non-assignment provisions in leases or licenses entered into in the ordinary course of business;

(8) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (4) in the prior paragraph on the property so acquired;

(9) the provisions of agreements governing Indebtedness incurred pursuant to clause (4) of the second paragraph of Section 4.09 hereof;

(10) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale;

(11) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(12) Liens permitted under Section 4.12 hereof that limit the right of the debtor to transfer the assets subject to such Liens;

(13) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements; and

(14) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Section 4.09. Incurrence of Indebtedness and Issuance of Preferred Stock.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively "incur") any Indebtedness (including Acquired
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Debt) and the Company shall not issue any Disqualified Stock and shall not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, that the Company may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the Company's Restricted Subsidiaries may incur Indebtedness if, in each case, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been no greater than 7.5 to 1.

The provisions of the first paragraph of this Section 4.09 shall not apply to the incurrence of any of the following items of Indebtedness or to the issuance of any of the following items of Disqualified Stock or preferred stock (collectively, "Permitted Debt"):
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(1) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness (including Indebtedness under Credit Facilities) in an aggregate principal amount (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed the greater of (x) $200.0 million less the aggregate amount of all Net Proceeds of Asset Sales applied after the Loan Date to repay Indebtedness under a Credit Facility pursuant to Section 4.10 hereof and (y) 70% of the Eligible Receivables that are outstanding as of such date of incurrence;

(2) the incurrence by the Company and its Restricted Subsidiaries of the Existing Indebtedness;

(3) the incurrence by the Company of Indebtedness represented by the Notes;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Company or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other Indebtedness incurred pursuant to this clause (4), not to exceed $10.0 million at any one time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund Indebtedness of the Company or any of its Restricted Subsidiaries or Disqualified Stock of the Company (other than intercompany Indebtedness) that was permitted by this Indenture to be incurred under the first paragraph hereof or clauses (2) or (3) or this clause (5) of this paragraph;

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; provided, that (i) if the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Notes and (ii)(A) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary and (B) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be;

(7) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of this Indenture to be outstanding or currency exchange risk;

(8) the guarantee by the Company or any of its Restricted Subsidiaries of Indebtedness of the Company or a Restricted Subsidiary of the Company that was permitted to be incurred by another provision of this Indenture;

(9) the incurrence by the Company or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by the Company's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by the Company or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Company or one of its Restricted Subsidiaries; and provided further that, in the case of any incurrence pursuant to this clause (9), as a result of such acquisition by the Company or one of its Restricted Subsidiaries, the Company's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Acquired Debt, after giving pro forma effect to such incurrence as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Company for which internal financial statements are available, would have been less than the Company's Debt to Adjusted Consolidated Cash Flow Ratio for the same period without giving pro forma effect to such incurrence;

(10) the incurrence by the Company of Indebtedness not to exceed, at any one time outstanding, the sum of (i) 2.0 times the aggregate net cash proceeds plus (ii) 1.0 times the fair market value of non-cash proceeds (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee), in each case, from the issuance and sale, other than to a Subsidiary, of Equity Interests (other than Disqualified Stock) of the Company since [December 20, 1998] (less the amount of such proceeds used to make Restricted Payments as provided in clause (3)(b) of the first paragraph or clause (2) of the second paragraph of Section 4.07 hereof); provided that such Indebtedness does not mature prior to the Stated Maturity of the Notes and the Weighted Average Life to Maturity of such Indebtedness is longer than that of the Notes; and

(11) the incurrence by the Company or any of its Restricted Subsidiaries of additional Indebtedness and/or the issuance by the Company of Disqualified Stock in an aggregate principal amount, accreted value or liquidation preference, as applicable, at any time outstanding, not to exceed an amount equal to $100.0 million less the aggregate amount of all Investments made pursuant to clause (12) of the definition of Permitted Investments; provided that, notwithstanding the foregoing, the aggregate principal amount, accreted value or liquidation preference, as applicable, permitted to be incurred or issued pursuant to this clause (11) shall not be reduced to less than $25.0 million.

The Company shall not (i) incur any Indebtedness that is contractually subordinated in right of payment to any other Indebtedness of the Company unless such Indebtedness is also contractually subordinated in right of payment to the Notes on substantially identical terms; provided, however, that no Indebtedness of the Company shall be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Company solely by virtue of being unsecured and (ii) the Company shall not permit any of its Unrestricted Subsidiaries to incur any Indebtedness other than Non-Recourse Debt.

For purposes of determining compliance with this Section 4.09, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (11) above or is entitled to be incurred pursuant to the first paragraph of this Section 4.09, the Company shall, in its sole discretion, classify (or later reclassify in whole or in part) such item

of Indebtedness in any manner that complies with this Section 4.09. Accrual of interest, accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.09.

Section 4.10. Asset Sales

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) except in the case of a Tower Asset Exchange, at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents.

For purposes of this provision, each of the following shall be deemed to be cash:

(1) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet), of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability; and

(2) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted by the Company or such Restricted Subsidiary into cash within 20 days of the applicable Asset Sale (to the extent of the cash received).

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company or the applicable Restricted Subsidiary may apply such Net Proceeds to:

(1) reduce any Indebtedness of the Company under a Credit Facility;

(2) reduce any Indebtedness of any of the Company's Restricted Subsidiaries;

(3) the acquisition of all or substantially all the assets of a Permitted Business;

(4) the acquisition of Voting Stock of a Permitted Business from a Person that is not a Subsidiary of the Company; provided, that, after giving effect thereto, the Company or its Restricted Subsidiary owns a majority of such Voting Stock and designates such Permitted Business as a Restricted Subsidiary; or

(5) the making of a capital expenditure or the acquisition of other long-term assets that are used or useful in a Permitted Business.

Pending the final application of any such Net Proceeds, the Company may temporarily reduce revolving credit borrowings or otherwise invest such Net Proceeds in any manner that is not prohibited by this Indenture.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the first sentence of this paragraph shall be deemed to constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall be required to make an offer (an "Asset Sale Offer") to all Holders of Notes and all holders of other senior Indebtedness of the Company containing provisions similar to those set forth in this Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets (such other senior Indebtedness of the Company, "Pari Passu Notes") to purchase the maximum principal amount (or accreted value, as applicable) of Notes and Pari Passu Notes that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount (or accreted value, as applicable) thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in this Indenture and any indenture governing the Pari Passu Notes. To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and Pari Passu Notes tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and Pari Passu Notes to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

The Asset Sale provisions described above shall be applicable whether or not any other provisions of this Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of this Section 4.10, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.10 by virtue thereof.

Section 4.11. Transactions with Affiliates.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and

(2) the Company delivers to the Trustee:

(a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $1.0 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate

Transaction complies with clause (1) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors; and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, an opinion as to the fairness to the Holders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

The following items shall not be deemed to be Affiliate Transactions and therefore shall not be subject to the provisions of the prior paragraph:

(1) any employment arrangements with any executive officer of the Company or a Restricted Subsidiary that is entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and consistent with compensation arrangements of similarly situated executive officers at comparable companies engaged in Permitted Businesses;

(2) transactions between or among the Company and/or its Restricted Subsidiaries;

(3) payment of directors fees in an aggregate annual amount not to exceed $25,000 per Person;

(4) Restricted Payments that are permitted by Section 4.07 hereof;

(5) the issuance or sale of Equity Interests (other than Disqualified Stock) of the Company; and

(6) transactions pursuant to the provisions of the Governance Agreement, the Rights Agreement, the Stockholders' Agreement, the CTSH Shareholders' Agreement, the CTI Services Agreement, the CTI Operating Agreement and the Crown Transition Agreements, as the same are in effect on the Loan Date.

Section 4.12. Liens.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien securing Indebtedness or trade payables on any asset now owned or hereafter acquired, or any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens.

Section 4.13. Business activities.

The Company shall not, and shall not permit any Subsidiary to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Subsidiaries taken as a whole.

Section 4.14. Corporate Existence.

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its corporate existence, and the corporate, partnership or other existence of each of its Significant Subsidiaries, in accordance with the respective

organizational documents (as the same may be amended from time to time) of the Company or any such Significant Subsidiary and (ii) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; provided, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Significant Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Significant Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

Section 4.15. Offer to Repurchase Upon Change of Control.

If a Change of Control occurs, each Holder of Notes shall have the right to require the Company to repurchase all or any part (but not any fractional shares) of such Holder's Notes pursuant to the offer described below (the "Change of Control Offer"). In the Change of Control Offer, the Company shall offer a payment in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus accrued and unpaid interest and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company shall mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures required by this Indenture and described in such notice.

On the Change of Control Payment Date, the Company shall, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

The Company shall promptly mail to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee shall promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new certificate representing the Notes equal in principal amount to any unpurchased portion of the Notes surrendered, if any; provided that each such new Note will be in a principal amount of $1,000 or an integral multiple thereof.

The Change of Control provisions described above shall be applicable whether or not any other provisions of this Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of this Section 4.15, the Company shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue thereof.

The Company shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

Section 4.16. Limitation on Sale and Leaseback Transactions.

The Company shall not, and shall not permit any of its Restricted Subsidiaries to, enter into any sale and leaseback transaction; provided that the Company or any of its Restricted Subsidiaries may enter into a sale and leaseback transaction if (i) the Company or such Restricted Subsidiary, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of the covenant described in Section 4.09 and (b) incurred a Lien to secure such Indebtedness pursuant to the covenant described in Section 4.12, (ii) the gross cash proceeds of such sale and leaseback transaction are at least equal to the fair market value (as determined in good faith by the Board of Directors) of the property that is the subject of such sale and leaseback transaction and (iii) the transfer of assets in such sale and leaseback transaction is permitted by, and the Company applies the proceeds of such transaction in compliance with, the covenant described Section 4.10.

Section 4.17. Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries.

The Company:

(1) shall not, and shall not permit any Restricted Subsidiary of the Company to, transfer, convey, sell, lease or otherwise dispose of any Equity Interests in any Restricted Subsidiary of the Company to any Person (other than the Company or a Wholly Owned Restricted Subsidiary of the Company); and

(2) shall not permit any Restricted Subsidiary of the Company to issue any of its Equity Interests (other than, if necessary, shares of its Capital Stock constituting directors' qualifying shares) to any Person other than to the Company or a Wholly Owned Restricted Subsidiary of the Company,

unless, in each such case: (a) as a result of such transfer, conveyance, sale, lease or other disposition or issuance such Restricted Subsidiary no longer constitutes a Subsidiary and (b) the cash Net Proceeds from such transfer, conveyance, sale, lease or other disposition or issuance are applied in accordance with Section 4.10.

Section 4.18. Limitation on Issuances of Guarantees of Indebtedness.

The Company shall not permit any Restricted Subsidiary, directly or indirectly, to Guarantee or pledge any assets to secure the payment of any other Indebtedness of the Company unless such Subsidiary simultaneously executes and delivers a supplemental indenture to this Indenture in the form of Exhibit D hereto providing for the Guarantee of the payment of the Notes by such Subsidiary, which Guarantee shall be senior to or pari passu with such Subsidiary's Guarantee of or pledge to secure such other Indebtedness. Notwithstanding the foregoing, any such Guarantee by a Subsidiary of the

Notes shall provide by its terms that it shall be automatically and unconditionally released and discharged upon any sale, exchange or transfer, to any Person other than a Subsidiary of the Company, of all of the Company's stock in, or all or substantially all the assets of, such Subsidiary, which sale, exchange or transfer is made in compliance with the applicable provisions of this Indenture. The obligations of any Subsidiary under its Guarantee to the Holders of Notes and to the Trustee are set forth in Article 10 of this Indenture, and the form of such Guarantee is attached as Exhibit D hereto.

ARTICLE 5.

SUCCESSORS

Section 5.01. Merger, Consolidation or Sale of Assets.

The Company may not consolidate or merge with or into (whether or not the Company is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless:

(1) the Company is the surviving corporation or the entity or the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(2) the entity or Person formed by or surviving any such consolidation or merger (if other than the Company) or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Company under the Notes and this Indenture pursuant to a supplemental indenture in a form reasonably satisfactory to the Trustee;

(3) immediately after such transaction no Default exists; and

(4) except in the case of a merger of the Company with or into a Wholly Owned Restricted Subsidiary of the Company and except in the case of a merger entered into solely for the purpose of reincorporating the Company in another jurisdiction, the Company or the entity or Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made will, at the time of such transaction after giving pro forma effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of Section 4.09 hereof.

Section 5.02. Successor Corporation Substituted.

Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the assets of the Company in accordance with Section 5.01 hereof, the successor corporation formed by such consolidation or into or with which the Company is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, lease, conveyance or other disposition, the provisions of this Indenture referring to the "Company"

shall refer instead to the successor corporation and not to the Company), and may exercise every right and power of the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, provided, however, that and the predecessor Company shall not be relieved from the obligation to pay the principal of and interest on the Notes except in the case of a sale of all of the Company's assets that meets the requirements of Section 5.01 hereof.

ARTICLE 6.

DEFAULTS AND REMEDIES

Section 6.01. Events of Default.

An "Event of Default" occurs if:

(1) the Company defaults in the payment when due of interest on, or Liquidated Damages with respect to, the Notes and such default continues for a period of 30 days;

(2) the Company defaults in the payment when due of principal of or premium, if any, on the Notes when the same becomes due and payable at maturity, upon redemption (including in connection with an offer to purchase) or otherwise;

(3) the Company fails to comply with any of the provisions of Section 4.10, 4.15 or 5.01 hereof;

(4) the Company fails to observe or perform any other covenant, representation, warranty or other agreement in this Indenture or the Notes for 30 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount at maturity of the Notes then outstanding voting as a single class;

(5) a default occurs under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Company or any of its Significant Subsidiaries), whether such Indebtedness or guarantee now exists, or is created after the date of this Indenture, which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default") or (b) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of such Indebtedness, under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $5.0 million or more;

(6) a final judgment or final judgments for the payment of money are entered by a court or courts of competent jurisdiction against the Company or any of its Significant Subsidiaries or any group of Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary and such judgment or judgments remain undischarged for a period (during which execution shall not be effectively stayed) of 60 days, provided that the aggregate of all such undischarged judgments exceeds $5.0 million;

(7) the Company or any of its Restricted Subsidiaries pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a Custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Restricted Subsidiary in an involuntary case;

(ii) appoints a Custodian of the Company or any Restricted Subsidiary or for all or substantially all of the property of the Company or any Restricted Subsidiary; or

(iii) orders the liquidation of the Company or any Restricted Subsidiary; and the order or decree remains unstayed and in effect for 60 consecutive days.

Section 6.02. Acceleration.

If any Event of Default (other than an Event of Default specified in clause (7) or (8) of Section 6.01 hereof with respect to the Company, any Significant Subsidiary or any group of Significant Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary) occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately. Upon any such declaration, the principal of, and accrued and unpaid interest and Liquidated Damages, if any, on such Notes shall become due and payable immediately. Notwithstanding the foregoing, if an Event of Default specified in clause (7) or (8) of Section 6.01 hereof occurs with respect to the Company, any of its Significant Subsidiaries or any group of Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary, the Notes shall become due and payable immediately without further action or notice. The Holders of a majority in aggregate principal amount of the then outstanding Notes by written notice to the Trustee may on behalf of all of the Holders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived.

Section 6.03. Other Remedies.

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal, premium, if any, interest and Liquidated Damages, if any, on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a

Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04. Waiver of Past Defaults.

Holders of not less than a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium and Liquidated Damages, if any, or interest on, the Notes (including in connection with an offer to purchase) (provided, however, that the Holders of a majority in aggregate principal amount of the then outstanding Notes may rescind an acceleration and its consequences, including any related payment default that resulted from such acceleration). Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05. Control by Majority.

Holders of a majority in principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders of Notes or that may involve the Trustee in personal liability.

Section 6.06. Limitation on Suits.

A Holder of a Note may pursue a remedy with respect to this Indenture or the Notes only if:

(a) the Holder of a Note gives to the Trustee written notice of a continuing Event of Default;

(b) the Holders of at least 25% in principal amount of the then outstanding Notes make a written request to the Trustee to pursue the remedy;

(c) such Holder of a Note or Holders of Notes offer and, if requested, provide to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense;

(d) the Trustee does not comply with the request within 60 days after receipt of the request and the offer and, if requested, the provision of indemnity; and

(e) during such 60-day period the Holders of a majority in principal amount of the then outstanding Notes do not give the Trustee a direction inconsistent with the request.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

Section 6.07. Rights of Holders of Notes to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal, premium and Liquidated Damages, if any, and interest on the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08. Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(a) or (b) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium and Liquidated Damages, if any, and interest remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09. Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10. Priorities.

If the Trustee collects any money pursuant to this Article, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expense and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium and Liquidated Damages, if any, and interest, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium and Liquidated Damages, if any and interest, respectively; and

Third: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.10.

Section 6.11. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder of a Note pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes.

ARTICLE 7.

TRUSTEE

Section 7.01. Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of that person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) the duties of the Trustee shall be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section.

(e) No provision of this Indenture shall require the Trustee to expend or risk its own funds or incur any liability. The Trustee shall be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder shall have offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02. Rights of Trustee.

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate or Opinion of Counsel. The Trustee may consult with counsel and the written and oral advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and shall not be responsible for the willful misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(f) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities that might be incurred by it in compliance with such request or direction.

Section 7.03. Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

Section 7.04. Trustee's Disclaimer.

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05. Notice of Defaults.

If a Default or Event of Default occurs and is continuing and if it is known to the Trustee, the Trustee shall mail to Holders of Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium, if any, or interest on any Note, the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

Section 7.06. Reports by Trustee to Holders of the Notes.

Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, and for so long as Notes remain outstanding, the Trustee shall mail to the Holders of the Notes a brief report dated as of such reporting date that complies with TIA (S) 313(a) (but if no event described in TIA (S) 313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also shall comply with TIA (S) 313(b)(2). The Trustee shall also transmit by mail all reports as required by TIA (S) 313(c).

A copy of each report at the time of its mailing to the Holders of Notes shall be mailed to the Company and filed with the SEC and each stock exchange on which the Notes are listed in accordance with TIA (S) 313(d). The Company shall promptly notify the Trustee when the Notes are listed on any stock exchange.

Section 7.07. Compensation and Indemnity.

The Company shall pay to the Trustee from time to time reasonable compensation for its acceptance of this Indenture and services hereunder. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in

addition to the compensation for its services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

The Company shall indemnify the Trustee against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Company (including this Section 7.07) and defending itself against any claim (whether asserted by the Company or any Holder or any other person) or liability in connection with the exercise or performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to its negligence or bad faith. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations hereunder. The Company shall defend the claim and the Trustee shall cooperate in the defense. The Trustee may have separate counsel and the Company shall pay the reasonable fees and expenses of such counsel. The Company need not pay for any settlement made without its consent, which consent shall not be unreasonably withheld.

The obligations of the Company under this Section 7.07 shall survive the satisfaction and discharge of this Indenture.

To secure the Company's payment obligations in this Section, the Trustee shall have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal and interest on particular Notes. Such Lien shall survive the satisfaction and discharge of this Indenture.

When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(7) or (8) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

The Trustee shall comply with the provisions of TIA (S) 313(b)(2) to the extent applicable.

Section 7.08. Replacement of Trustee.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section.

The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of Notes of a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10 hereof;

(b) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a Custodian or public officer takes charge of the Trustee or its property; or

(d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company, or the Holders of Notes of at least 10% in principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee, after written request by any Holder of a Note who has been a Holder of a Note for at least six months, fails to comply with Section 7.10, such Holder of a Note may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders of the Notes. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, provided all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 hereof shall continue for the benefit of the retiring Trustee.

Section 7.09. Successor Trustee by Merger, etc.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

Section 7.10. Eligibility; Disqualification.

There shall at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $50 million as set forth in its most recent published annual report of condition.

This Indenture shall always have a Trustee who satisfies the requirements of TIA (S) 310(a)(1), (2) and (5). The Trustee is subject to TIA (S) 310(b).

Section 7.11. Preferential Collection of Claims Against Company.

The Trustee is subject to TIA (S) 311(a), excluding any creditor relationship listed in TIA (S) 311(b). A Trustee who has resigned or been removed shall be subject to TIA (S) 311(a) to the extent indicated therein.

ARTICLE 8.

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01. Option to Effect Legal Defeasance or Covenant Defeasance.

When (i) the Company delivers to the Trustee all outstanding Notes (other than Notes replaced pursuant to Section 2.07) for cancellation or (ii) all outstanding Notes have become due and payable, whether at maturity or as a result of the mailing of a notice of redemption pursuant to Article 3 hereof and the Company irrevocably deposits with the Trustee funds sufficient to pay at maturity or upon redemption all outstanding Notes, including interest thereon to maturity or such redemption date (other than Notes replaced pursuant to Section 2.07), and if in either case the Company pays all other sums payable hereunder by the Company, then this Indenture shall, subject to the proviso set forth in Section 8.02, cease to be of further effect. The Company may, at the option of its Board of Directors evidenced by a resolution set forth in an Officers' Certificate, at any time, elect to have either Section 8.02 or 8.03 hereof applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02. Legal Defeasance and Discharge.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from its obligations with respect to all outstanding Notes on the date the conditions set forth below are satisfied (hereinafter, "Legal Defeasance"). For this purpose, Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in (a) and (b) below, and to have satisfied all its other obligations under such Notes and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same); provided that the following provisions which shall survive until otherwise terminated or discharged hereunder: (a) the rights of Holders of outstanding Notes to receive solely from the trust fund described in Section 8.04 hereof, and as more fully set forth in such Section, payments in respect of the principal of, premium, if any, and interest and Liquidated Damages on such Notes when such payments are due, (b) the Company's obligations with respect to such Notes under Article 2 and Section 4.02 hereof, (c) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's obligations in connection therewith and (d) this Article 8. Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03. Covenant Defeasance.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company shall, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from its obligations under the covenants contained in Sections 4.07, 4.08, 4.09, 4.10, 4.11, 4.13, 4.15, 4.17 and 4.18 hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied (hereinafter, "Covenant Defeasance"), and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant

Defeasance means that, with respect to the outstanding Notes, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03 hereof, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(d) through 6.01(f) hereof shall not constitute Events of Default.

Section 8.04. Conditions to Legal or Covenant Defeasance.

The following shall be the conditions to the application of either Section 8.02 or 8.03 hereof to the outstanding Notes:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in United States dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent public accountants, to pay the principal of, premium, if any, and interest and Liquidated Damages on the outstanding Notes on the stated maturity or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to maturity or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the Loan Date, there has been a change in the applicable federal income tax law, in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the incurrence of Indebtedness all or a portion of the proceeds of which will be used to defease the Notes pursuant to this Article 8 concurrently with such incurrence) or insofar as Sections 6.01(7) or 6.01(8) hereof with respect to the Company are concerned, at any time in the period ending on the 91st day after the date of deposit;

(5) such Legal Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company or any of its Restricted Subsidiaries is a party or by which the Company or any of its Restricted Subsidiaries is bound;

(6) the Company shall have delivered to the Trustee an Opinion of Counsel (which may be subject to customary exceptions) to the effect that on the 91st day following the deposit, the trust funds will not be subject to the effect of any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;

(7) the Company shall have delivered to the Trustee an Officers' Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders over any other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding any other creditors of the Company; and

(8) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for or relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05. Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the

"Trustee") pursuant to Section 8.04 hereof in respect of the outstanding Notes
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shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, interest and Liquidated Damages, if any, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the request of the Company any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06. Repayment to Company.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium, if any, or interest on any Note and remaining unclaimed for two years after such principal, and premium, if any, or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as a secured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment, may at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07. Reinstatement.

If the Trustee or Paying Agent is unable to apply any United States dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; provided, however, that, if the Company makes any payment of principal of, premium, if any, or interest on any Note following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9.

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01. Without Consent of Holders of Notes.

Notwithstanding Section 9.02 of this Indenture, the Company and the Trustee may amend or supplement this Indenture or the Notes without the consent of any Holder of a Note:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes or to alter the provisions of Article 2 hereof (including the related definitions) in a manner that does not materially adversely affect any Holder;

(3) to provide for the assumption of the Company's obligations to the Holders of the Notes by a successor to the Company pursuant to Article 5 hereof;

(4) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights hereunder of any such Holder; or

(5) to comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental Indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee shall join with the Company in the execution of any amended or supplemental Indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee shall not be obligated to enter into such amended or supplemental Indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

Section 9.02. With Consent of Holders of Notes.

Except as provided below in this Section 9.02, this Indenture (including Section 3.09, 4.10 and 4.15 hereto) and the Notes may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Notes then outstanding voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes) or, if no Notes are outstanding, the holders of a majority in aggregate principal amount of Term Notes then outstanding, and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium, if any, or interest on the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture or the Notes may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Notes voting as a single class (including consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes) or, if no Notes are outstanding, the holders of a majority in aggregate principal amount of the Term Notes then outstanding. Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental Indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee shall join with the Company in the execution of such amended or supplemental Indenture unless such amended or supplemental Indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but shall not be obligated to, enter into such amended or supplemental Indenture.

It shall not be necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section becomes effective, the Company shall mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amended or supplemental Indenture or waiver. Subject to Sections 6.04 and 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Company with any provision of this Indenture or the Notes. However, without the

consent of each Holder affected, an amendment or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption (but not any required repurchase in connection with an Asset Sale Offer or Change of Control Offer) of the Notes;

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of or premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, premium, if any, or interest on the Notes;

(7) waive a redemption payment (but not any payment upon a required repurchase in connection with an Asset Sale Offer or Change of Control Offer) with respect to any Note; or

(8) make any change in Section 6.04 or 6.07 hereof or in the foregoing amendment and waiver provisions.

Section 9.03. Compliance with Trust Indenture Act.

Every amendment or supplement to this Indenture or the Notes shall be set forth in a amended or supplemental Indenture that complies with the TIA as then in effect.

Section 9.04. Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05. Notation on or Exchange of Notes.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the

Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06. Trustee to Sign Amendments, etc.

The Trustee shall sign any amended or supplemental Indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. The Company may not sign an amendment or supplemental Indenture until the Board of Directors approves it. In executing any amended or supplemental indenture, the Trustee shall be entitled to receive and (subject to Section 7.01 hereof) shall be fully protected in relying upon, in addition to the documents required by Section 11.04 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10

NOTE GUARANTEES

Section 10.01. Guarantee.

The provisions of this Article 10 shall apply only to those Subsidiaries of the Company, if any, that execute one or more supplemental indentures to this Indenture in the form of Exhibit E to this Indenture in compliance with the requirements of Section 4.18 of this Indenture.

Subject to this Article 10, each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that: (a) the principal of and interest on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

The Guarantors hereby agree that their obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenant

that this Note Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by either to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee. The Guarantors shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantee.

Section 10.02. Limitation on Guarantor Liability.

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 10.03. Execution and Delivery of Note Guarantee.

To evidence its Note Guarantee set forth in Section 10.01, each Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form included in Exhibit E shall be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture shall be executed on behalf of such Guarantor by its President or one of its Vice Presidents.

Each Guarantor hereby agrees that its Note Guarantee set forth in Section 10.01 shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Note Guarantee is endorsed, the Note Guarantee shall be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of the Guarantors.

In the event that the Company creates or acquires any new Subsidiaries subsequent to the date of this Indenture, if required by Section 4.18 hereof, the Company shall cause such Subsidiaries to execute supplemental indentures to this Indenture and Note Guarantees in accordance with Section 4.18 hereof and this Article 10, to the extent applicable.

Section 10.04. Guarantors May Consolidate, etc., on Certain Terms.

Except as otherwise provided in Section 10.05, no Guarantor may consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person whether or not affiliated with such Guarantor unless:

(a) subject to Section 10.05 hereof, the Person formed by or surviving any such consolidation or merger (if other than a Guarantor or the Company) unconditionally assumes all the obligations of such Guarantor, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee, under the Notes, the Indenture and the Note Guarantee on the terms set forth herein or therein; and

(b) immediately after giving effect to such transaction, no Default or Event of Default exists.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses (a) and (b) above, nothing contained in this Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

Section 10.05. Releases Following Sale of Assets.

In the event of a sale or other disposition of all of the assets of any Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all to the capital stock of any Guarantor, in each case to a Person that is not (either before or after giving effect to such transactions) a Subsidiary of the Company, then such Guarantor (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the capital stock of such Guarantor) or the corporation

acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor) will be released and relieved of any obligations under its Note Guarantee; provided that the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of this Indenture, including without limitation Section 4.10 hereof. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company in accordance with the provisions of this Indenture, including without limitation Section 4.10 hereof, the Trustee shall execute any documents reasonably required in order to evidence the release of any Guarantor from its obligations under its Note Guarantee.

Any Guarantor not released from its obligations under its Note Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11.

MISCELLANEOUS

Section 11.01. Trust Indenture Act Controls.

If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by TIA (S)318(c), the imposed duties shall control.

Section 11.02. Notices.

Any notice or communication by the Company or the Trustee to the others is duly given if in writing and delivered in Person or mailed by first class mail (registered or certified, return receipt requested), telecopier or overnight air courier guaranteeing next day delivery, to the others' address

If to the Company:

Crown Castle International Corp.
150 Bering Drive, Suite 500
Houston, TX 77057
Telecopier No.: 713-570-3150
Attention: Chief Financial Officer

With a copy to:

Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019
Telecopier No.: 212-474-3700
Attention: Stephen L. Burns

If to the Trustee:

United States Trust Company of New York
114 West 47th Street, 25th Floor
New York, NY 10036
Telecopier No.: 212-852-1626
Attention: Margaret Ciesmelewski

The Company or the Trustee, by notice to the others may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when answered back, if telexed; when receipt acknowledged, if telecopied; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder shall be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Any notice or communication shall also be so mailed to any Person described in TIA (S) 313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it shall mail a copy to the Trustee and each Agent at the same time.

Section 11.03. Communication by Holders of Notes with Other Holders of Notes.

Holders may communicate pursuant to TIA (S) 312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA (S) 312(c).

Section 11.04. Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(a) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 11.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(b) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which shall include the statements set forth in Section 11.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 11.05. Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA (S) 314(a)(4)) shall comply with the provisions of TIA (S) 314(e) and shall include:

(a) a statement that the Persons making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such Person, he, she has or they have made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(d) a statement as to whether or not, in the opinion of such Persons, such condition or covenant has been satisfied.

Section 11.06. Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 11.07. No Personal Liability of Directors, Officers, Employees and Stockholders.

No past, present or future director, officer, employee, incorporator or stockholder of the Company, as such, shall have any liability for any obligations of the Company under the Notes, this Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Section 11.08. Governing Law.

THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 11.09. No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 11.10. Successors.

All agreements of the Company in this Indenture and the Notes shall bind its successors. All agreements of the Trustee in this Indenture shall bind its successors.

Section 11.11. Severability.

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 11.12. Counterpart Originals.

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

Section 11.13. Table of Contents, Headings, etc.

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

[Signatures on following page]

SIGNATURES

Dated as of March 15, 1999

CROWN CASTLE INTERNATIONAL CORP.

By: /s/ Charles C. Green, III

Name: Charles C. Green, III
Title: Executive Vice President and
Chief Financial Officer

Attest:

/s/ Jason G. Gregory
- ---
Name: Jason G. Gregory
Title: Assistant Secretary

United States Trust Company of New York

By: /s/ John Guiliano

Authorized Signatory

EXHIBIT A1
(Face of Note)

CUSIP/CINS _____

_____% Senior Exchange Notes due 2007

No. _____ Principal Amount $_____

CROWN CASTLE INTERNATIONAL CORP.

promises to pay to _____, or registered assigns, the principal sum of _____ Dollars on November 30, 2007.

Interest Payment Dates: [May 31] and [November 30] commencing the first such date following issuance of this Note in exchange for Term Notes.00

Record Dates: [May 15] and [November 15]

Dated: March 15, 1999

Crown Castle International Corp.

By:_____
Name:
Title:

By:_____
Name:
Title:

(SEAL)

This is one of the [Global]
Notes referred to in the
within-mentioned Indenture:

United States Trust Company of New York,

as Trustee

By:_____

(Back of Note)

_____% Senior Exchange Notes due 2007

[Insert Global Note Legend, if applicable pursuant to the provisions of the Indenture.]

[Insert Private Placement Legend, if applicable pursuant to the provisions of the Indenture.]

THIS NOTE IS BEING ISSUED TO THE REGISTERED HOLDER NAMED ON THE FACE HEREOF IN EXCHANGE FOR ONE OR MORE TERM NOTES ISSUED PURSUANT TO THE TERM LOAN AGREEMENT.

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest. Crown Castle International Corp., a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Note at _____% per annum from and including the most recent date on which interest has been paid by the Company with respect to the Term Notes in exchange for which this Note has been issued (or, if this Note is issued in a transfer of or exchange for another Note, from the date on which interest was payable with respect to such other Note) until maturity and shall pay the Liquidated Damages, if any, payable pursuant to Section 3(c) of the Registration Rights Agreement referred to below. The Company will pay interest and Liquidated Damages, if any, semi-annually on [May 31] and [November 30] of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"); provided that the first such interest payment date shall be the first such date to occur following issuance of this Note to the registered holder hereof in exchange for one or more Term Notes. The Company shall pay interest in cash only. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the most recent date on which interest has been paid by the Company with respect to the Term Notes in exchange for which this Note has been issued. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

2. Method of Payment. The Company will pay interest on this Note (except defaulted interest) and Liquidated Damages to the Persons who are the registered Holders of this Note at the close of business on the [May 15] or [November 15] next preceding the Interest Payment Date, even if it is canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. Notwithstanding the foregoing, if this Note is issued in exchange for one or more Term Notes during the period beginning on the day after any record date and ending on the next succeeding Interest Payment Date, then the Company will pay interest on this Note (except defaulted interest) and Liquidated Damages to the Persons who were the registered holder of such Term Notes for which this Note has been exchanged at the close of business on the relevant record date next preceeding the first Interest Payment Date following issuance of this Note. This Note will be payable as to principal, premium and Liquidated Damages, if any, and interest (in the case of the payment of interest in cash) at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of interest and Liquidated Damages may be made by check mailed to the Holders at their addresses set forth

in the register of Holders, and provided that payment by wire transfer of immediately available funds will be required with respect to principal of and interest (in the case of the payment of interest in cash), premium and Liquidated Damages on, all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided that Liquidated Damages may be paid through the issuance of additional Notes having a principal amount at the time of issuance equal to the amount of Liquidated Damages so paid. In the case of payment of interest in additional Notes having an aggregate principal amount equal to the amount of such interest, such additional Notes shall be issued and registered in the name of the registered Holder of the Note with respect to which such interest is being paid in the manner set forth in the first sentence of this paragraph.

3. Paying Agent and Registrar. Initially, United States Trust Company of New York, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

4. Indenture. The Company issued the Notes under an Indenture dated as of March 15, 1999 ("Indenture") between the Company and the Trustee. The
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terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code (S)(S) 77aaa-77bbbb). The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are obligations of the Company limited to $100.0 million in aggregate principal amount, plus amounts, if any, issued to pay Liquidated Damages on outstanding Notes as set forth in Paragraph 2 hereof.

5. Optional Redemption.

(A) EXCEPT AS SET FORTH IN SUBPARAGRAPH (B) OF THIS PARAGRAPH 5, THE COMPANY SHALL NOT HAVE THE OPTION TO REDEEM THE NOTES PRIOR TO THE FOURTH ANNIVERSARY OF THE LOAN DATE. THEREAFTER, THE COMPANY SHALL HAVE THE OPTION TO REDEEM THE NOTES, IN WHOLE OR IN PART, AT A REDEMPTION PRICE EQUAL TO 100% OF THE PRINCIPAL AMOUNT THEREOF PLUS THE SPECIFIED PREMIUM (AS DEFINED IN THE INDENTURE) PLUS ACCRUED AND UNPAID INTEREST AND LIQUIDATED DAMAGES THEREON, IF ANY, TO THE APPLICABLE REDEMPTION DATE (SUBJECT TO THE RIGHT OF HOLDERS OF RECORD ON THE RELEVANT RECORD DATE TO RECEIVE INTEREST AND LIQUIDATED DAMAGES DUE ON THE RELEVANT INTEREST PAYMENT DATE.

(B) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (A) OF THIS PARAGRAPH 5, DURING THE FIRST 36 MONTHS AFTER THE LOAN DATE, THE COMPANY MAY ON ANY ONE OR MORE OCCASIONS REDEEM UP TO $35.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF NOTES AT A REDEMPTION PRICE EQUAL TO 100% OF THE PRINCIPAL AMOUNT THEREOF PLUS A PERCENTAGE OF THE PRINCIPAL AMOUNT OF SUCH NOTE EQUAL TO THE FIXED INTEREST RATE ON SUCH NOTE ON THE REDEMPTION DATE, PLUS LIQUIDATED DAMAGES THEREON, IF ANY, TO THE REDEMPTION DATE (SUBJECT TO THE RIGHT OF HOLDERS OF RECORD ON THE RELEVANT RECORD DATE TO RECEIVE LIQUIDATED DAMAGES, IF ANY, DUE ON THE

RELEVANT INTEREST PAYMENT DATE), WITH THE NET CASH PROCEEDS OF ONE OR MORE PUBLIC EQUITY OFFERINGS AND/OR STRATEGIC EQUITY INVESTMENTS; PROVIDED THAT AT LEAST $65.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF NOTES AND TERM NOTES REMAINS OUTSTANDING IMMEDIATELY AFTER THE OCCURRENCE OF SUCH REDEMPTION (EXCLUDING NOTES HELD BY THE COMPANY OR ANY OF ITS SUBSIDIARIES);AND PROVIDED, FURTHER, THAT SUCH REDEMPTION SHALL OCCUR WITHIN 60 DAYS OF THE DATE OF THE CLOSING OF SUCH PUBLIC EQUITY OFFERING AND/OR STRATEGIC EQUITY INVESTMENT.

6. MANDATORY REDEMPTION.

Except as set forth in paragraph 7 below, the Company shall not be required to make mandatory redemption payments with respect to the Notes.

7. REPURCHASE AT OPTION OF HOLDER.

(A) Upon the occurrence of a change of Control, each Holder of Notes shall have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of such Holder's Notes pursuant to the offer described below (the "Change of Control Offer") at an offer price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). within 30 days following any Change of Control, the Company shall mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the indenture.

(b) If the Company or a Restricted Subsidiary consummates any Asset Sales, within five days of each date on which the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company shall commence an offer (an "Asset Sale Offer") to all Holders of Notes and all Holders of other senior Indebtedness of the Company containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets (such other Senior Indebtedness of the Company, "Pari Passu Notes") pursuant to Section 3.09 of the Indenture to purchase the maximum principal amount (or accreted value, as applicable) of Notes and Pari Passu Notes that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount (or accreted value, as applicable) thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in the indenture and the Indenture governing the Pari Passu Notes. To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and Pari Passu Notes tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and Pari Passu Notes to be purchased on a pro rata basis. Upon completion of such Offer to purchase, the amount of Excess Proceeds shall be reset to zero. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Notes.

The Change of Control and Asset Sale provisions described above shall be applicable whether or not any other provisions of the Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer or Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of Section 4.10 or 4.15 of the Indenture, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 4.10 or 4.15 by virtue thereof.

8. Notice of Redemption. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $1,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Notes or portions thereof called for redemption.

9. Denominations, Transfer, Exchange. The Notes are in registered form without coupons in denominations of $1,000 and integral multiples of $1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

10. Persons Deemed Owners. The registered Holder of a Note may be treated as its owner for all purposes.

11. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Notes then outstanding voting as a single class (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Notes) or, if no Notes are outstanding, the holders of a majority in aggregate principal amount of Term Notes then outstanding, and any existing default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Notes voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) or, if no Notes are outstanding, the holders of a majority in aggregate principal amount of Term Notes then outstanding. Without the consent of any Holder of a Note, the Indenture or the Notes may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's obligations to Holders of the Notes in case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any such Holder, to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

12. Defaults and Remedies. Events of Default include: (i) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Notes; (ii) default in

payment when due of principal of or premium, if any, on the Notes, (iii) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with Section 4.10 or 4.15 or 5.01 of the Indenture; (iv) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with its other agreements in the Indenture or the Notes; (v) default under certain other agreements relating to Indebtedness of the Company which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default or (b) results in the acceleration of such Indebtedness prior to its express maturity, in either case the principal amount of such Indebtedness together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been accelerated, aggregates $5.0 million or more; (vi) certain final judgments for the payment of money aggregating in excess of $5.0 million that remain undischarged for a period of 60 consecutive days; and (vii) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, all outstanding Notes will become due and payable without further action or notice. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Notes. The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

13. Trustee Dealings with Company. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

14. No Recourse Against Others. A director, officer, employee, incorporator or stockholder, of the Company, as such, shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

15. Authentication. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

16. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. Additional Rights of Holders of Restricted Global Notes and Restricted Definitive Notes. In addition to the rights provided to Holders of Notes under the

Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes shall have all the rights set forth in the A/B Exchange Registration Rights Agreement dated as of December 21, 1998, between the Company and the parties named on the signature pages thereof (the "Registration Rights Agreement").

18. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Attention: Chief Financial Officer

Assignment Form

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint_____
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

_____

Date:

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee.

Option of Holder to Elect Purchase

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the box below:

[ ] Section 4.10 [ ] Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased: $_____

Date:_____ Your Signature:_____
(Sign exactly as your name appears on the Note)

Tax Identification No:_____

Signature Guarantee.

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Note Custodian

EXHIBIT A2

(Face of Regulation S Temporary Global Note)

CUSIP/CINS _____

_____% Senior Exchange Notes due 2007

No. ____ Principal Amount $_____

CROWN CASTLE INTERNATIONAL CORP.

promises to pay to Cede & Co., or registered assigns, the principal sum of _____ Dollars on November 30, 2007.

Interest Payment Dates: [May 31] and [November 30], commencing the first such date to occur following original issuance of the Notes.

Record Dates: [May 31] and [November 15]

Dated: March 15, 1999

Crown Castle International Corp.

By:_____
Name:
Title:

By:_____
Name:
Title:

[(SEAL)]

This is one of the Global Notes referred to in the within-mentioned Indenture:

United States Trust Company of New York, as Trustee

By:_____

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (I) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.07 OF THE INDENTURE, (II) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (III) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (IV) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR IN ACCORDANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (SUBJECT TO THE DELIVERY OF SUCH EVIDENCE, IF ANY, REQUIRED UNDER THE INDENTURE PURSUANT TO WHICH THIS SECURITY IS ISSUED) AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. EACH PURCHASER OF THE SECURITY EVIDENCED HEREBY IS HEREBY NOTIFIED THAT THE SELLER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR REGULATION S THEREUNDER OR ANOTHER EXEMPTION UNDER THE SECURITIES ACT. THE HOLDER OF THE SECURITY EVIDENCED HEREBY AGREES FOR THE BENEFIT OF CROWN CASTLE INTERNATIONAL CORP. THAT (A) SUCH SECURITY MAY BE RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1)(a) TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (b) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144 UNDER THE SECURITIES ACT, (c) OUTSIDE THE UNITED STATES TO A FOREIGN PERSON IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 904 UNDER THE SECURITIES ACT OR (d) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL IF THE COMPANY SO REQUESTS), (2) TO CROWN CASTLE INTERNATIONAL CORP. OR (3) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT AND, IN EACH CASE, IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND (B) THE HOLDER WILL AND EACH SUBSEQUENT HOLDER IS REQUIRED TO NOTIFY ANY PURCHASER FROM IT OF THE

SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH IN (A) ABOVE.

THIS NOTE IS BEING ISSUED TO THE REGISTERED HOLDER NAMED ON THE FACE HEREOF IN EXCHANGE FOR ONE OR MORE TERM NOTES ISSUED PURSUANT TO THE TERM LOAN AGREEMENT.

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. Interest. Crown Castle International Corp., a Delaware corporation (the "Company"), promises to pay interest on the principal amount of this Note at _____% per annum from and including the most recent date on which interest has been paid by the Company with respect to the Term Notes in exchange for which this Note has been issued (or, if this Note is issued in a transfer of or exchange for another Note, from the date on which interest was payable with respect to such other Note) until maturity and shall pay the Liquidated Damages, if any, payable pursuant to Section 3(c) of the Registration Rights Agreement referred to below. The Company will pay interest and Liquidated Damages, if any, semi-annually on [May 31] and [Novmeber 30] of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each an "Interest Payment Date"); provided that the first such interest payment date shall be the first such date to occur following original issuance of this Note to the registered holder hereof in exchange for one or more Term Notes. The Company shall pay interest in cash only. Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from and including the most recent date on which interest has been paid by the Company with respect to the Term Notes in exchange for which this Note has been issued. The Company shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect; it shall pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Liquidated Damages (without regard to any applicable grace periods) from time to time on demand at the same rate to the extent lawful. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

Until this Regulation S Temporary Global Note is exchanged for one or more Regulation S Permanent Global Notes, the Holder hereof shall not be entitled to receive payments of interest hereon; until so exchanged in full, this Regulation S Temporary Global Note shall in all other respects be entitled to the same benefits as other Notes under the Indenture.

2. Method of Payment. The Company will pay interest on this Note (except defaulted interest) and Liquidated Damages to the Persons who are the registered Holders of this Note at the close of business on the [May 15] or [November 15] next preceding the Interest Payment Date, even if it is canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. Notwithstanding the foregoing, if this Note is issued in exchange for one or more Term Notes during the period beginning on the day after any record date and ending on the next succeeding Interest Payment Date, then the Company will pay interest on this Note (except defaulted interest) and Liquidated Damages to the Persons who were the registered holder of such Term Notes for which this Note has been exchanged at the close of business on the relevant record date next preceeding the first Interest Payment Date following issuance of this Note. This Note will be payable as to principal, premium and Liquidated Damages, if any, and interest (in the case of the payment of interest in cash) at the office or agency of the Company maintained for such purpose within or without the City and State of New York, or, at the option of the Company, payment of

interest and Liquidated Damages may be made by check mailed to the Holders at their addresses set forth in the register of Holders, and provided that payment by wire transfer of immediately available funds will be required with respect to principal of and interest (in the case of the payment of interest in cash), premium and Liquidated Damages on, all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; provided that Liquidated Damages may be paid through the issuance of additional Notes having a principal amount at the time of issuance equal to the amount of Liquidated Damages so paid. In the case of payment of interest in additional Notes having an aggregate principal amount equal to the amount of such interest, such additional Notes shall be issued and registered in the name of the registered Holder of the Note with respect to which such interest is being paid in the manner set forth in the first sentence of this paragraph.

3. Paying Agent and Registrar. Initially, United States Trust Company of New York, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company or any of its Subsidiaries may act in any such capacity.

4. Indenture. The Company issued the Notes under an Indenture dated as of March 15, 1999 ("Indenture") between the Company and the Trustee. The
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terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended (15 U.S. Code (S)(S) 77aaa-77bbbb). The Notes are subject to all such terms, and Holders are referred to the Indenture and such Act for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are obligations of the Company limited to $100.0 million in aggregate principal amount, plus amounts, if any, issued to pay Liquidated Damages on outstanding Notes as set forth in Paragraph 2 hereof.

5. Optional Redemption.

(A) EXCEPT AS SET FORTH IN SUBPARAGRAPH (B) OF THIS PARAGRAPH 5, THE COMPANY SHALL NOT HAVE THE OPTION TO REDEEM THE NOTES PRIOR TO THE FOURTH ANNIVERSARY OF THE LOAN DATE. THEREAFTER, THE COMPANY SHALL HAVE THE OPTION TO REDEEM THE NOTES, IN WHOLE OR IN PART, AT A REDEMPTION PRICE EQUAL TO 100% OF THE PRINCIPAL AMOUNT THEREOF PLUS THE SPECIFIED PREMIUM (AS DEFINED IN THE INDENTURE) PLUS ACCRUED AND UNPAID INTEREST AND LIQUIDATED DAMAGES THEREON, IF ANY, TO THE APPLICABLE REDEMPTION DATE (SUBJECT TO THE RIGHT OF HOLDERS OF RECORD ON THE RELEVANT RECORD DATE TO RECEIVE INTEREST AND LIQUIDATED DAMAGES DUE ON THE RELEVANT INTEREST PAYMENT DATE.

(B) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (A) OF THIS PARAGRAPH 5, DURING THE FIRST 36 MONTHS AFTER THE LOAN DATE, THE COMPANY MAY ON ANY ONE OR MORE OCCASIONS REDEEM UP TO $35.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF NOTES AT A REDEMPTION PRICE EQUAL TO 100% OF THE PRINCIPAL AMOUNT THEREOF PLUS A PERCENTAGE OF THE PRINCIPAL AMOUNT OF SUCH NOTE EQUAL TO THE FIXED INTEREST RATE ON SUCH NOTE ON THE REDEMPTION DATE, PLUS LIQUIDATED DAMAGES THEREON, IF ANY, TO THE REDEMPTION DATE (SUBJECT TO THE RIGHT OF HOLDERS OF RECORD ON THE

RELEVANT RECORD DATE TO RECEIVE LIQUIDATED DAMAGES, IF ANY, DUE ON THE RELEVANT INTEREST PAYMENT DATE), WITH THE NET CASH PROCEEDS OF ONE OR MORE PUBLIC EQUITY OFFERINGS AND/OR STRATEGIC EQUITY INVESTMENTS; PROVIDED THAT AT LEAST $65.0 MILLION AGGREGATE PRINCIPAL AMOUNT OF NOTES AND TERM NOTES REMAINS OUTSTANDING IMMEDIATELY AFTER THE OCCURRENCE OF SUCH REDEMPTION (EXCLUDING NOTES HELD BY THE COMPANY OR ANY OF ITS SUBSIDIARIES);AND PROVIDED, FURTHER, THAT SUCH REDEMPTION SHALL OCCUR WITHIN 60 DAYS OF THE DATE OF THE CLOSING OF SUCH PUBLIC EQUITY OFFERING AND/OR STRATEGIC EQUITY INVESTMENT.

6. Mandatory Redemption.

Except as set forth in paragraph 7 below, the Company shall not be required to make mandatory redemption payments with respect to the Notes.

7. Repurchase at Option of Holder.

(a) Upon the occurrence of a Change of Control, each Holder of Notes shall have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of such Holder's Notes pursuant to the offer described below (the "Change of Control Offer") at an offer price in cash equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), to the date of purchase (the "Change of Control Payment"). Within 30 days following any Change of Control, the Company shall mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If the Company or a Restricted Subsidiary consummates any Asset Sales, within five days of each date on which the aggregate amount of Excess Proceeds exceeds $5 million, the Company shall commence an offer (an "Asset Sale Offer") to all Holders of Notes and all holders of other senior Indebtedness of the Company containing provisions similar to those set forth in the Indenture with respect to offers to purchase or redeem with the proceeds of sales of assets (such other senior Indebtedness of the Company, "Pari Passu Notes") pursuant to Section 3.09 of the Indenture to purchase the maximum principal amount (or accreted value, as applicable) of Notes and Pari Passu Notes that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to 100% of the principal amount (or accreted value, as applicable) thereof plus accrued and unpaid interest and Liquidated Damages thereon, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest and Liquidated Damages, if any, due on the relevant interest payment date), in accordance with the procedures set forth in the Indenture and the indenture governing the Pari Passu Notes. To the extent that any Excess Proceeds remain after consummation of an Asset Sale Offer, the Company may use such Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and Pari Passu Notes tendered into such Asset Sale Offer surrendered by Holders thereof exceeds the amount of Excess Proceeds, the Trustee shall select the Notes and Pari Passu Notes to be purchased on a pro rata basis. Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset to zero. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "Option of Holder to Elect Purchase" on the reverse of the Notes.

The Change of Control and Asset Sale provisions described above shall be applicable whether or not any other provisions of the Indenture are applicable. The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations applicable to any Change of Control Offer or Asset Sale Offer. To the extent that the provisions of any such securities laws or securities regulations conflict with the provisions of Section 4.10 or 4.15 of the Indenture, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under Section 4.10 or 4.15 by virtue thereof.

8. Notice of Redemption. Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $1,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Notes or portions thereof called for redemption.

9. Denominations, Transfer, Exchange. The Notes are in registered form without coupons in denominations of $1,000 and integral multiples of $1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the corresponding Interest Payment Date.

This Regulation S Temporary Global Note is exchangeable in whole or in part for one or more Global Notes only (i) on or after the termination of the 40-day restricted period (as defined in Regulation S) and (ii) upon presentation of certificates (accompanied by an Opinion of Counsel, if applicable) required by Article 2 of the Indenture. Upon exchange of this Regulation S Temporary Global Note for one or more Global Notes, the Trustee shall cancel this Regulation S Temporary Global Note.

10. Persons Deemed Owners. The registered Holder of a Note may be treated as its owner for all purposes.

11. Amendment, Supplement and Waiver. Subject to certain exceptions, the Indenture or the Notes may be amended or supplemented with the consent of the Holders of a majority of the aggregate principal amount of the Notes then outstanding voting as a single class (including, without limitation, consents obtained in connection with a purchase of or tender offer or exchange offer for, Notes) or, if no Notes are outstanding, the holders of a majority in the aggregate principal amount of Term Notes then outstanding, and any existing default or compliance with any provision of the Indenture or the Notes may be waived with the consent of the Holders of a majority of the aggregate principal amount of the then outstanding Notes voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) or, if no Notes are outstanding, the holders of a majority in the aggregate principal amount of Term Notes then outstanding. Without the consent of any Holder of a Note, the Indenture or the Notes may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's obligations

to Holders of the Notes in case of a merger or consolidation, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the legal rights under the Indenture of any such Holder, to comply with the requirements of the Commission in order to effect or maintain the qualification of the Indenture under the Trust Indenture Act.

12. Defaults and Remedies. Events of Default include: (i) default for 30 days in the payment when due of interest on, or Liquidated Damages with respect to, the Notes; (ii) default in payment when due of principal of or premium, if any, on the Notes, (iii) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with Section 4.10 or 4.15 or 5.01 of the Indenture; (iv) failure by the Company or any of its Subsidiaries for 30 days after notice to comply with its other agreements in the Indenture or the Notes; (v) default under certain other agreements relating to Indebtedness of the Company which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default or (b) results in the acceleration of such Indebtedness prior to its express maturity, in either case the principal amount of such Indebtedness together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been accelerated, aggregates $5.0 million or more; (vi) certain final judgments for the payment of money aggregating in excess of $5.0 million that remain undischarged for a period of 60 consecutive days; and (vii) certain events of bankruptcy or insolvency with respect to the Company or any of its Significant Subsidiaries. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then outstanding Notes may declare all the Notes to be due and payable. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, all outstanding Notes will become due and payable without further action or notice. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal or interest) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under the Indenture except a continuing Default or Event of Default in the payment of interest on, or the principal of, the Notes. The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

13. Trustee Dealings with Company. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

14. No Recourse Against Others. A director, officer, employee, incorporator or stockholder, of the Company, as such, shall not have any liability for any obligations of the Company under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for the issuance of the Notes.

15. Authentication. This Note shall not be valid until authenticated by the manual signature of the Trustee or an authenticating agent.

16. Abbreviations. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

17. Additional Rights of Holders of Restricted Global Notes and Restricted Definitive Notes. In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes shall have all the rights set forth in the A/B Exchange Registration Rights Agreement dated as of December 21, 1998, between the Company and the parties named on the signature pages thereof (the "Registration Rights Agreement").

18. CUSIP Numbers. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057
Attention: Chief Financial Officer

Assignment Form

To assign this Note, fill in the form below: (I) or (we) assign and transfer this Note to

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint_____
to transfer this Note on the books of the Company. The agent June substitute another to act for him.

_____

Date:_____

Your Signature:_____

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee.

Option of Holder to Elect Purchase

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

[ ] Section 4.10 [ ] Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased: $_____

_____

Date: _____ Your Signature:_____
(Sign exactly as your name appears on the Note)

Tax Identification No.:_____

Signature Guarantee.

SCHEDULE OF EXCHANGES OF REGULATION S TEMPORARY GLOBAL NOTE

The following exchanges of a part of this Regulation S Temporary Global Note for an interest in another Global Note, or of other Restricted Global Notes for an interest in this Regulation S Temporary Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized officer of Trustee or Note Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057

United States Trust Company of New York
114 West 47th Street, 25th Floor
New York, NY 10036

Re: % Senior Notes due 2007

Reference is hereby made to the Indenture, dated as of March 15, 1999 (the "Indenture"), between Crown Castle International Corp., as issuer (the "Company"), and United States Trust Company of New York, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "Transferor") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $_____ in such Note[s] or interests (the "Transfer"), to _____ (the "Transferee"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. [ ] Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Definitive Note Pursuant to Rule 144A. The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

2. [ ] Check if Transferee will take delivery of a beneficial interest in the Temporary Regulation S Global Note, the Regulation S Global Note or a Definitive Note pursuant to Regulation S. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is

not being made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser). Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note, the Temporary Regulation S Global Note and/or the Definitive Note and in the Indenture and the Securities Act.

3. [ ] Check and complete if Transferee will take delivery of a beneficial interest in a 144A Global Note or a Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) [ ] such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) [ ] such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) [ ] such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. [ ] Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note.

(a) [ ] Check if Transfer is pursuant to Rule 144. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) [ ] Check if Transfer is Pursuant to Regulation S. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) [ ] Check if Transfer is Pursuant to Other Exemption. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By:_____
Name:
Title:

Dated:_____, _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) [ ] a beneficial interest in the:

(i) [ ] 144A Global Note (CUSIP _____), or

(ii) [ ] Regulation S Global Note (CUSIP _____), or

(b) [ ] a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) [ ] a beneficial interest in the:

(i) [ ] 144A Global Note (CUSIP _____), or

(ii) [ ] Regulation S Global Note (CUSIP _____), or

(iii) [ ] Unrestricted Global Note (CUSIP _____); or

(b) [ ] a Restricted Definitive Note; or

(c) [ ] an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C
FORM OF CERTIFICATE OF EXCHANGE

Crown Castle International Corp.
510 Bering Drive, Suite 500
Houston, TX 77057

United States Trust Company of New York
114 West 47th Street, 25th Floor
New York, NY 10036

Re: % Senior Notes due 2007
(CUSIP_____)

Reference is hereby made to the Indenture, dated as of March 15, 1999 (the "Indenture"), between Crown Castle International Corp., as issuer (the "Company"), and United States Trust Company of New York, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "Owner") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $_____ in such Note[s] or interests (the "Exchange"). In connection with the Exchange, the Owner hereby certifies that:

1. Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note

(a) [ ] Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the United States Securities Act of 1933, as amended (the "Securities Act"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) [ ] Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with

the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) [ ] Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) [ ] Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes

(a) [ ] Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) [ ] Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] [ ] 144A Global Note, [ ] Regulation S Global Note, with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Owner]

By:_____
Name:
Title:

Dated: March 15, 1999

EXHIBIT D
FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS

Supplemental Indenture (this "Supplemental Indenture"), dated as of March 15, 1999 among _____ (the "Guaranteeing Subsidiary"), a subsidiary of CROWN CASTLE INTERNATIONAL CORP. (or its permitted successor), a Delaware corporation (the "Company"), the Company, the other Guarantors (as defined in the Indenture referred to herein) and UNITED STATES TRUST COMPANY OF NEW YORK, as trustee under the Indenture referred to below (the "Trustee").

W I T N E S S E T H

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture (the "Indenture"), dated as of March 15, 1999 providing for the issuance of an aggregate principal amount of up to $100.0 million of ___% Senior Notes due 2007 (the "Notes");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "Note Guarantee"); and

WHEREAS, pursuant to Section 9.1 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. The Guaranteeing Subsidiary hereby agrees as follows:

(a) Along with all Guarantors named in the Indenture, to jointly and severally Guarantee to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of the Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of and interest on the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay the same immediately.

(b) The obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes or the Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor.

(c) The following is hereby waived: diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever.

(d) This Note Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

(e) If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors, or any Custodian, Trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by either to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

(f) The Guaranteeing Subsidiary shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby.

(g) As between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 of the Indenture for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article 6 of the Indenture, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee.

(h) The Guarantors shall have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantee.

(i) Pursuant to Section 10.02 of the Indenture, after giving effect to any maximum amount and any other contingent and fixed liabilities that are relevant under any applicable Bankruptcy or fraudulent conveyance laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under Article 10 of the Indenture shall result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

3 Execution and Delivery. Each Guaranteeing Subsidiary agrees that the Note Guarantees shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

4. Guaranteeing Subsidiary May Consolidate, Etc. on Certain Terms.

(a) The Guaranteeing Subsidiary may not consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another corporation, Person or entity whether or not affiliated with such Guarantor unless:

(i) subject to Section 10.05 of the Indenture, the Person formed by or surviving any such consolidation or merger (if other than a Guarantor or the Company) unconditionally assumes all the obligations of such Guarantor, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee, under the Notes, the Indenture and the Note Guarantee on the terms set forth herein or therein; and

(ii) immediately after giving effect to such transaction, no Default or Event of Default exists.

(b) In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor corporation, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of the Indenture to be performed by the Guarantor, such successor corporation shall succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor corporation thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued shall in all respects have the same legal rank and benefit under the Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of the Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

(c) Except as set forth in Articles 4 and 5 of the Indenture, and notwithstanding clauses (a) and (b) above, nothing contained in the Indenture or in any of the Notes shall prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or shall prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

5. Releases.

(a) In the event of a sale or other disposition of all of the assets of any Guarantor, by way of merger, consolidation or otherwise, or a sale or other disposition of all to the capital stock of any Guarantor, then such Guarantor (in the event of a sale or other disposition, by way of merger, consolidation or otherwise, of all of the capital stock of such Guarantor) or the corporation acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Guarantor) will be released and relieved of any obligations under its Note Guarantee; provided that the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of the Indenture, including without limitation Section 4.10 of the Indenture. Upon delivery by the Company to the Trustee of an Officers' Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company in accordance with the provisions of the Indenture, including without limitation Section 4.10 of the Indenture, the Trustee shall execute any documents reasonably required in order to evidence the release of any Guarantor from its obligations under its Note Guarantee.

(b) Any Guarantor not released from its obligations under its Note Guarantee shall remain liable for the full amount of principal of and interest on the Notes and for the other obligations of any Guarantor under the Indenture as provided in Article 10 of the Indenture.

6. No Recourse Against Others. No past, present or future director, officer, employee, incorporator, stockholder or agent of the Guaranteeing Subsidiary, as such, shall have any liability for any obligations of the Company or any Guaranteeing Subsidiary under the Notes, any Note Guarantees, the Indenture or this Supplemental Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of the Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the federal securities laws and it is the view of the Commission that such a waiver is against public policy.

7. NEW YORK LAW TO GOVERN. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE BUT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

8. Counterparts The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

9. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

10. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: March 15, 1999

[Guaranteeing Subsidiary]

By:_____
Name:
Title:

Crown Castle International Corp.

By:_____
Name:
Title:

[Other Guarantors]

By:_____
Name:
Title

United States Trust Company of New York
as Trustee

By:_____
Name:
Title:

EXHIBIT E
FORM OF NOTATION OF GUARANTEE

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture dated as of March 15, 1999 (the "Indenture") among CROWN CASTLE INTERNATIONAL CORP. and UNITED STATES TRUST COMPANY OF NEW YORK, as trustee (the "Trustee"), (a) the due and punctual payment of the principal of, premium, if any, and interest on the Notes (as defined in the Indenture), whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal and premium, and, to the extent permitted by law, interest, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 10 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee. Each Holder of a Note, by accepting the same, agrees to and shall be bound by such provisions.

[Name of Guarantor(s)]

By:_____
Name:
Title:

EXHIBIT 10.62

EXECUTION COPY

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REGISTRATION RIGHTS AGREEMENT

among

CROWN CASTLE INTERNATIONAL CORP.

and

GOLDMAN SACHS CREDIT PARTNERS L.P.

SALOMON BROTHERS HOLDING COMPANY INC.

CREDIT SUISSE FIRST BOSTON

Dated as of March 15, 1999

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THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of March 15, 1999, among Crown Castle International Corp., a Delaware corporation (the "Borrower") and Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston, as ("Arrangers").

RECITALS

This Agreement is made pursuant to the Term Loan Agreement, dated as of the date hereof (the "Term Loan Agreement"), among the Borrower, the Lenders referred to therein (the "Lenders") and the Arrangers. In order to induce the Lenders to enter into the Term Loan Agreement, the Borrower has agreed to provide the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the funding of any Term Loan.

AGREEMENT

The parties agree as follows:

1. Definitions.

Capitalized terms used herein without definition have the meanings assigned to them in the Term Loan Agreement. As used in this Agreement, the following capitalized terms shall have the following meanings:

Business Day: Each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York are generally authorized or obligated by law or executive order to close.

Effectiveness Date: See Section 3(a) hereof.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Exchange Notes: As defined in the Term Loan Agreement.

Exchange Note Indenture: The Exchange Note Indenture, dated as of March 15, 1999, between the Borrower and United States Trust Company of New York, as trustee, pursuant to which the Exchange Notes are issued, as the same may be amended from time to time in accordance with the terms thereof.

Exchange Note Indenture Trustee: See Section 5(r) hereof.

Filing Date: See Section 3(a) hereof.

Interest Payment Date: As defined in the Term Loan Agreement.

Interest Period: As defined in the Term Loan Agreement.

Liquidated Damages: See Section 3(c) hereof.

Loan: As defined in the Term Loan Agreement.

NASD: National Association of Securities Dealers, Inc.

Person: An individual, partnership, limited liability company, corporation, trust, unincorporated organization, or a government or agency or political subdivision thereof.

Prospectus: The prospectus included in the Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Securities covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus.

Recommencement Date: See Section 5 hereof.

Registrable Securities: All Exchange Notes; provided that an Exchange Note ceases to be a Registrable Security when it is no longer a Transfer Restricted Security.

Registration Default: See Section 3(c) hereof.

Registration Expenses: See Section 6 hereof.

Registration Statement: Any registration statement of the Borrower which covers any of the Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all material incorporated by reference in such Registration Statement.

SEC: The Securities and Exchange Commission.

Securities Act: The Securities Act of 1933, as amended.

Shelf Registration: See Section 3(a) hereof.

Suspension Notice: See Section 5 hereof.

TIA: The Trust Indenture Act of 1939, as amended (15 U.S.C. Section 77aaa-77bbbb) as in effect on the date of the Exchange Note Indenture.

Transfer Restricted Securities: The Registrable Securities upon original issuance thereof, and with respect to any particular such Registrable Security, until such securities are sold to the public in unrestricted sales.

"underwritten registration" or "underwritten offering": A registration in which securities of the Borrower are sold to an underwriter for reoffering to the public.

2. Holders of Registrable Securities.

A Person is deemed to be a holder of Registrable Securities whenever such Person owns Registrable Securities of record or has provided evidence reasonably satisfactory to the Borrower that such Person has the right to acquire such Registrable Securities, whether or not such acquisition has actually been effected and disregarding any legal restrictions upon the exercise of such right.

3. Shelf Registration.

(a) Filing of Shelf Registration. The Borrower shall file a "shelf" registration statement on any appropriate form pursuant to Rule 415 (or similar rule that may be adopted by the SEC) under the Securities Act (a "Shelf Registration") as promptly as practicable and in no event later than the date that is 270 days after the initial funding of the Term Loans (the "Filing Date") to permit resales of all of the Registrable Securities. The Borrower agrees to use its best efforts to cause such Shelf Registration to become effective as promptly as possible after the filing thereof, but in no event later than 90 days after the Filing Date (the "Effectiveness Date"). The Borrower shall use its best efforts to keep any Shelf Registration required by this Section 3(a) continuously effective, supplemented and amended as required by and subject to the provisions of Section 5 hereof to the extent necessary to ensure that it is available for sales of Registrable Securities by the holders thereof entitled to the benefit of this Section 3(a) and to ensure that it conforms with the requirements of this Agreement, the Securities Act and the policies, rules and regulations of the SEC as announced from time to time until all Registrable Securities covered by the Shelf Registration have been sold pursuant thereto.

(b) Provision by Holders of Certain Information in Connection with the Shelf Registration. No holder of Registrable Securities may include any of its Registrable Securities in any Shelf Registration pursuant to this Agreement unless and until such holder furnishes to the Borrower in writing, within 20 days after receipt of a request therefor, the information specified in Item 507 or 508 of Regulation S-K, as applicable, of the Securities Act for use in connection with any Shelf Registration or Prospectus or preliminary Prospectus included therein. No holder of Registrable Securities shall be entitled to Liquidated Damages pursuant to Section 3(c) hereof unless and until such holder shall have provided all such information. Each selling holder of Registrable Securities agrees to promptly furnish additional information required to be disclosed in order to make the information previously furnished to the Borrower by such holder not materially misleading.

(c) Liquidated Damages. If (i) the Registration Statement required by this Agreement is not filed with the SEC on or prior to the Filing Date, (ii) the Registration Statement has not been declared effective by the SEC on or prior to the Effectiveness Date or (iii) the Registration Statement required by this Agreement is filed and declared effective but shall thereafter cease to be effective or fail to be usable for its intended purpose without being succeeded immediately by a post-effective amendment to the Registration Statement that cures such failure and that is itself declared effective immediately (such period of time during which a Registration Statement or the related Prospectus is not usable being referred to as a "Blackout Period") except as permitted in the paragraph immediately below (each such event referred to in clauses (i) through (iii), a "Registration Default"), then the Borrower agrees to pay to each holder of Registrable Securities and Loans liquidated damages ("Liquidated Damages") in an amount equal to 50 basis points per annum times the principal amount of Registrable Securities or Loans, as the case may be, for each week or portion thereof that the Registration Default continues for the first 90-day period immediately following the occurrence of such Registration Default (such 90-day period to begin on the date on which the first such Registration Default occurs). The amount of such Liquidated Damages shall increase by an additional 50 basis points per annum on the principal amount of Registrable Securities or Loans, as the case may be, with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a maximum amount of Liquidated Damages of 200 basis points per annum on the principal amount of Registrable Securities or Loans, as the case may be; provided that the Borrower shall

in no event be required to pay Liquidated Damages for more than one Registration Default on any Registrable Securities or Loans, as the case may be, at any given time. All Liquidated Damages shall be calculated based on the actual number of days elapsed in a 360 day year and all accrued Liquidated Damages shall be paid on the applicable Interest Payment Date in accordance with the Exchange Note Indenture or the Term Loan Agreement, as the case may be, to each holder of Registrable Securities or Loans, as the case may be, in cash. Notwithstanding anything to the contrary set forth herein, (1) upon filing the Registration Statement, in the case of (i) above, (2) upon the effectiveness of the Registration Statement, in the case of (ii) above or (3) upon the filing of a post-effective amendment to the Registration Statement or an additional Registration Statement that causes the Registration Statement to again be declared effective or made usable in the case of (iii) above, the Liquidated Damages payable with respect to the Registrable Securities or Loans, as the case may be, as a result of such clause (i), (ii) or (iii), as applicable, shall cease.

A Registration Default referred to in Section 3(c)(iii) shall be deemed not to have occurred and be continuing in relation to a Registration Statement or the related Prospectus if (i) the Blackout Period has occurred solely as a result of (x) the filing of a post-effective amendment to such Registration Statement to incorporate annual audited financial information with respect to the Borrower where such post-effective amendment is not yet effective and needs to be declared effective to permit holders to use the related Prospectus or (y) the occurrence of other material events with respect to the Borrower that would need to be described in such Registration Statement or the related Prospectus and (ii) in the case of clause (y), the Borrower is proceeding promptly and in good faith to amend or supplement (including by way of filing documents under the Exchange Act which are incorporated by reference into the Registration Statement) such Registration Statement and the related Prospectus to describe such events; provided, however, that in any case if such Blackout Period occurs for a continuous period in excess of 30 days, a Registration Default shall be deemed to have occurred on the 31st day of such Blackout Period and liquidated damages shall be payable in accordance with the above paragraph from the day such Registration Default occurs until such Registration Default is cured or until the Borrower is no longer required pursuant to this Agreement to keep such Registration Statement effective or such Registration Statement or the related Prospectus usable; provided further, however, that in no event shall the total of all Blackout Periods exceed 60 days in the aggregate in any 12-month period.

All obligations of the Borrower set forth in the preceding paragraphs that are outstanding with respect to any Registrable Security or Loan at the time such security ceases to be a Registrable Security or Loan shall survive until such time as all such obligations with respect to such Registrable Securities or Loans have been satisfied in full. Any holder of Registrable Securities or any Lender may notify the Exchange Note Indenture Trustee (and any paying agent under the Exchange Note Indenture) and/or the Administrative Agents under the Term Loan Agreement immediately after the occurrence of each and every event which pursuant to this Section 3(c) results in the accrual of Liquidated Damages with respect to such Registrable Securities or Loans, as the case may be.

4. Hold-Back Agreements.

(a) Restrictions on Public Sale by Holder of Registrable Securities.

Each holder of Registrable Securities whose Registrable Securities are covered by a Registration Statement filed pursuant to Section 3 hereof agrees, if requested by the managing underwriters in an underwritten offering, not to effect any public sale or distribution of securities of the Borrower of the same class as the securities included in such Registration Statement, including a sale pursuant to Rule 144 under the Securities Act (except as part of such underwritten registration),

during the 10-day period prior to, and during the 90-day period beginning on, the closing date of each underwritten offering made pursuant to such Registration Statement, to the extent timely notified in writing by the Borrower or the managing underwriters; provided, however, that each holder of Registrable Securities shall be subject to the hold-back restrictions of this Section 4(a) only once during the term of this Agreement.

The foregoing provisions shall not apply to any holder of Registrable Securities if such holder is prevented by applicable statute or regulation from entering any such agreement; provided, however, that any such holder shall undertake, in its request to participate in any such underwritten offering, not to effect any public sale or distribution of any Registrable Securities held by such holder and covered by a Registration Statement commencing on the date of sale of the Registrable Securities covered by such Registration Statement unless it has provided 90 days prior written notice of such sale or distribution to the underwriter or underwriters.

(b) Restrictions on Sale of Securities by the Borrower and Others.

The Borrower agrees (1) not to effect any public or private offer, sale or distribution of any of its debt securities or any class or series of its capital stock having a preference in liquidation or with respect to dividends, including a sale pursuant to Regulation D under the Securities Act, during the 10-day period prior to, and during the 90-day period beginning with, the effectiveness of a Registration Statement filed under Section 3 to the extent timely notified in writing by a holder of Registrable Securities or the managing underwriters in an underwritten offering and (2) to cause each holder of the Borrower's privately placed debt securities or any class or series of the Borrower's capital stock having a preference in liquidation or with respect to dividends purchased from the Borrower at any time on or after the date of this Agreement to agree not to effect any public sale or distribution of any such securities during such period, including a sale pursuant to Rule 144 under the Securities Act (except as part of such registration, if permitted).

5. Registration Procedures.

In connection with the Borrower's registration obligations set forth in Section 3 hereof, the Borrower shall use its best efforts to effect such registration to permit the sale of such Registrable Securities being sold in accordance with the intended method or methods of distribution thereof (as indicated in the information furnished to the Borrower pursuant to Section 3(b) hereof), and pursuant thereto the Borrower shall, as expeditiously as possible prepare and file with the SEC a Registration Statement or Registration Statements relating to the Shelf Registration on any appropriate form under the Securities Act, which form shall be available for the sale of the Registrable Securities in accordance with the intended method or methods of distribution thereof within the time periods and otherwise in accordance with the provisions hereof and shall cooperate and assist in any filings required to be made with the NASD and in the performance of any due diligence investigation by any underwriter (including any "qualified independent underwriter") that is required to be retained in accordance with the rules and regulations of the NASD. In connection with any Registration Statement and any related Prospectus required by this Agreement, the Borrower shall:

(a) use its best efforts to keep such Registration Statement continuously effective and provide all requisite financial statements for the period specified in Section 3 of this Agreement, as applicable. Upon the occurrence of any event that would cause any such Registration Statement or the Prospectus contained therein (1) to contain a material misstatement or omission or (2) not to be effective and usable for resale of Registrable Securities during the period required by this Agreement, the Borrower shall promptly file an appropriate amendment

to such Registration Statement curing such defect, and, if SEC review is required, use its best efforts to cause such amendment to be declared effective as soon as practicable;

(b) prepare and file with the SEC such amendments and post-effective amendments to the applicable Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period set forth in Section 3 hereof; cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Securities Act, and to comply fully with Rules 424, 430A and 462, as applicable under the Securities Act in a timely manner; and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus; the Borrower shall not be deemed to have used its best efforts to keep such Registration Statement effective during the applicable period if it voluntarily takes any action that would result in selling holders of the Registrable Securities covered thereby being unable to sell such Registrable Securities during that period unless such action is required under applicable law, provided that the foregoing shall not apply to actions taken by the Borrower in good faith and for valid business reasons, including without limitation the acquisition or divestiture of assets, so long as the Borrower promptly thereafter complies with the requirements of Section 5(k) hereof, if applicable;

(c) advise the selling holders of Registrable Securities and the managing underwriters, if any, promptly, and, if requested by any such Person, confirm such advice in writing, (1) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to any applicable Registration Statement or any post-effective amendment, when the same has become effective, (2) of any request by the SEC for amendments to the Registration Statement or for amendments or supplements to the Prospectus or for additional information relating thereto, (3) of the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Securities for offering or sale in any jurisdiction or the initiation of any proceedings for that purpose and (4) of the existence of any fact or the happening of any event that makes any statement of a material fact made in the Registration Statement, the Prospectus, any amendment or supplement thereto or any document incorporated by reference therein untrue or that requires the making of any addition to or changes in the Registration Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading or that requires the making of any additions to or changes in the Prospectus in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. If at any time the SEC shall issue any stop order suspending the effectiveness of the Registration Statement, or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Registrable Securities under state securities or Blue Sky laws, the Borrower shall use its best efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(d) furnish to each selling holder of Registrable Securities covered by any Registration Statement or Prospectus in connection with such sale, and each underwriter, if any, before filing with the SEC, copies of any Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration

Statement), which documents will be subject to the review and comment of such Persons in connection with such sale, if any, for a period of at least five Business Days, and the Borrower will not file any such Registration Statement or Prospectus or any amendment or supplement to any such Registration Statement or Prospectus (including all such documents incorporated by reference) to which the selling holders of the Registrable Securities covered by such Registration Statement in connection with such sale, or the underwriters, if any, shall reasonably object within five Business Days after the receipt thereof. A selling holder of Registrable Securities or underwriter, if any, shall be deemed to have reasonably objected to such filing if such Registration Statement, amendment, Prospectus or supplement, as applicable, as proposed to be filed, contains a material misstatement or omission or fails to comply with the applicable requirements of the Securities Act;

(e) if reasonably requested by the managing underwriter or underwriters in connection with an underwritten offering or any selling holders of Registrable Securities in connection with such sale, promptly include in any Registration Statement or Prospectus pursuant to a supplement or post-effective amendment, if necessary, such information as the managing underwriters or such selling holders may reasonably request to have included therein, including, without limitation, information relating to the "Plan of Distribution," with respect to the principal amount of Registrable Securities being sold to such underwriters, the purchase price being paid therefor by such underwriters and any other terms of the underwritten (or best efforts underwritten) offering of the Registrable Securities to be sold in such offering; and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Borrower is notified of the matters to be included in such Prospectus supplement or post-effective amendment; provided, however, that the Borrower shall not be required to take any action pursuant to this Section 5(e) that would, in the opinion of counsel for the Borrower reasonably satisfactory to such selling holders, violate applicable law;

(f) furnish to each selling holder of Registrable Securities and each managing underwriter, if any, without charge, at least one signed copy of the Registration Statement, as first filed with the SEC, and of each amendment thereto, all documents incorporated by reference therein and all exhibits (including exhibits incorporated by reference therein);

(g) deliver to each selling holder of Registrable Securities and the underwriters, if any, without charge, as many copies of the Prospectus (including each preliminary prospectus) and any amendment or supplement thereto as such Persons may reasonably request; the Borrower hereby consents to the use (in accordance with law) of the Prospectus or any amendment or supplement thereto by each of the selling holders of Registrable Securities and the underwriters, if any, in connection with the offering and the sale of the Registrable Securities covered by the Prospectus or any amendment or supplement thereto;

(h) prior to any public offering of Registrable Securities, cooperate with the selling holders of Registrable Securities, the underwriters, if any, and their respective counsel in connection with the registration and qualification of such Registrable Securities under the securities or Blue Sky laws of such jurisdictions as any such seller or underwriter, if any, may request and do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of such Registrable Securities covered by the applicable Registration Statement; provided, however, that the Borrower will not be required to register or qualify as a foreign corporation where the Borrower is not then so qualified or to take any action that would subject the Borrower to the service of process in suits or to taxation, other than as to matters and

transactions relating to the Registration Statement in any jurisdiction where the Borrower is not then so subject;

(i) in connection with any sale of Registrable Securities that will result in such securities no longer being Transfer Restricted Securities, cooperate with the selling holders of Registrable Securities and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing such Registrable Securities to be sold and not bearing any restrictive legends; and to register such Registrable Securities in such denominations and such names as such managing underwriters or selling holders may request at least two Business Days prior to such sale of Registrable Securities;

(j) use its best efforts to cause the disposition of the Registrable Securities covered by the applicable Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof or the underwriters, if any, to consummate the disposition of such Registrable Securities, subject to the proviso in clause (h) above;

(k) subject to Section 5(a) hereof, if any fact or event contemplated by Section 5(c)(4) hereof shall exist or have occurred, prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Securities, the Prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in the light of the circumstances under which they were made, not misleading;

(l) if requested by the holders of a majority in aggregate principal amount of the Registrable Securities or the managing underwriters, if any, use commercially reasonable efforts to cause the Registrable Securities covered by a Registration Statement to be rated with such rating agencies as such holders or managing underwriters may designate;

(m) provide a CUSIP number for all Registrable Securities not later than the effective date of a Registration Statement covering such Registrable Securities, and provide the Exchange Note Indenture Trustee with printed certificates for the Registrable Securities which are in a form eligible for deposit with The Depository Trust Company;

(n) enter into such agreements (including an underwriting agreement) and take all such other actions in connection therewith in order to expedite or facilitate the disposition of such Registrable Securities pursuant to the Registration Statement contemplated by this Agreement and in such connection, whether or not an underwriting agreement is entered into and whether or not the registration is an underwritten registration (1) make such representations and warranties in a certificate signed on behalf of the Borrower by (x) the President and (y) the principal financial officer of the Borrower, to the holders of such Registrable Securities and the underwriters, if any, in form, substance and scope as are customarily made by issuers to underwriters in primary underwritten offerings; (2) if requested by any selling holder, obtain opinions of counsel to the Borrower and updates thereof (which counsel and opinions (in form, scope and substance) shall be reasonably satisfactory to the managing underwriters, if any, and the holders of a majority in principal amount of the Registrable Securities) addressed to each selling holder and the underwriters, if any, covering the matters customarily covered in opinions requested in underwritten offerings and such other matters as may be reasonably requested by

such selling holders and underwriters and in any event including a statement to the effect that such counsel has participated in conferences with officers and other representatives of the Borrower, representatives of the independent public accountants for the Borrower; and that such counsel advises that, on the basis of the foregoing, no facts came to such counsel's attention that caused such counsel to believe that the applicable Registration Statement, at the time such Registration Statement or any post-effective amendment thereto became effective, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus contained in such Registration Statement as of its date contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; without limiting the foregoing, such counsel may state further that such counsel assumes no responsibility for, and has not independently verified, the accuracy, completeness or fairness of the financial statements, notes and schedules and financial data set forth or referred to in any Registration Statement contemplated by this Agreement or the related Prospectus; (3) obtain "comfort" letters and updates thereof from the Borrower's independent certified public accountants addressed to such selling holders and underwriters, if any, such letters to be in customary form and covering matters of the type customarily covered in "comfort" letters to underwriters in connection with primary underwritten offerings; (4) if an underwriting agreement is entered into, the same shall set forth in full the indemnification provisions and procedures of Section 7 hereof with respect to all parties to be indemnified pursuant to Section 7; and (5) deliver such documents and certificates as may be requested by the holders of a majority of the Registrable Securities being sold and the managing underwriters, if any, to evidence compliance with Section 5(k) hereof and with any customary conditions contained in the underwriting agreement or other agreement entered into by the Borrower. The above shall be done at each closing under such underwriting or similar agreement or as and to the extent required thereunder. If at any time the representations and warranties of the Borrower set forth in the certificate contemplated in clause (o)(1) above cease to be true and correct, the Borrower shall so advise the underwriters, if any, and each selling holder promptly and, if requested by such Persons, shall confirm such advice in writing;

(o) make available at reasonable times for inspection by the selling holders of Registrable Securities and any underwriter participating in any disposition of such Registrable Securities pursuant to a Shelf Registration, and any attorney or accountant retained by such selling holders or underwriters, if any, all financial and other records and pertinent corporate documents of the Borrower, and cause the Borrower's officers, directors and employees to supply all information reasonably requested by any such selling holders, underwriter, attorney or accountant in connection with such Registration Statement or any post-effective amendment thereto subsequent to the filing thereof and prior to its effectiveness; provided, however, that the foregoing inspection and information gathering shall be coordinated on behalf of such selling holders by the Administrative Agents and on behalf of the other parties by one counsel designated by and on behalf of such other parties as described in Section 6 hereof, provided, further, that any records, documents, properties or information that are designated by the Borrower as confidential at the time of delivery of such records, documents, properties or information shall be kept confidential by such person, unless (i) such records, documents, properties or information are in the public domain or otherwise publicly available, (ii) disclosure of such records, documents, properties or information is required by court or administrative order or (iii) disclosure of such records, documents, properties or information, in the written

opinion of counsel to such person, is otherwise required by law (including, without limitation, pursuant to the requirements of the Securities Act);

(p) otherwise use their respective best efforts to comply with all applicable rules and regulations of the SEC, and make generally available to their security holders, with regard to any applicable Registration Statement, as soon as practicable, a consolidated earnings statement meeting the requirements of Rule 158 (which need not be audited) covering a twelve-month period beginning after the effective date of the Registration Statement (as such term is defined in paragraph (c) of Rule 158 under the Securities Act);

(q) cause the Exchange Note Indenture to be qualified under the TIA, and provide an indenture trustee for the Registrable Securities (the "Exchange Note Indenture Trustee") not later than the effective date of the first Registration Statement required by this Agreement and, and in connection therewith, cooperate with the Exchange Note Indenture Trustee and the holders of the Exchange Notes to effect such changes to the Exchange Note Indenture as may be required for the Exchange Note Indenture to be so qualified in accordance with the terms of the TIA and execute, and use their respective best efforts to cause the Exchange Note Trustee to execute, all documents as may be required to effect such changes and all other forms and documents required to be filed with the SEC to enable the Exchange Note Indenture to be so qualified in a timely manner;

(r) promptly prior to the filing of any document which is to be incorporated by reference into the Registration Statement or Prospectus, provide copies of such document to the selling holders of Registrable Securities covered by such Registration Statement and to the managing underwriters, if any, make the Borrower's representatives available for discussion of such document and other customary due diligence matters, and include such information in such document prior to the filing thereof as such selling holders or underwriters, if any, may reasonably request;

(s) make appropriate officers of the Borrower available to such holders and the underwriters, if any, for meetings with prospective purchasers of the Registrable Securities and prepare and present to potential investors "road show" material in a manner consistent with other new issuances of high yield debt securities; provided, however, that the Borrower shall not be obligated to conduct more that one "road show" in any 90-day period; and

(t) provide promptly to each holder, upon request, each document filed with the SEC pursuant to the requirements of Section 13 or Section 15(d) of the Exchange Act.

Each holder of Registrable Securities agrees by acceptance of such Registrable Securities that, upon receipt of any notice referred to in Section 5(a) hereof or any notice from the Borrower of the existence of any fact or event of the kind described in Section 5(c)(4) hereof (in each case, a "Suspension Notice"), such holder will forthwith discontinue disposition of Registrable Securities pursuant to the applicable Registration Statement until (i) such holder has received copies of the supplemented or amended Prospectus contemplated by Section 5(k) hereof, or (ii) such holder is advised in writing by the Borrower that the use of such Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in such Prospectus, (in each case, the "Recommencement Date"). Each holder receiving a Suspension Notice hereby agrees that it will either (i) destroy any Prospectuses, other than permanent file copies, then in such holder's possession that have been replaced by the Borrower with more recently dated Prospectuses or (ii) deliver

to the Borrower (at the Borrower's expense) all copies, other than permanent file copies, then in such holder's possession of the Prospectus covering such Registrable Securities that was current at the time of receipt of the Suspension Notice. The time period regarding the effectiveness of such Registration Statement set forth in Section 3(a) hereof shall be extended by a number of days equal to the number of days in the period from and including the date of delivery of the Suspension Notice to the Recommencement Date.

(6) Registration Expenses.

(a) All expenses incident to the Borrower's performance of or compliance with this Agreement will be borne by the Borrower, regardless of whether a Registration Statement becomes effective, including without limitation, (i) all registration and filing fees and expenses, fees and expenses associated with filings required to be made with the NASD (including, if applicable, the fees and expenses of any "qualified independent underwriter" and their counsel as may be required by the rules and regulations of the NASD); (ii) all fees and expenses of compliance with federal securities and state Blue Sky laws or securities laws (including fees and disbursements of counsel for the underwriters or selling holders in connection with Blue Sky qualifications of the Registrable Securities and determination of their eligibility for investment under the laws of such jurisdictions as the managing underwriters or holders of a majority in aggregate principal amount of the Registrable Securities being sold may designate); (iii) all expenses of printing (including printing certificates for the Registrable Securities in a form eligible for deposit with The Depository Trust Company and of printing Prospectuses), messenger and delivery services and telephone; (iv) all reasonable fees and disbursements of counsel for the Borrower and for the sellers of the Registrable Securities (subject to the provisions of Section 6(b) hereof); (v) all fees and disbursements of independent certified public accountants of the Borrower (including the expenses of any special audit and "comfort" letters required by or incident to such performance), and of underwriters (excluding discounts, commissions or fees of underwriters, selling brokers, dealer managers or similar securities industry professionals relating to the distribution of the Registrable Securities or legal expenses of any Person other than the Borrower and the selling holders); (vi) all "road show" travel and other expenses incurred in connection with the marketing and sale of the Registrable Securities; (vii) all fees and expenses in connection with the rating of the Registrable Securities by rating agencies, if any; and (viii) all application and filing fees in connection with listing the Registrable Securities on a national securities exchange or automated quotation system pursuant to the requirements hereof; (all such expenses being herein called "Registration Expenses").

The Borrower will, in any event, bear its own internal expenses (including, without limitation, all salaries and expenses of their respective officers and employees performing legal or accounting duties), the expense of any annual audit and fees and expenses of any Person, including special experts, retained by the Borrower.

(b) In connection with any Registration Statement required by this Agreement (including, without limitation, the Shelf Registration), the Borrower will reimburse the selling holders of Registrable Securities being registered in such registration for the reasonable fees and disbursements of not more than one counsel who shall be Latham & Watkins unless another firm shall be chosen by the selling holders of a majority in principal amount of Registrable Securities for whose benefit such Registration Statement is being prepared.

(c) Each holder of Registrable Securities will pay all underwriting discounts, if any, and commissions and transfer taxes, if any, relating to the sale or disposition of such holder's Registrable Securities.

(7) Indemnification.

(a) The Borrower agrees to indemnify and hold harmless each holder of Registrable Securities to be included in such registration and each person who participates as a placement or sales agent or as an underwriter in any offering or sale of such Registrable Securities, (any such person may hereinafter be referred to as an "Indemnified Holder"), against any losses, claims, damages or liabilities to which such Indemnified Holder may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, preliminary prospectus or Prospectus (or any amendment or supplement thereto), or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading, and will reimburse each Indemnified Holder for any legal or other expenses reasonably incurred by such Indemnified Holder in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Borrower shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Registration Statement, preliminary prospectus or Prospectus (or any amendment or supplement thereto), in reliance upon and in conformity with written information furnished to the Borrower by any Indemnified Holder expressly for use therein.

(b) Each Indemnified Holder will indemnify and hold harmless the Borrower against any losses, claims, damages or liabilities to which the Borrower may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, preliminary prospectus or Prospectus (or any amendment or supplement thereto), or arise out of or are based upon the omission or alleged omission to state therein a material fact or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Registration Statement, preliminary prospectus or Prospectus (or any amendment or supplement thereto), in reliance upon and in conformity with written information furnished to the Borrower by such Indemnified Holder expressly for use therein; and will reimburse the Borrower for any legal or other expenses reasonably incurred by the Borrower in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with

counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof unless (i) the employment of such counsel shall have been specifically authorized in writing by the indemnifying party, (ii) the indemnifying party shall have failed to assume the defense of such action or employ counsel reasonably satisfactory to the indemnified party or (iii) the named parties to any such action (including any impleaded parties) include both the indemnified party and the indemnifying party, and the indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of the indemnified party). In any such case, the indemnifying party shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for all indemnified parties and all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by holders of a majority in aggregate principal amount of Registrable Securities in the case of the parties indemnified pursuant to Section 7(a), and by the Borrower in the case of parties indemnified pursuant to Section 7(b). No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act, by or on behalf of any indemnified party. No indemnifying party shall be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with the consent of the indemnifying party or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Borrower on the one hand and the Indemnified Holders on the other from the sale of the Registrable Securities. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Borrower on the one hand and the Indemnified Holders on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable

considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Borrower on the one hand or the Indemnified Holders on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Borrower and the Indemnified Holders agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Indemnified Holders were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Indemnified Holder shall be required to contribute any amount in excess of the amount by which the total amount received by such Indemnified Holder with respect to its sale of Registrable Securities pursuant to a Registration Statement exceeds the sum of the (i) amount paid by such Indemnified Holder for such Registrable Security and (ii) amount of any damages which such Indemnified Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The holders' and any underwriter's obligations in this subsection (d) to contribute are several in proportion to the respective principal amount of Registrable Securities registered or underwritten, as the case may be, by them and not joint.

(e) The obligations of the Borrower under this Section 7 shall be in addition to any liability which the Borrower may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Indemnified Holder within the meaning of the Securities Act; and the obligations of the Indemnified Holders under this Section 7 shall be in addition to any liability which the respective Indemnified Holders may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Borrower and to each person, if any, who controls the Borrower within the meaning of the Securities Act.

8. Rule 144.

The Borrower covenants for so long as any Registrable Securities remain outstanding that it will file the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder (or, if any of them is not required to file such reports, the applicable party will, upon the request of any holder of Registrable Securities make publicly available other information so long as necessary to permit sales pursuant to Rule 144 under the Securities Act), and it will take such further action as any holder of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (a) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (b) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any holder of Registrable Securities, the Borrower will deliver to such holder a written statement as to whether they have complied with such information and filing requirements.

9. Miscellaneous.

(a) Remedies. Each holder of Registrable Securities and Loans, in addition to being entitled to exercise all rights provided herein, in the Exchange Note Indenture or granted by law, including recovery of damages, in connection with the breach by the Borrower of their obligations to register the Registrable Securities will be entitled to specific performance of its rights under this Agreement. The Borrower acknowledges and agrees that monetary damages (including the Liquidated Damages contemplated hereby) would not be adequate compensation for any loss incurred by reason of a breach by any of them of the provisions of this Agreement and each agrees to waive the defense in any action for specific performance that a remedy at law would be adequate.

(b) No Inconsistent Agreements. The Borrower will not on or after the date of this Agreement enter into any agreement with respect to its securities which is inconsistent with the rights granted to the holders of Registrable Securities in this Agreement or otherwise conflicts with the provisions hereof. The Borrower has not previously entered into, any agreement with respect to its securities granting any registration rights to any Person other than the Registration Rights Agreement entered into pursuant to the sale of the Senior Exchangeable Preferred Stock. The rights granted to the holders of Registrable Securities hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Borrower's respective securities under any other agreements.

(c) Amendments and Waivers. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Agreement may not be given unless (i) in the case of Section 3(c) and this Section 9(c)(i), the Borrower has obtained the written consent of the holders of all of the outstanding (x) Registrable Securities and (y) Loans (excluding Registrable Securities held by the Borrower or one of its affiliates) and (ii) in the case of all other provisions hereof, the Borrower has obtained the written consent of holders of majority of the outstanding principal amount of the (x) Registrable Securities and (y) Loans (excluding Registrable Securities held by the Borrower or one of its affiliates).

(d) Third Party Beneficiary. The holders of Registrable Securities shall be third party beneficiaries to the agreements made hereunder between the Borrower, on the one hand, and the Arrangers, on the other hand, and shall have the right to enforce such agreements directly to the extent they may deem such enforcement necessary or advisable to protect its rights or the rights of holders hereunder.

(e) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, registered first-class mail, facsimile or air courier guaranteeing overnight delivery:

(i) if to a holder of Registrable Securities, at the most current address given by such holder to the Borrower in accordance with the provisions of this Section 9(e), which address initially is, with respect to the Arrangers to them at the address set forth in the Term Loan Agreement, with a copy to Latham & Watkins, 885 Third Avenue, Suite 1000, New York, New York 10022-4802, Attention: Kirk A. Davenport, Esq.; and

(ii) if to the Borrower, initially to them at the address set forth in the Term

Loan Agreement and thereafter at such other address, notice of which is given in accordance with the provisions of this Section 9(e), with a copy to Cravath, Swaine & Moore, Worldwide Plaza, 825 Eighth Avenue, New York, New York 10010, Attn.: Stephen L. Burns, Esq.

All such notices and communications shall be deemed to have been duly given at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if delivered by facsimile; and on the next Business Day if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands or other communications shall be concurrently delivered by the Person giving the same to the Exchange Note Indenture Trustee at the address specified in the Exchange Note Indenture.

(f) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties hereto, including without limitation and without the need for an express assignment, all subsequent holders of Registrable Securities or Loans; provided, that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms hereof or the Exchange Note Indenture. If any transferee of any holder shall acquire Registrable Securities in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement, including the restrictions on resale set forth in this Agreement and such Person shall be entitled to receive the benefits hereof.

(g) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(h) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) Governing Law; Submission to Jurisdiction; Waiver of Jury Trial. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICT OF LAW RULES THEREOF. EACH PARTY HERETO HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND OF ANY NEW YORK STATE COURT SITTING IN NEW YORK CITY FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY

LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(j) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of any such provision in such jurisdiction in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(k) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement with respect to the subject matter contained herein and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted by the Borrower with respect to the securities sold pursuant to the Term Loan Agreement. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

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

CROWN CASTLE INTERNATIONAL CORP.

By: /s/ Charles C. Green, III

Name: Charles C. Green, III
Title: Executive Vice President and Chief Financial Officer

ARRANGERS:

Goldman Sachs Credit Partners L.P.

By: Goldman, Sachs & Co.

By: /s/ Stephen B. King

(Authorized Signatory)

Salomon Brothers Holding Company Inc.

By: /s/ Steven M. Joans

(Authorized Signatory)

Credit Suisse First Boston

By: /s/ Marisa J. Harney

(Authorized Signatory)

By: /s/ Judith E. Smith

(Authorized Signatory)

EXHIBIT 10.63

EXECUTION COPY

ESCROW AGREEMENT

among

CROWN CASTLE INTERNATIONAL CORP.,

as Borrower,

GOLDMAN SACHS CREDIT PARTNERS L.P.

SALOMON BROTHERS HOLDING COMPANY INC.

CREDIT SUISSE FIRST BOSTON CORPORATION

as Arrangers

and

UNITED STATES TRUST COMPANY OF NEW YORK,

as Escrow Agent

Dated as of March 15, 1999

THIS ESCROW AGREEMENT (this "Agreement"), dated as of March 15, 1999 (the "Closing Date"), is by and among Crown Castle International Corp., a Delaware corporation (the "Borrower"), Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston Corporation, as the Arrangers under the Term Loan Agreement referred to below (the "Arrangers"), and United States Trust Company of New York, (in its capacity as escrow agent, the "Escrow Agent"). Capitalized terms used herein and not otherwise defined have the meanings assigned to them in the Term Loan Agreement referred to below.

RECITALS

WHEREAS, the Borrower and the Arrangers have entered into a Term Loan Agreement dated as of March 15, 1999 (as amended, restated or otherwise modified from time to time, the "Term Loan Agreement") providing for certain Term Loans to be made by the Lenders thereunder to the Borrower (the "Term Loans"), which Term Loans will be evidenced by certain promissory notes of the Borrower (the "Term Notes");

WHEREAS, the Borrower has agreed to place in escrow various Senior Exchange Notes due 2007 (the "Exchange Notes") in the form of Exhibit A1 and Exhibit A2 to the Exchange Note Indenture dated as of the date hereof (the "Exchange Note Indenture") duly executed by the Borrower and United States Trust Company of New York, as trustee (the "Exchange Note Indenture Trustee"); and

WHEREAS, it is a condition to the making of Term Loans under the Term Loan Agreement that the Exchange Notes be delivered into escrow pursuant to this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Deposit of Escrowed Notes by the Borrower.

On the Closing Date, concurrently with the execution and delivery of this Agreement, the Borrower is delivering to the Escrow Agent 25 undated Exchange Notes, duly executed by the Borrower and authenticated by the Exchange Note Indenture Trustee, with the payee, interest rate and aggregate principal amount in blank (the "Escrowed Notes").

2. Release of Escrowed Notes.

The Escrow Agent shall hold the Escrowed Notes in escrow pursuant to this Agreement, until authorized hereunder to deliver them as follows:

(a) Release to Holder or its Designees. If, on any Business Day on or after the Anniversary Date, the Escrow Agent receives one or more Term Notes from the Administrative Agents accompanied by a properly completed and executed written notice from the Administrative Agents in the form of Annex A hereto (each, an "Exchange Notice"), the Escrow Agent shall on or within five Business Days after the Escrow Agent's receipt of such Exchange Notice, (i) date, complete and deliver one or more Exchange Notes in accordance with such Exchange Notice, and (ii) return the Term Note(s) so surrendered to the Borrower for cancellation upon receipt of evidence that all cash interest thereon required to be paid pursuant to

this Section 2(a) and in accordance with the Term Loan Agreement has been paid. If less than all of the surrendered Term Note(s) are to be exchanged for Exchange Notes, the Borrower shall deliver to the Person specified in the Exchange Notice on or within three Business Days after the Escrow Agent's receipt of the Exchange Notice, a replacement Term Note dated the date specified in the Exchange Notice as the Exchange Date, equal to the amount of any principal not so exchanged, all as specified in Section 6 of the Exchange Notice and in accordance with the Term Loan Agreement. Upon delivery of any Exchange Notes pursuant to this clause (a), the Borrower shall within five Business Days after the Escrow Agent's receipt of the Exchange Notice make payment in cash in accordance with Section 2.3(f) of the Term Loan Agreement of all accrued and unpaid interest up to but not including the date specified in the Exchange Notice as the Exchange Date.

(b) Release to the Borrower. On or within one Business Day after receipt by the Escrow Agent of certificates from the Administrative Agents certifying that all Obligations with respect to the Term Loans have been paid in full, the Escrow Agent shall deliver to the Borrower all Escrowed Notes then remaining in escrow.

3. Certain Additional Agreements. The Borrower and the Administrative Agents shall, upon request by the Escrow Agent, execute and deliver to the Escrow Agent such additional written instructions and certificates hereunder as may be reasonably required by the Escrow Agent to give effect to the provisions of Sections 1 and 2 hereof.

4. Escrow Agent.

(a) The Escrow Agent shall have no duties or responsibilities, including, without limitation, a duty to review or interpret the Term Loan Agreement, except those expressly set forth herein. Except for this Agreement, the Escrow Agent, in its capacity as such, is not a party to, or bound by, any agreement that may be required under, evidenced by, or arise out of the Term Loan Agreement.

(b) If the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions from any of the undersigned with respect to the Escrowed Notes, which, in its opinion, are in conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action until it shall be directed otherwise in writing by the Borrower or the Administrative Agents or by order of a court of competent jurisdiction. The Escrow Agent shall be protected in acting upon any notice, request, waiver, consent, receipt or other document reasonably believed by the Escrow Agent to be signed by the proper party or parties.

(c) The Escrow Agent shall not be liable for any error or judgment or for any act done or step taken or omitted by it in good faith or for any mistake of fact or law, or for anything that it may do or refrain from doing in connection herewith, except for its own gross negligence or willful misconduct, and the Escrow Agent shall have no duties to anyone except the Borrower or the Administrative Agents and their respective successors and permitted assigns.

(d) The Escrow Agent may consult legal counsel in the event of any dispute or question as to the construction of this Agreement, or the Escrow Agent's duties hereunder, and the Escrow Agent shall incur no liability and shall be fully protected with respect to any action taken or omitted in good faith in accordance with the opinion and instructions of counsel.

(e) In the event of any disagreement between the undersigned or any of them, and/or any other person, resulting in adverse claims and demands being made in connection with or for the Escrowed Notes, the Escrow Agent shall be entitled at its option to refuse to comply with any such claim or demand, so long as such disagreement shall continue, and in so doing the Escrow Agent shall not be or become liable for damages or interest to the undersigned or any of them or to any person named herein for its failure or refusal to comply with such conflicting or adverse demands. The Escrow Agent shall be entitled to continue to so refrain and refuse to so act until all differences shall have been resolved by agreement and the Escrow Agent shall have been notified thereof in writing signed by the Borrower and the Administrative Agents. In the event of such disagreement which continues for 90 days or more, the Escrow Agent in its discretion may, but shall be under no obligation to, file a suit in interpleader for the purpose of having the respective rights of the claimants adjudicated and may deposit with the court all documents and property held hereunder. The Borrower agrees to pay all reasonable out-of-pocket costs and expenses incurred by the Escrow Agent in such action, including reasonable attorney's fees and disbursements.

(f) The Escrow Agent is hereby indemnified by the Borrower from all losses, costs and expenses of any nature incurred by the Escrow Agent arising out of or in connection with this Agreement or with the administration of its duties hereunder, unless such losses, costs or expenses shall have been caused by the Escrow Agent's willful misconduct or gross negligence. Such indemnification shall survive termination of this Agreement until extinguished by any applicable statute of limitations.

(g) The Escrow Agent does not have any interest in the Escrowed Notes deposited hereunder but is serving as escrow holder only and having only possession thereof. This paragraph shall survive notwithstanding any termination of this Agreement or the resignation of the Escrow Agent.

(h) The Escrow Agent (and any successor Escrow Agent) may at any time resign as such by giving written notice of its resignation to the parties hereto at least 30 days prior to the date specified for such resignation to take effect. Upon the effective date of such resignation, the Escrowed Notes shall be delivered by it to such successor escrow agent or as otherwise shall be instructed in writing by the Borrower and the Administrative Agents; whereupon the Escrow Agent shall be discharged of and from any and all further obligations arising in connection with this Agreement. If at that time the Escrow Agent has not received such instruction, the Escrow Agent's sole responsibility after that time shall be to safekeep the Escrowed Notes until receipt of a designation of successor Escrow Agent, or a joint written instruction as to disposition of the Escrowed Notes by the Borrower and the Administrative Agents or a final order of a court of competent jurisdiction mandating disposition of the Escrowed Notes.

(i) The Escrow Agent hereby accepts its appointment and agrees to act as escrow agent under the terms and conditions of this Agreement and acknowledges receipt of the Escrowed Notes. The Borrower agrees to pay to the Escrow Agent as payment in full for its services hereunder the Escrow Agent's compensation set forth in Schedule I hereto. The Borrower further agrees to reimburse the Escrow Agent for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Escrow Agent in the performance of its duties hereunder (including reasonable fees, and out-of-pocket expenses and disbursements, of its counsel).

5. Notices. Any notices or other communications required or permitted hereunder shall be effective if in writing and delivered personally or sent by telecopier, overnight courier, Federal Express, United Parcel Service, registered or certified mail, postage prepaid, addressed as follows:

If to the Administrative Agents or the Arrangers, to:

Goldman Sachs Credit Partners L.P.
Salomon Brothers Holding Company Inc.
Credit Suisse First Boston Corporation
c/o Goldman Sachs & Co.
85 Broad Street
New York, New York 10004
Attention: Amy Shapero
Facsimile No.: (212) 902-3000

with a copy to:

Latham & Watkins
885 Third Avenue
New York, New York 10022
Attention: Kirk A. Davenport
Facsimile No.: (212) 751-4864

If to the Borrower, to:

Crown Castle International Corp.
510 Bering Drive
Suite 500
Houston, Texas 77057
Attention: Chief Financial Officer

Facsimile No.: (713) 570-3150

with a copy to:

Cravath, Swaine & Moore
Worldwide Plaza
825 8th Avenue
New York, New York 10019
Attention: Stephen L. Burns

Facsimile No.: (212) 474-3700

If to the Escrow Agent, to:

United States Trust Company of New York, N.A.
114 West 47th Street, 25th Floor
New York, New York, 10036
Attention: Margaret Ciesmelewski

Facsimile No.:(212) 852-1626

with a copy to:

Carter, Ledyard & Milburn
2 Wall Street
New York, NY 10005
Attention: Vincent Monte-Sano

Telephone No.: (212) 238-8808

Facsimile No.: (212) 238-8802

If to the Exchange Note Indenture Trustee, to:

United States Trust Company of New York
114 West 47th Street, 25th Floor
New York, New York 10036-1532
Attention: Margaret Ciesmelewski

Facsimile No.:(212) 852-1626

with a copy to:

Carter, Ledyard & Milburn
2 Wall Street
New York, NY 10005
Attention: Vincent Monte-Sano

Telephone No.: (212) 238-8808

Facsimile No.: (212) 238-8802

Unless otherwise specified herein, such notices or other communications shall be deemed effective (a) on the date delivered, if delivered personally, (b) one Business Day after being delivered, if delivered by telecopier with confirmation of good transmission, (c) one Business Day after being sent by overnight courier, if sent by overnight courier, (d) two Business Days after being sent by Federal Express or United Parcel Service, if sent by Federal Express or United Parcel Service, or (e) three Business Days after being sent, if sent by registered or certified mail. Each of the parties hereto shall be entitled to specify a different address by giving notice as aforesaid to each of the other parties hereto.

6. Termination. This Agreement shall automatically terminate upon the final distribution of the Escrowed Notes in accordance with the terms hereof.

7. Governing Law; Jurisdiction.

7.1. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to conflict of law rules thereof.

7.2. Consent to Jurisdiction. Each of the parties agrees that all actions, suits or proceedings arising out of or based upon this Agreement or the subject matter hereof may be brought and maintained in the federal district court in the Southern District of New York and of any New York state court sitting in New York City (each, a "New York Court"). Each of the parties hereto by execution hereof (i) hereby irrevocably submits to the jurisdiction of such court in New York, New York, for the purpose of any action, suit or proceeding arising out of or based upon this Agreement or the subject

matter hereof and (ii) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such action, suit or proceeding, any claim that it is not subject personally to the jurisdiction of one of the above-named courts, that it is immune from extraterritorial injunctive relief or other injunctive relief, that its property is exempt or immune from attachment or execution, that any such action, suit or proceeding may not be brought or maintained in one of the above-named courts should be dismissed on the grounds of forum non conveniens, should be transferred to any court other than one of the above-named courts, should be stayed by virtue of the pendency of any other action, suit or proceeding in any court other than one of the above-named courts, or that this Agreement or the subject matter hereof may not be enforced in or by the above-named courts. Each of the parties hereto hereby consents to service of process in any such suit, action or proceeding in any manner permitted by the laws of the State of New York, agrees that service of process by registered or certified mail, return receipt requested, at the address specified in or pursuant to Section 5 hereof is reasonably calculated to give actual notice and waives and agrees not to assert by way of motion, as a defense or otherwise, in any such action, suit or proceeding any claim that service of process made in accordance with Section 5 hereof does not constitute good and sufficient service of process. The provisions of this Section 7.2 shall not restrict the ability of any party to enforce in any court any judgment obtained in the federal district court in the Southern District of New York or any New York Court.

7.3. Waiver of Jury Trial. To the extent not prohibited by any applicable law that cannot be waived, each of the parties hereto hereby waives, and covenants that it will not assert (whether as plaintiff, defendant, or otherwise), any right to trial by jury in any forum in any respect of any issue, claim, demand, cause of action, action, suit or proceeding arising out of or based upon this Agreement or the subject matter hereof, in each case whether now existing or hereafter arising and whether in contract or tort or otherwise. Any of the parties hereto may file an original counterpart or a copy of this Section 7.3 with any court as written evidence of the consent of each of the parties hereto to the waiver of his or its right to trial by jury.

7.4. Reliance. Each of the parties hereto acknowledges that it has been informed by each other party that the provisions of this Section 7 constitute a material inducement upon which such party is relying and will rely in entering into this Agreement and the transactions contemplated hereby.

8. Miscellaneous.

8.1. Entire Agreement; Waivers. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to such subject matter. No waiver of any provision of this Agreement (a) shall be deemed to or shall constitute a waiver of any other provision hereof (whether or not similar), (b) shall constitute a continuing waiver unless otherwise expressly provided therein or (c) shall be effective unless in writing and executed by each party against whom it is to be enforced.

8.2. Amendment or Modification, etc. The parties hereto may not amend or modify this Agreement except in such manner as may be agreed upon by a written instrument executed by all of the parties hereto and that is consented to in writing by the Majority Lenders. Any written amendment, modification or waiver executed by all of the parties hereto shall be binding upon all such parties and their respective successors and assigns.

8.3. Headings, etc. Section and subsection headings are not to be considered part of this Agreement, are included solely for convenience, are not intended to be full or accurate descriptions of the content thereof and shall not affect the construction hereof. This Agreement shall be deemed to express the mutual intent of the parties, and no rule of strict construction shall be applied against any party.

8.4. Severability. In the event that any provision hereof would, under applicable law, be invalid or unenforceable in any respect, such provision shall (to the extent permitted by applicable law) be construed by modifying or limiting it so as to be valid and enforceable to the maximum extent compatible with, and possible under, applicable law. The provisions hereof are severable, and in the event any provision hereof should be held invalid or unenforceable in any respect, it shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

8.5. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

8.6. Successors and Assigns. All of the terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted transferees, successors and assigns (each of which shall be deemed to be a party hereto for all purposes hereof). Except as expressly provided herein, this Agreement shall not confer any right or remedy upon any person other than the parties and their respective transferees, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

Crown Castle International Corp.

By: /s/ Charles C. Green, III

Name: Charles C. Green, III
Title: Executive Vice President and
Chief Financial Officer

The Arrangers:

Goldman Sachs Credit Partners L.P.

By: Goldman, Sachs & Co.

By: /s/ Stephen B. King

(Authorized Signatory)

Salomon Brothers Holding Company Inc.

By: /s/ Steven M. Jones

(Authorized Signatory)

Credit Suisse First Boston

By: /s/ Marisa J. Harney

(Authorized Signatory)

By: /s/ Judith E. Smith

(Authorized Signatory)

United States Trust Company of New York,

as Escrow Agent

By: /s/ Louis P. Young

Name: Louis P. Young
Title:

Schedule I to Escrow Agreement
Escrow Agent's Fees

Escrow Agent's Fees

Annual Fee $5,000.00

GOLDMAN SACHS CREDIT PARTNERS L.P.

SALOMON BROTHERS HOLDING COMPANY INC.

CREDIT SUISSE FIRST BOSTON CORPORATION

C/O GOLDMAN SACHS & CO.

85 BROAD STREET

NEW YORK, NEW YORK 10004

EXCHANGE NOTICE

Date: _____

United States Trust Company of New York
114 West 47th Street
New York, NY 10036-1532
Attention: Margaret Ciesmelewski

Re: Crown Castle International Corp. Escrow Agreement

Ladies and Gentlemen:

Reference is hereby made to the Escrow Agreement dated as of March 15, 1999 (the "Escrow Agreement"), by and among Crown Castle International Corp., a Delaware corporation (the "Borrower"), Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston Corporation, as the Arrangers under the Term Loan Agreement referred to below (the "Arrangers"), and United States Trust Company of New York, (in its capacity as escrow agent, the "Escrow Agent"). Capitalized terms used herein and not otherwise defined in this Exchange Notice have the meanings assigned to them in the Escrow Agreement.

1. Surrender of Term Note(s). Enclosed herewith [is an/are] original Term Note[s] issued to the order of the Lender specified in Section 4 below in the aggregate principal amount of $_____ (the "Surrendered Note(s)").

2. Accrued and Unpaid Interest. The [aggregate] amount of accrued and unpaid interest on the Surrendered Note(s) as of the date hereof (the "Exchange Date") is $_____, all of which is required by Section 2.3(f) of the Term Loan Agreement to be paid in cash.

3. Interest Rate. The undersigned hereby certifies that the interest rate on the Surrendered Note(s) on the Exchange Date will equal ___% per annum. Pursuant to Section 2.2(c) of the Term Loan Agreement, the Exchange Notes to be issued pursuant to this Exchange Notice will bear interest at the rate of __% per annum [insert the interest rate then in effect on the Surrendered Note(s) as of the Exchange Date] and shall not thereafter be subject to adjustment or change.

4. Request for Exchange. _____ [name of Lender] wishes to exchange [all/$_____] of the Surrendered Note(s) to be exchanged for ____ [number] Exchange Note(s) each

dated the Exchange Date, bearing interest at the rate specified in Section 3 above and made payable to the following payees:

Amount(s)	Name(s) of Payee(s)	Address(es) of Payee(s)
$_____	_____	_____
$_____	_____	_____

5. Issuance of Exchange Notes; Cancellation of Surrendered Note(s). Not later than three Business Days after receipt of this Exchange Notice please (a) issue the Exchange Note(s) dated the Exchange Date, bearing interest at the rate specified in Section 3 above from and including the Exchange Date, in the amount(s) and to the payee(s) set forth in Section 4 above, (b) deliver such Exchange Note(s) by hand or by overnight courier to the [respective] payee(s) identified in Section 4 above at the address(es) specified therein and (c) deliver the Surrendered Note(s) to the Borrower for cancellation upon receipt of evidence that all cash interest has been paid in accordance with Section 7 below and the terms of the Term Loan Agreement.

6. Issuance of Replacement Term Note. Not later than three Business Days from the date hereof, the Borrower shall (a) issue replacement Term Note(s) dated the Exchange Date, bearing interest at the rate then in effect on the Surrendered Note(s), in the aggregate amount of $_____, representing $____ of principal on the Surrendered Note(s) not so exchanged, in the respective amount(s) and to the payee(s) set forth below and (b) deliver such replacement Term Note(s) by hand or by overnight courier to the [respective] payee(s) identified in this Section 6 at the address(es) specified below:

Amount(s)	Name(s) of Payee(s)	Address(es) of Payee(s)
$_____	_____	_____
$_____	_____	_____

7. Payment of Accrued and Unpaid Interest. Not later than three Business Days after receipt of this Exchange Notice, and in any event prior to the cancellation of the Surrendered Notes contemplated by Section 5 above, the Borrower shall make payment in cash in accordance with Section 2.3(f) of the Term Loan Agreement of all accrued and unpaid interest specified in Section 2 above.

Thank you in advance for your prompt attention to this Exchange Notice.

Very truly yours,

By: _____

Name:

Title:

cc: United States Trust Company of New York,
in its capacity as Exchange Note
Indenture Trustee

EXECUTION COPY

EXHIBIT 10.64

TERM LOAN AGREEMENT

dated as of

March 15, 1999

among

CROWN CASTLE INTERNATIONAL CORP.

as Borrower,

_____

THE LENDERS named herein,

_____

GOLDMAN SACHS CREDIT PARTNERS L.P.

SALOMON BROTHERS HOLDING COMPANY INC.

and

CREDIT SUISSE FIRST BOSTON,

as Arrangers

TABLE OF CONTENTS

THIS TERM LOAN AGREEMENT, dated as of March 15, 1999 (as amended, restated and/or otherwise modified from time to time, this "Agreement"), is by and among:

(a) Crown Castle International Corp., a Delaware corporation (the "Borrower"), and

(b) Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston, as arrangers (the "Arrangers").

The parties hereto agree as follows:

ARTICLE I.

DEFINITIONS

Section 1.1. Defined Terms. As used in this Agreement, the following terms shall have the meanings specified below:

"Acquired Debt" means, with respect to any specified Person, (i) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, including, without limitation, Indebtedness incurred in connection with, or in contemplation of, such other Person merging with or into or becoming a Subsidiary of such specified Person, and (ii) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"Acquisition Agreements" means the Formation Agreement, the Bell South Letter Agreement and the Powertel Acquisition Agreement.

"Acquisition Escrow Payments" means the Powertel Escrow Payment and the Bell South Escrow Payment.

"Acquisitions" means the Powertel Acquisition and the Bell South Lease.

"Adjusted Consolidated Cash Flow" has the meaning given to such term in the definition of "Debt to Adjusted Consolidated Cash Flow Ratio."

"Administrative Agents" means Salomon Brothers Holding Company Inc. and Credit Suisse First Boston, acting as co-administrative agents pursuant to Article XI, or any successor or replacement Administrative Agent in accordance therewith, acting in such capacity.

"Affected Party" means any Lender, any Lender's LIBOR Lending Office, any beneficial owner of any Lender, and their respective successors and assigns.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that for purposes of Section 4.11, beneficial ownership of 10% or more of the Voting Stock of a

Person shall be deemed to be control. Neither the Lenders nor any of their Affiliates will be treated as an Affiliate of the Borrower or any of its Subsidiaries for purposes of this Agreement.

"Agreement" has the meaning specified in the preamble to this Agreement, as the same may be amended or supplemented from time to time.

"Anniversary Date" means the first anniversary of the Closing Date, or the next Business Day if such date is not a Business Day.

"Arrangers" means Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston, acting as arrangers in connection with the Term Loans.

"Asset Sale" means (i) the sale, lease, conveyance or other disposition of any assets or rights (including, without limitation, by way of a sale and leaseback) provided that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Borrower and its Subsidiaries taken as a whole will be governed by the provisions of Section 4.15 and/or the provisions described in Section 4.19 and not by the provisions of Section 4.10, and (ii) the issue or sale by the Borrower or any of its Restricted Subsidiaries of Equity Interests of any of the Borrower's Subsidiaries (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Borrower or a Restricted Subsidiary), in the case of either clause (i) or (ii), whether in a single transaction or a series of related transactions (a) that have a fair market value in excess of $1.0 million or (b) for Net Proceeds in excess of $1.0 million. Notwithstanding the foregoing, the following items shall not be deemed to be Asset Sales: (i) a transfer of assets by the Borrower to a Restricted Subsidiary or by a Restricted Subsidiary to the Borrower or to another Restricted Subsidiary, (ii) an issuance of Equity Interests by a Subsidiary to the Borrower or to another Restricted Subsidiary, (iii) a Restricted Payment that is permitted by Section 4.7, (iv) grants of leases or licenses in the ordinary course of business and (v) disposals of Cash Equivalents.

"Assignment and Acceptance" shall mean an assignment and acceptance entered into by a Lender and an assignee, and accepted by the Administrative Agents, in the form of Exhibit A or such other form as shall be approved by the Administrative Agents.

"Attributable Debt" in respect of a sale and leaseback transaction means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended).

"BAM" means Cellco Partnership, a Delaware general partnership doing business as Bell Atlantic Mobile.

"BAM Funds" means Cash Equivalents in an aggregate amount that is sufficient to fund the Borrower's cash obligations under the Formation Agreement to consummate the BAM Joint Venture.

"BAM Joint Venture" means the Crown Atlantic Holding Company LLC joint venture with BAM to be created by the Borrower through its Subsidiaries pursuant the Formation Agreement.

"Bankruptcy Law" means Title 11 of the U.S. Code or any similar federal or state law for the relief of debtors.

"Base Rate" means, for any day, the sum of higher of (i) the Federal Funds Rate for such day plus 50 basis points and (ii) the Prime Rate for such day. Any change in the Base Rate due to a change in the Prime Rate or the Federal Funds Rate shall be effective on the effective date of such change in the Prime Rate or Federal Funds Rate.

"Base Rate Loan" means a Term Loan at any time that the interest rate thereon is computed with reference to the Base Rate.

"beneficial owner" and "beneficial ownership" each has the meaning as defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act.

"Bell South Commitment" means, with respect to any Lender, the amount set forth opposite such Lender's signature on the signature pages of this Agreement as its "Bell South Commitment".

"Bell South Escrow Payment" means the $50.0 million escrow payment by the Borrower to Kilpatrick Stockton L.L.P. for the benefit of BellSouth Mobility pursuant to the Bell South Letter Agreement.

"Bell South Funding Date" means the date on which the conditions set forth in Article V are satisfied or waived in accordance with Section 12.3 and the Bell South Term Loans are funded by the Lenders.

"Bell South Lease" means that certain long-term master lease agreement between the Borrower and BellSouth Mobility to lease or sublease approximately 1,850 communication towers owned by BellSouth Mobility to be executed pursuant to the Bell South Letter Agreement.

"Bell South Letter Agreement" means the Letter Agreement dated March 5, 1999, between the Borrower and BellSouth Mobility Inc.

"Bell South Term Loan" means up to $50.0 million in aggregate principal amount of Loans made by Lenders to the Borrower pursuant to Section 2.1 to be applied to the Bell South Escrow Payment.

"Berkshire Group" means Berkshire Fund III, A Limited Partnership, Berkshire Fund IV, Limited Partnership, Berkshire Investors LLC and Berkshire Partners LLC.

"Board" means the Board of Governors of the Federal Reserve System of the United States or any successor.

"Board of Directors" means the Board of Directors of the Borrower, or any authorized committee of the Board of Directors.

"Borrower" has the meaning specified in the preamble to this Agreement.

"Business Day" means each day other than a Legal Holiday.

"Capital Lease Obligation" means, at the time any determination thereof is to be made, the amount of the liability in respect of a capital lease that would at such time be required to be capitalized on a balance sheet in accordance with GAAP.

"Capital Markets Transaction" has the meaning specified in Section 2.4(a).

"Capital Stock" means (i) in the case of a corporation, corporate stock, (ii) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock, (iii) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited) and (iv) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"Cash Equivalents" means (i) United States dollars, (ii) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than six months from the date of acquisition, (iii) certificates of deposit and eurodollar time deposits with maturities of six months or less from the date of acquisition, bankers' acceptances with maturities not exceeding six months and overnight bank deposits, in each case with any lender party to the Senior Credit Facility or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thompson Bank Watch Rating of "B" or better, (iv) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (ii) and (iii) above entered into with any financial institution meeting the qualifications specified in clause (iii) above, (v) commercial paper having the highest rating obtainable from either Moody's Investors Service, Inc. or Standard & Poor's Ratings Group and in each case maturing within six months after the date of acquisition and (vi) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (i)-(v) of this definition.

"CCAIC" means CCA Investment Corp., a Delaware corporation and an indirect Wholly Owned Subsidiary of the Borrower that was formed to hold the Borrower's Equity Interests in Crown Atlantic Holding Company LLC.

"CC Investment Corp." means Crown Castle Investment Corp., a Delaware corporation and a Wholly Owned Subsidiary of the Borrower.

"CC Investment Corp. II" means Crown Castle Investment Corp. II, a Delaware corporation and a Wholly Owned Subsidiary of the Borrower.

"CCP Inc." means CCP Inc., a Delaware corporation and an indirect Wholly Owned Subsidiary of the Borrower that was formed to effect the Powertel Acquisition.

"Centennial Group" means Centennial Fund IV, L.P., Centennial Fund V, L.P. and Centennial Entrepreneurs Fund V, L.P.

"Change of Control" means the occurrence of any of the following: (i) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Borrower and its Restricted Subsidiaries, taken as a whole, to any "person" (as such term is used in Section 13(d)(3) of the Exchange Act) other than a Principal or a Related Party of a Principal; (ii) the adoption of a plan relating to the

liquidation or dissolution of the Borrower; (iii) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as defined above), other than the Principals and their Related Parties, becomes the "beneficial owner" (as such term is defined in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that a person shall be deemed to have "beneficial ownership" of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition), directly or indirectly, of more than 50% of the Voting Stock of the Borrower (measured by voting power rather than number of shares); provided that transfers of Equity Interests in the Borrower between or among the beneficial owners of the Borrower's Equity Interests and/or Equity Interests in CTSH, in each case as of November 20, 1997, shall not be deemed to cause a Change of Control under this clause (iii) so long as no single Person together with its Affiliates acquires a beneficial interest in more of the Voting Stock of the Borrower than is at the time collectively beneficially owned by the Principals and their Related Parties; (iv) the first day on which a majority of the members of the Board of Directors of the Borrower are not Continuing Directors; or (v) the Borrower consolidates with, or merges with or into, any Person, or any Person consolidates with, or merges with or into, the Borrower, in any such event pursuant to a transaction in which any of the outstanding Voting Stock of the Borrower is converted into or exchanged for cash, securities or other property, other than any such transaction where (x) the Voting Stock of the Borrower outstanding immediately prior to such transaction is converted into or exchanged for Voting Stock (other than Disqualified Stock) of the surviving or transferee Person constituting a majority of the outstanding shares of such Voting Stock of such surviving or transferee Person (immediately after giving effect to such issuance) or (y) the Principals and their Related Parties own a majority of such outstanding shares after such transaction.

"Change of Control Offer" has the meaning specified in Section 4.15(a).

"Change of Control Payment" has the meaning specified in Section 4.15(a).

"Change of Control Payment Date" has the meaning specified in Section 4.15(a).

"Closing Date" means March 16, 1999.

"Code" means the Internal Revenue Code of 1986, as amended, and any regulation promulgated thereunder.

"Commitment" means, with respect to any Lender, such Lender's Powertel Commitment and such Lender's Bell South Commitment, collectively.

"Commitment Letter" means that certain letter agreement, dated as of March 15, 1999, among the Borrower and the Arrangers.

"Consolidated Cash Flow" means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period plus (i) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was included in computing such Consolidated Net Income, plus (ii) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of

letter of credit or bankers' acceptance financings, and net payments (if any) pursuant to Hedging Obligations), to the extent that any such expense was deducted in computing such Consolidated Net Income, plus (iii) depreciation, amortization (including amortization of goodwill and other intangibles and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income, minus (iv) non-cash items increasing such Consolidated Net Income for such period (excluding any items that were accrued in the ordinary course of business), in each case on a consolidated basis and determined in accordance with GAAP.

"Consolidated Indebtedness" means, with respect to any Person as of any date of determination, the sum, without duplication, of (i) the total amount of Indebtedness of such Person and its Restricted Subsidiaries, plus (ii) the total amount of Indebtedness of any other Person, to the extent that such Indebtedness has been Guaranteed by the referent Person or one or more of its Restricted Subsidiaries, plus (iii) the aggregate liquidation value of all Disqualified Stock of such Person and all preferred stock of Restricted Subsidiaries of such Person, in each case, determined on a consolidated basis in accordance with GAAP.

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that (i) the Net Income (but not loss) of any Person other than the Borrower that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the referent Person or a Restricted Subsidiary thereof, (ii) the Net Income of any Person acquired in a pooling of interests transaction for any period prior to the date of such acquisition shall be excluded, (iii) the cumulative effect of a change in accounting principles shall be excluded and (iv) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded whether or not distributed to the Borrower or one of its Restricted Subsidiaries.

"Consolidated Tangible Assets" means, with respect to the Borrower, the total consolidated assets of the Borrower and its Restricted Subsidiaries, less the total intangible assets of the Borrower and its Restricted Subsidiaries, as shown on the most recent internal consolidated balance sheet of the Borrower and such Restricted Subsidiaries calculated on a consolidated basis in accordance with GAAP.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Borrower who (i) was a member of such Board of Directors on the date hereof, (ii) was nominated for election or elected to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board at the time of such nomination or election or (iii) is a designee of a Principal or was nominated by a Principal.

"Continuing Rate" will be determined on the Anniversary Date and will be the greatest of the following (expressed as a percentage per annum):

(i) the interest rate borne by the Term Loans on the Business Day immediately preceding the Anniversary Date;

(ii) the sum of the yield (expressed as a percentage per annum) then in effect for United States Treasury Notes with a remaining maturity closest to 10 years (provided, however, that if the remaining term of the Term Loans is not equal to the constant maturity of a United States Treasury Note for which a weekly average yield is given, such yield on United States Treasury Notes shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury Notes for which such yields are given) plus 650 basis points; and

(iii) the sum of the Goldman Sachs Liquid High Yield Index Rate then in effect plus 250 basis points;

provided that the rates referenced in clauses (ii) and (iii) shall be determined two Business Days prior to the Anniversary Date.

"Continuing Interest Rate Loan" means a Term Loan at any time the interest thereon is computed with reference to the Continuing Rate.

"Continuing Spread" means 50 basis points at all times during the period commencing on and including the Anniversary Date and ending on the 90th day thereafter, and increasing by 50 basis points on the 90th day after the Anniversary Date and by an additional 50 basis points on the last day of each 90-day period thereafter for so long as any Term Loans are outstanding.

"Credit Facilities" means one or more debt facilities (including, without limitation, the Senior Credit Facility) or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

"Crown Transition Agreements" means collectively (i) the Crown Memorandum of Understanding among the Borrower, Robert A. Crown and Barbara A. Crown, dated as of July 2, 1998, (ii) the Crown Services Agreement between the Borrower and Robert A. Crown, dated as of July 2, 1998 and (iii) the Registration Rights Crown Side Letter Agreement, among the Borrower, Robert A. Crown and Barbara A. Crown, dated as of August 18, 1998.

"CTI" means Castle Transmission International Limited.

"CTI Operating Agreement" means the memorandum of understanding among the Borrower, CTSH, CTI and TdF, dated as of August 21, 1998, relating to the development of certain business opportunities outside of the United States and the provision of certain business support and technical services in connection therewith.

"CTI Services Agreement" means the amended and restated services agreement between CTI and TdF, dated as of August 21, 1998, relating to the provisions of certain services to CTI.

"CTSH" means Castle Transmission Services (Holdings) Ltd and its successors.

"CTSH Shareholders' Agreement" means the agreement entered into by the Borrower, CTSH and TdF, dated as of August 21, 1998, to govern the relationship between the Borrower and TdF as shareholders of CTSH.

"Custodian" means any receiver, interim receiver, receiver and manager, trustee, assignee, liquidator, sequestrator, custodian or similar official under any Bankruptcy Law.

"Debt to Adjusted Consolidated Cash Flow Ratio" means, as of any date of determination, the ratio of (a) the Consolidated Indebtedness of the Borrower as of such date to (b) the sum of (1) the Consolidated Cash Flow of the Borrower for the four most recent full fiscal quarters ending immediately prior to such date for which internal financial statements are available, less the Borrower's Tower Cash Flow for such four-quarter period, plus (2) the product of four times the Borrower's Tower Cash Flow for the most recent quarterly period (such sum being referred to as "Adjusted Consolidated Cash Flow"), in each case determined on a pro forma basis after giving effect to all acquisitions or dispositions of assets made by the Borrower and its Subsidiaries from the beginning of such four-quarter period through and including such date of determination (including any related financing transactions) as if such acquisitions and dispositions had occurred at the beginning of such four-quarter period. For purposes of making the computation referred to above, (i) acquisitions that have been made by the Borrower or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the reference period and Consolidated Cash Flow for such reference period shall be calculated without giving effect to clause (ii) of the proviso set forth in definition of Consolidated Net Income, and (ii) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to Calculation Date, shall be excluded.

"Default" means any event that is or with the passage of time or the giving of notice or both would be an Event of Default.

"Disqualified Stock" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable, in each case, at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the Holder thereof, in whole or in part, on or prior to the date that is 91 days after the date on which the Term Notes mature; provided, however, that any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Borrower to repurchase such Capital Stock upon the occurrence of a Change of Control or an Asset Sale shall not constitute Disqualified Stock if the terms of such Capital Stock provide that the Borrower may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 4.7.

"dollars" or "$" shall mean lawful money of the United States of America.

"Eligible Indebtedness" means any Indebtedness other than (i) Indebtedness in the form of, or represented by, bonds or other securities or any guarantee thereof and (ii) Indebtedness that is, or may be, quoted, listed or purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market (including, without prejudice to the generality of the foregoing, the market for securities eligible for resale pursuant to Rule 144A under the Securities Act).

"Eligible Receivables" means the accounts receivable (net of any reserves and allowances for doubtful accounts in accordance with GAAP) of the Borrower and its Restricted Subsidiaries that are not more than 60 days past their due date and that were entered into in the ordinary course of business on normal payment terms as shown on the most recent internal consolidated balance sheet of the Borrower and such Restricted Subsidiaries, all calculated on a consolidated basis in accordance with GAAP.

"Engagement Letter" means that certain letter agreement, dated as of March 15, 1999, among the Borrower, Goldman, Sachs & Co., Salomon Smith Barney Inc. and Credit Suisse First Boston Corporation entered into in connection with the Commitment Letter.

"Equity Interests" means the Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"Escrow Agent" means United States Trust Company of New York, in its capacity as escrow agent pursuant to the Escrow Agreement.

"Escrow Agreement" means the escrow agreement among the Borrower, the Arrangers on behalf of the Lenders, and the Escrow Agent, in the form attached as Exhibit D.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board, as in effect from time to time.

"Event of Default" means any event specified in Section 7.1.

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

"Exchange Note Indenture" means, the indenture relating to the Exchange Notes, among the Borrower, as issuer, and the Exchange Note Trustee, in the form attached as Exhibit E, as the same may be amended or supplemented from time to time.

"Exchange Note Trustee" means, on any date of determination, the trustee under the Exchange Note Indenture.

"Exchange Notes" means the senior unsecured Exchange Notes of the Borrower, placed into escrow on the Closing Date, to be issued in exchange for certain Term Loans pursuant to Section 2.2, in the form attached as an exhibit to the Exchange Note Indenture.

"Exchange Notice" has the meaning specified in Section 2.2(a).

"Exchange Period" means the period (i) commencing on and including the last day of the first Interest Period to expire on a date on or after the Anniversary Date and (ii) ending on the Maturity Date.

"Existing Indebtedness" means Indebtedness of the Borrower and its Subsidiaries (other than Indebtedness under the Senior Credit Facility) in existence on November 25, 1997, until such amounts are repaid.

"Federal Funds Rate" means, for any day, the rate per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to the Lenders (in their individual capacity) on such day on such transactions as determined by the Administrative Agents.

"Fee Letter" means that certain Fee Letter, dated as of March 15, 1999, among the Borrower, Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc., Credit Suisse First Boston, Goldman, Sachs & Co., Salomon Smith Barney Inc. and Credit Suisse First Boston Corporation, entered into in connection with the Commitment Letter.

"Foreign Lender" means a Lender that is a foreign person for purposes of the U.S. federal income tax.

"Foreign Participant" means a Participant that is a foreign person for purposes of the U.S. federal income tax.

"Formation Agreement" means the Formation Agreement, dated as of December 8, 1998, by and among BAM, the Transferring Partnerships (as defined therein), the Borrower and CCAIC, pursuant to which the Borrower and BAM are to enter into the Crown Atlantic Holding Company LLC Operating Agreement, substantially in the form of Exhibit 3.5 thereto.

"Funding Date" means, collectively, the Powertel Funding Date and the Bell South Funding Date.

"Funding Notice" has the meaning specified in Section 2.1.

"GAAP" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the date of this Agreement.

"Goldman Sachs Liquid High Yield Index Rate" means the rate (expressed as a percentage per annum) determined by Goldman, Sachs & Co. to represent the weighted average of the market yields during the preceding month on high-yield debt securities issued in minimum issue sizes of $100 million each.

"Governance Agreement" means the agreement among the Borrower, TdF and its affiliates, dated as of August 21, 1998, to provide for certain rights and obligations of the Borrower, TdF and its affiliates with respect to the management of the Borrower.

"Government Securities" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"Governmental Entity" means any government or political subdivision or any agency, authority, bureau, central bank, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator, in each case whether foreign or domestic.

"Guarantee" means a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner (including, without limitation, by way of a pledge of assets or through letters of credit and reimbursement agreements in respect thereof), of all or any part of any Indebtedness.

"Hedging Obligations" means, with respect to any Person, the obligations of such Person under (i) interest rate swap agreements, interest rate cap agreements and interest rate collar agreements and (ii) other agreements or arrangements designed to protect such Person against fluctuations in interest rates or currency exchange rates.

"Indebtedness" means, with respect to any Person, any indebtedness of such Person, whether or not contingent, in respect of borrowed money or evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof) or banker's acceptances or representing Capital Lease Obligations or the balance deferred and unpaid of the purchase price of any property or representing any Hedging Obligations, except any such balance that constitutes an accrued expense or trade payable, if and to the extent any of the foregoing indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP, as well as all Indebtedness of others secured by a Lien on any asset of such Person whether or not such Indebtedness is assumed by such Person (the amount of such Indebtedness as of any date being deemed to be the lesser of the value of such property or assets as of such date or the principal amount of such Indebtedness of such other Person so secured) and, to the extent not otherwise included, the Guarantee by such Person of any Indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be (i) the accreted value thereof, in the case of any Indebtedness issued with original issue discount, and (ii) the principal amount thereof, together with any interest thereon that is more than 30 days past due, in the case of any other Indebtedness.

"Indemnified Party" has the meaning specified in Section 10.1.

"Initial Period" means the period beginning on the Closing Date and ending on the last day of the first Interest Period to expire on a date on or after the Anniversary Date.

"Initial Spread" means 550 basis points at all times during the period commencing on and including the Closing Date and ending on the 90th day thereafter, and increasing by 50 basis points on the 90th day after the Closing Date and by an additional 50 basis points on the last day of each 90-day period thereafter for so long as any Term Loans are outstanding during the Initial Period.

"Interbank Offered Rate" means, for any LIBOR Rate Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100th of 1%) appearing on Telerate Page 3750 (or any successor page) as the London interbank offered rate for deposits in dollars at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period. If for any reason such rate is not available, the term "Interbank Offered Rate" shall mean, for any LIBOR Rate Loan for any Interest Period therefor, the rate per annum (rounded upwards, if necessary, to the nearest 1/100th of 1%) appearing on Reuters Screen LIBO Page as the London interbank offered rate for deposits in dollars at approximately 11:00

a.m. (London Time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period; provided, however, if more than one rate is specified on Reuters Screen LIBO Page, the applicable rate shall be the arithmetic mean of all such rates.

"Interest Payment Date" means (i) the last day of each February, May, August and November after the Closing Date in the case of the Base Rate Loans, (ii) the last day of each Interest Period in the case of LIBOR Rate Loans, (iii) the 90th day after the last day of the first Interest Period to expire on a date on or after the Anniversary Date, and the last day of each 90-day period thereafter, in the case of Term Loans outstanding at any time during the Exchange Period, (iv) the Maturity Date and (v) the date of any prepayment of all or any portion of the principal of the Loans.

"Interest Period" means, in respect of any LIBOR Rate Loan, (i) in the case of the first Interest Period applicable to the Term Loans, the period commencing on and including the Closing Date and ending on the numerically corresponding date (or, if there is no numerically corresponding date, on the last date) in the calendar month that is 3 months thereafter, and (ii) in the case of each subsequent Interest Period, the period beginning on the last day of the prior Interest Period and ending on the numerically corresponding date (or, if there is no numerically corresponding date, on the last date) in the calendar month that is 3 months thereafter; provided, however, that if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended until the next succeeding Business Day unless the next Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day. Interest shall accrue from the first day of an Interest Period to but excluding the last day of such Interest Period. Notwithstanding the foregoing, no Interest Period in respect of the Term Loans may extend beyond the Maturity Date and each Interest Period that would otherwise commence before and end after the Maturity Date shall end on the Maturity Date.

"Investment Banks" means, collectively, Goldman, Sachs & Co., Salomon Smith Barney Inc. and Credit Suisse First Boston Corporation.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of direct or indirect loans (including guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Borrower or any Restricted Subsidiary of the Borrower sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Borrower or a Restricted Subsidiary of the Borrower issues any of its Equity Interests such that, in each case, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Borrower, the Borrower shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Subsidiary not sold or disposed of in an amount determined as provided in the final paragraph of Section 4.7.

"Legal Holiday" means a Saturday, a Sunday or any other day on which banking institutions in the City of New York, or at a place of payment are authorized by law, regulation or executive order to remain closed and, if such day relates to a payment or prepayment of principal of, or interest on, or an Interest Period for, LIBOR Rate Loans, any day which is also a day on which dealings in dollar deposits are carried out in the London interbank markets.

"Lenders" shall mean (a) each financial institution that has executed a counterpart to this Agreement (other than any such financial institution that has ceased to be a party hereto pursuant to an Assignment and Acceptance) and (b) any financial institution that has become a party hereto pursuant to an Assignment and Acceptance.

"LIBOR Lending Office" means, with respect to any Lender, the office, if any, of such Lender specified from time to time as its "LIBOR Lending Office" in a written notice to the Borrower.

"LIBOR Rate" means the interest rate per annum calculated according to the following formula:

$$\text{LIBOR Rate} = \frac{\text{Interbank Offered Rate}}{1 \quad \text{LIBOR Reserve Percentage}}$$

"LIBOR Rate Loan" means a Term Loan at any time the interest rate thereon is computed with reference to the LIBOR Rate.

"LIBOR Reserve Percentage" means, for any day, that percentage (expressed as a decimal) which is in effect from time to time under Regulation D or any successor regulation, as the maximum reserve requirement (including any basic, supplemental, emergency, special, or marginal reserves) applicable with respect to Eurocurrency Liabilities as that term is defined in Regulation D (or against any other category of liabilities that includes deposits by reference to which the interest rate of LIBOR Rate Loans is determined), whether or not any Administrative Agent or any Lender has any Eurocurrency liabilities subject to such requirements, without benefits of credits or proration, exceptions or offsets that may be available from time to time to any Administrative Agent or any Lender. The LIBOR Rate shall be adjusted automatically on and as of the effective date of any change in the LIBOR Reserve Percentage.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

"Liquidated Damages" means all liquidated damages then owning pursuant to Section 3(c) of the Registration Rights Agreement.

"Loan" means a Term Loan.

"Loan Documents" means this Agreement, the Term Notes and the Related Documents.

"Loan Register" means the register maintained by the Administrative Agents on behalf of the Borrower pursuant to Section 6.7.

"Majority Lenders" means, at any time, Lenders holding at least a majority of the then aggregate unpaid principal balance of the Loans, or, if no such principal amount is then outstanding, Lenders having at least a majority of the total Commitments; provided that, for purposes hereof, neither the Borrower nor any of its Affiliates shall be included in (i) the Lenders holding such amount of the

Loans or having such amount of the Commitments or (ii) determining the aggregate unpaid principal amount of the Loans or the total Commitments.

"Material Adverse Effect" means, except as otherwise specifically stated, a material adverse effect on the condition (financial or other), business, prospects, properties or results of operations of the Borrower and its "significant subsidiaries" as defined in Rule 405 of the rules and regulations of the Commission promulgated under the Securities Act, taken as a whole.

"Maturity Date" means November 30, 2007.

"Nassau Group" means Nassau Capital Partners II, L.P. and NAS Partners I, L.L.C.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however, (i) any gain or loss, together with any related provision for taxes on such gain or loss, realized in connection with (a) any Asset Sale (including, without limitation, dispositions pursuant to sale and leaseback transactions) or (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries and (ii) any extraordinary gain or loss, together with any related provision for taxes on such extraordinary gain or loss.

"Net Proceeds" means the aggregate cash proceeds received by the Borrower or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of (i) the direct costs relating to such Asset Sale (including, without limitation, legal, accounting and investment banking fees, and sales commissions) and any relocation expenses incurred as a result thereof, (ii) taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and any tax sharing arrangements), (iii) amounts required to be applied to the repayment of Indebtedness (other than Indebtedness under a Credit Facility) secured by a Lien on the asset or assets that were the subject of such Asset Sale, (iv) all distributions and other payments required to be made to minority interest holders in Restricted Subsidiaries as a result of such Asset Sale, (v) the deduction of appropriate amounts provided by the seller as a reserve in accordance with GAAP against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Borrower or any Restricted Subsidiary after such Asset Sale and (vi) without duplication, any reserves that the Borrower's Board of Directors determines in good faith should be made in respect of the sale price of such asset or assets for post closing adjustments; provided that in the case of any reversal of any reserve referred to in clause (v) or (vi) above, the amount so reserved shall be deemed to be Net Proceeds from an Asset Sale as of the date of such reversal.

"Non-Recourse Debt" means Indebtedness (i) as to which neither the Borrower nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable (as a guarantor or otherwise), or (c) constitutes the lender and (ii) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against an Unrestricted Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Indebtedness of the Borrower or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accellerated or payable prior to its stated maturity; and (iii) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the

Borrower or any of its Restricted Subsidiaries (except that this clause (iii) shall not apply to any Indebtedness incurred by CTSH and its Subsidiaries prior to August 21, 1998).

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Offering Documents" means an offering memorandum or prospectus together with such other documents, instruments and agreements as the Investment Banks may request in their sole discretion in connection with the issuance of the Permanent Securities.

"Officer" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operation Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

"Officers' Certificate" means a certificate signed on behalf of the Borrower by two Officers of the Borrower, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of the Borrower.

"Opinion of Counsel" means an opinion from legal counsel who is reasonably acceptable to the Administrative Agents. The counsel may be an employee of or counsel to the Borrower, any Subsidiary of the Borrower or the Administrative Agents.

"Other Taxes" has the meaning specified in Section 2.9(b).

"Other Term Loans" means up to $100 million in aggregate principal amount of loans to CTSH or a Subsidiary thereof under a term loan agreement among CTSH, the Arrangers and the lenders named therein, which term loan agreement may be executed pursuant to a letter agreement substantially similar to the Commitment Letter that may be entered into among CTSH and the Arrangers.

"Participations" has the meaning specified in Section 6.3.

"Permanent Securities" means securities to be issued by the Borrower in connection with the Proposed Offerings to refinance the Loans.

"Permitted Business" means any business conducted by the Borrower, its Restricted Subsidiaries or CTSH and its Subsidiaries on the date of this Agreement and any other business related, ancillary or complementary to any such business.

"Permitted Investments" means (a) any Investment in the Borrower or in a Restricted Subsidiary of the Borrower; (b) any Investment in Cash Equivalents; (c) any Investment by the Borrower or any Restricted Subsidiary of the Borrower in a Person, if as a result of such Investment (i) such Person becomes a Restricted Subsidiary of the Borrower or (ii) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Borrower or a Restricted Subsidiary of the Borrower; (d) any Restricted Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10; (e) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Borrower; (f) receivables created in the ordinary course of business; (g) loans or advances to employees made in the ordinary course of business not to exceed $1.0

million at any one time outstanding; (h) securities and other assets received in settlement of trade debts or other claims arising in the ordinary course of business; (i) purchases of additional Equity Interests in CTSH for cash pursuant to the Governance Agreement as the same is in effect on the date of this Agreement for aggregate cash consideration not to exceed $20 million since November 26, 1997; and (j) other Investments in Permitted Businesses not to exceed 5% of the Borrower's Consolidated Tangible Assets at any one time outstanding (each such Investment being measured as of the date made and without giving effect to subsequent changes in value).

"Permitted Liens" means (i) Liens securing Eligible Indebtedness of the Borrower under one or more Credit Facilities that was permitted by the terms of this Agreement to be incurred or (ii) Liens securing any Indebtedness of any of the Borrower's Restricted Subsidiaries that was permitted by the terms of this Agreement to be incurred; (iii) Liens in favor of the Borrower; (iv) Liens existing on the date of this Agreement; (v) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded, provided that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor; (vi) Liens securing Indebtedness permitted to be incurred under clause (iv) of the second paragraph of Section 4.9; and (vii) Liens incurred in the ordinary course of business of the Borrower or any Restricted Subsidiary of the Borrower with respect to obligations that do not exceed $5.0 million at any one time outstanding and that (a) are not incurred in connection with the borrowing of money or the obtaining of advances or credit (other than trade credit in the ordinary course of business) and (b) do not in the aggregate materially detract from the value of the property or materially impair the use thereof in the operation of business by the Borrower or such Restricted Subsidiary.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Borrower or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Borrower or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that: (i) the principal amount (or initial accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus accrued interest on, the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of expenses and prepayment premiums incurred in connection therewith); (ii) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; (iii) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to, the Notes on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and (iv) such Indebtedness is incurred either by the Borrower or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or agency or political subdivision thereof (including any subdivision or ongoing business of any such entity or substantially all of the assets of any such entity, subdivision or business).

"Powertel" means Powertel Atlantic Towers, LLC, Powertel Birmingham Towers, LLC, Powertel Jacksonville Towers, LLC, Powertel Kentucky Towers, LLC, Powertel Memphis Towers, LLC and Powertel, Inc.

"Powertel Acquisition" means the acquisition of all or substantially all of the communications tower assets of Powertel pursuant to the Powertel Acquisition Agreement.

"Powertel Acquisition Agreement" means that certain asset purchase agreement between the Borrower, CCP Inc. and Powertel, dated as of March 15, 1999, with respect to the purchase of certain communications tower assets of Powertel.

"Powertel Commitment" means, with respect to any Lender, the amount set forth opposite such Lender's signature on the signature pages of this Agreement as its "Powertel Commitment."

"Powertel Escrow Payment" means a $50.0 million escrow payment by the Borrower to SunTrust Bank, N.A. for the benefit of Powertel upon execution of the Powertel Acquisition Agreement.

"Powertel Funding Date" means the date on which the conditions set forth in Article V are satisfied or waived in accordance with Section 12.3 and the Powertel Term Loans are funded by the Lenders, which shall be the Closing Date or such other date mutually agreed between the Borrower and the Administrative Agents.

"Powertel Term Loan" means up to $50.0 million in aggregate principal amount of Loans made by any Lender to the Borrower pursuant to Section 2.1 to be applied to the Powertel Escrow Payment.

"Prepayment Date" has the meaning specified in Section 2.7.

"Prime Rate" means the rate of interest per annum established and publicly announced from time to time by Credit Suisse First Boston as its prime rate. The Prime Rate is not necessarily the best or the lowest rate of interest offered by the Administrative Agents.

"Principals" means Berkshire Group, Centennial Group, Nassau Group, TdF and any Related Party of the foregoing.

"Proposed Offerings" means the Borrower's proposal to issue and/or cause one of its affiliates to issue (i) up to $300 million in gross proceeds of debt securities or preferred stock and (ii) up to $400 million in gross proceeds of equity securities, in each case contemplated by the Engagement Letter.

"Public Equity Offering" means an underwritten primary public offering of common stock of the Borrower pursuant to an effective registration statement under the Securities Act.

"Recovered Escrow Funds" means any and all amounts received by the Borrower or any of its Subsidiaries as a distribution or payment on, or refund, reimbursement, repayment or other recovery of, any amounts paid by the Borrower and its Subsidiaries with respect to the Powertel Escrow Payment and/or the Bell South Escrow Payment; provided that any such amounts that are given by the Borrower or any of its Subsidiaries to Powertel or BellSouth Mobility as consideration in connection

with the Powertel Acquisition or the Bell South Lease, as the case may be, shall not constitute Recovered Escrow Funds.

"Registration Rights Agreement" means the registration rights agreement among the Borrower and the Arrangers pursuant to which the Exchange Notes are required to be registered for public sale, in the form attached as Exhibit C.

"Regulation D" means Regulation D of the Board as the same may be amended or supplemented from time to time.

"Related Documents" means the Exchange Notes, the Exchange Note Indenture, the Registration Rights Agreement, the Escrow Agreement, the Engagement Letter and the Fee Letter.

"Related Party" with respect to any Principal means (A) any controlling stockholder, 80% (or more) owned Subsidiary of such Principal or (B) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, members, partners, owners or Persons beneficially holding an 80% or more controlling interest of which consist of such Principal and/or such other Persons referred to in the immediately preceding clause (A).

"Request" has the meaning specified in Section 8.1(b).

"Responsible Officer" of any corporation shall mean any executive officer or financial officer of such corporation and any other officer or similar official thereof responsible for the administration of the obligations of such corporation in respect of this Agreement.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Payments" has the meaning specified in Section 4.7.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"Rights Agreement" means the agreement between the Borrower and ChaseMellon Shareholders Services, L.L.C., as rights agent, dated as of August 21, 1998, relating to the dividend declared by the Borrower consisting of the right to purchase 1/1000th of a share of the Borrower's Series A Participating Cumulative Preferred Stock, par value $.01 per share.

"SEC" means the Securities and Exchange Commission.

"Securities" means, collectively, the Exchange Notes.

"Securities Act" means the Securities Act of 1933, as amended.

"Senior Credit Facility" means that certain Amended and Restated Loan Agreement, dated as of July 10, 1998, by and among Key Corporate Capital Inc. and PNC Bank, National Association, as arrangers and agents for the financial institutions listed therein, and Crown Communication Inc. and Crown Castle International Corp. de Puerto Rico, including any related notes, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case as amended, modified, renewed, refunded, replaced or refinanced from time to time.

"Senior Discount Notes" means the Borrower's 10-5/8% Senior Discount Notes due 2007.

"Senior Discount Notes Indenture" means that certain Indenture, dated as of November 25, 1997, between the Borrower and United States Trust Company of New York, as trustee, governing the Senior Discount Notes.

"Significant Subsidiary" means, with respect to any Person, any Restricted Subsidiary of such Person that would be a "significant subsidiary" of such Person as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of this Agreement, except that all references to "10 percent" in Rule 1-02(w)(1), (2) and (3) shall mean "5 percent."

"Solvent" means, with respect to any Person on a pro forma basis immediately after the consummation of a transaction, that (i) the fair value of such Person's assets exceeds its stated liabilities, including all contingent liabilities, (b) the present fair saleable value of such Person's assets exceeds that amount that will be required to pay its probable liability on its debts as they become absolute and mature, (c) such Person will not have incurred debts beyond its ability to pay such debts as they mature, and (d) the then remaining assets of such Person will not constitute an unreasonably small capital for such Person's businesses.

"Stated Maturity" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and shall not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"Stockholders' Agreement" means the agreement among the Borrower and certain stockholders of the Borrower, dated as of August 21, 1998, to provide for certain rights and obligations of the Borrower and such stockholders with respect to the governance of the Borrower and such stockholders' shares of Common Stock and/or Class A Common Stock of the Borrower.

"Strategic Equity Investment" means a cash contribution to the common equity capital of the Borrower or a purchase from the Borrower of common Equity Interests (other than Disqualified Stock), in either case by or from a Strategic Equity Investor and for aggregate cash consideration of at least $50.0 million.

"Strategic Equity Investor" means a Person engaged in a Permitted Business whose Total Equity Market Capitalization exceeds $1.0 billion.

"Subsidiary" means, with respect to any Person, (i) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person (or a combination thereof) and (ii) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are such Person or of one or more Subsidiaries of such Person (or any combination thereof).

"Taxes" has the meaning specified in Section 2.9(a).

"TdF" means TeleDiffusion de France International S.A, or any controlled affiliate of TdF.

"Term Loan" means, collectively, the Powertel Term Loan and the Bell South Term Loan, in an aggregate principal amount not to exceed $100.0 million.

"Term Note" means a promissory note of the Borrower in the form attached as Exhibit B hereto evidencing the Term Loan of any Lender.

"Total Equity Market Capitalization" of any Person means, as of any day of determination, the sum of (i) the product of (A) the aggregate number of outstanding primary shares of common stock of such Person on such day (which shall not include any options or warrants on, or securities convertible or exchangeable into, shares of common stock of such person) multiplied by (B) the average closing price of such common stock listed on a national securities exchange or the Nasdaq National Market System over the 20 consecutive business days immediately preceding such day, plus (ii) the liquidation value of any outstanding shares of preferred stock of such Person on such day.

"Tower Asset Exchange" means any transaction in which the Borrower or one of its Restricted Subsidiaries exchanges assets for Tower Assets and/or cash or Cash Equivalents where the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the Tower Assets and cash or Cash Equivalents received by the Borrower and its Restricted Subsidiaries in such exchange is at least equal to the fair market value of the assets disposed of in such exchange.

"Tower Assets" means wireless transmission towers and related assets that are located on the site of a transmission tower.

"Tower Cash Flow" means, for any period, the Consolidated Cash Flow of the Borrower and its Restricted Subsidiaries for such period that is directly attributable to site rental revenue or license fees paid to lease or sublease space on communication sites owned or leased by the Borrower, all determined on a consolidated basis and in accordance with GAAP. Tower Cash Flow will not include revenue or expenses attributable to non-site rental services provided by the Borrower or any of its Restricted Subsidiaries to lessees of communication sites or revenues derived from the sale of assets.

"Transactions" means, collectively, the Acquisitions, the related financing transactions and each of the other transactions contemplated by the Transaction Documents.

"Transaction Documents" means the Loan Documents and the Acquisition Agreements.

"Transferee" has the meaning specified in Section 6.4.

"Trust Indenture Act" means the Trust Indenture Act of 1939, as amended.

"Unrestricted Subsidiary" means (i) any Subsidiary of the Borrower that is designated by the Board of Directors as an Unrestricted Subsidiary pursuant to a Board Resolution; but only to the extent that such Subsidiary: (a) has no Indebtedness other than Non-Recourse Debt; (b) is not party to any agreement, contract, arrangement or understanding with the Borrower or any Restricted Subsidiary

of the Borrower unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Borrower or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Borrower; (c) is a Person with respect to which neither the Borrower nor any of its Restricted Subsidiaries has any direct or indirect obligation (x) to subscribe for additional Equity Interests or (y) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; (d) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Borrower or any of its Restricted Subsidiaries; and (e) has at least one director on its board of directors that is not a director or executive officer of the Borrower or any of its Restricted Subsidiaries and has at least one executive officer that is not a director or executive officer of the Borrower or any of its Restricted Subsidiaries. Any such designation by the Board of Directors shall be evidenced to the Administrative Agents by filing with the Administrative Agents a certified copy of the Board Resolution giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing conditions and was permitted by Section 4.7 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the foregoing requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of this Agreement and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of the Borrower as of such date (and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.9 hereof, the Borrower shall be in default of such covenant). The Board of Directors of the Borrower may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Borrower of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (i) such Indebtedness is permitted under Section 4.9 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the four-quarter reference period, and (ii) no Default would occur or be in existence following such designation. For avoidance of doubt, for purposes of this Agreement the following Subsidiaries of the Borrower shall be deemed as of the date hereof to be Unrestricted Subsidiaries: (i) CTSH and each of its Subsidiaries as of the date of this Agreement; and (ii) CC Investment Corp. and CC Investment Corp. II and each of their Subsidiaries (including CCAIC and the BAM Joint Venture) as of the date of this Agreement.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (x) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (y) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (b) the then outstanding principal amount of such Indebtedness.

"West Street" means West Street Fund I, L.L.C., an Affiliate of Goldman Sachs Credit Partners L.P.

"Wholly Owned Subsidiary" of any Person means a Subsidiary of such Person, 100% of the Capital Stock and other Equity Interests of which is owned directly or indirectly by such Person.

"Wholly Owned Restricted Subsidiary" of any Person means a Restricted Subsidiary of such Person all of the outstanding Capital Stock or other ownership interests of which (other than directors' qualifying shares) shall at the time be owned (i) by such Person, (ii) by one or more Wholly

Owned Restricted Subsidiaries of such Person or (iii) by such Person and one or more Wholly Owned Restricted Subsidiaries of such Person.

"Year 2000 Problem" has the meaning specified in Section 3.17.

Section 1.2. Interpretation.

In this Agreement, the singular includes the plural and the plural includes the singular; words implying any gender include the other genders; references to any section, exhibit or schedule are to sections, exhibits or schedules hereto unless otherwise indicated; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; references to "writing" include printing, typing, lithography and other means of reproducing words in a visible form; "including" following a word or phrase shall not be construed to limit the generality of such word or phrase; "or" is not exclusive; provisions apply to successive events and transactions; and an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP.

ARTICLE II.

THE CREDIT FACILITY

Section 2.1. Commitments to Make Term Loans.

In reliance upon the representations and warranties of the Borrower set forth herein and subject to the terms and conditions herein set forth, each of the Lenders severally agrees to make (a) a Powertel Term Loan to the Borrower on the Powertel Funding Date in the amount of such Lender's Powertel Commitment and (b) a Bell South Term Loan to the Borrower on the Bell South Funding Date in the amount of such Lender's Bell South Commitment. Not later than three Business Days prior to a Funding Date, the Borrower shall irrevocably notify the Administrative Agents in a written notice (a "Funding Notice") the principal amount of Term Loans to be drawn on such Funding Date. The proceeds of each Term Loan shall be disbursed by wire transfer on the relevant Funding Date as provided in written instructions delivered by the Borrower to the Administrative Agents on the Business Day prior to such Funding Date. Each Term Loan will mature on the Maturity Date.

Section 2.2. Option to Exchange Term Loans for Exchange Notes.

(a) On any Business Day on or after the Anniversary Date (if any), any Lender may elect to exchange all or any portion of its Term Loan for one or more Exchange Notes by giving not less than five Business Days' prior irrevocable written notice of such election to the Borrower, the Escrow Agent, the Administrative Agents and the Exchange Note Trustee specifying the principal amount of its Term Loan to be exchanged (which shall be at least $1,000,000 and integral multiples of $1,000 in excess thereof) and subject to Section 6.1, the name of the proposed registered holder and, subject to the terms of the Exchange Note Indenture, the amount of each Exchange Note requested (each such notice, an "Exchange Notice"); provided, that in no event shall the aggregate principal amount of the Term Loans initially exchanged pursuant to this Section 2.2(a) be less than $15,000,000. Any such exchanging Lender shall deliver its Term Notes to the Administrative Agents within five Business Days following delivery of an Exchange Notice. Term Notes exchanged for Exchange Notes pursuant to this Section 2.2 shall be deemed repaid and canceled and the Exchange Notes so issued shall be governed by and construed in accordance with the provisions of the Exchange Note Indenture.

(b) Not later than the fifth Business Day after delivery of an Exchange Notice:

(i) the Administrative Agents shall deliver to the Escrow Agent the original Term Notes delivered to them by the exchanging Lender pursuant to Section 2.2(a);

(ii) the Escrow Agent shall cancel each Term Note so delivered to it and, if applicable, the Borrower shall issue a replacement Term Note to such Lender in an amount equal to the principal amount of such Lender's Term Loan that is not being exchanged, or the Escrow Agent shall make a notation on the surrendered Term Note to the effect that a portion of the Term Loan represented thereby has been repaid; and

(iii) upon completion of the actions set forth in clauses (b)(i) and (ii) the Escrow Agent shall deliver the applicable Exchange Note(s) to the Exchange Note Trustee for authentication and delivery to the holder or holders thereof specified in the Exchange Notice.

(c) Each Exchange Note issued pursuant to this Section 2.2 shall bear interest at a fixed rate equal to the rate per annum borne by the Term Loan on the date of the Exchange Notice. Accrued interest on Term Loans so exchanged shall be canceled and the Exchange Notes received in such exchange shall bear interest from and including the most recent date to which interest has been paid on the Term Loans so exchanged.

Section 2.3. Interest; Default Interest.

(a) Interest Rate Applicable to Term Loans During the Initial Period. Subject to Sections 2.3(d) and (e) below, the unpaid principal balance of all Term Loans outstanding at any time during the Initial Period shall accrue interest at a rate per annum equal to the sum of the LIBOR Rate plus the Initial Spread, changing on the first day of each Interest Period when and as the LIBOR Rate and/or the Initial Spread changes.

(b) Interest Rate Applicable to Term Loans As Of and Following the Anniversary Date. Subject to Sections 2.3(d) and (e) below, interest on the unpaid principal balance of all Term Loans outstanding at any time following the Anniversary Date shall accrue interest at a rate per annum equal to the Continuing Rate plus the Continuing Spread, changing when and as the Continuing Spread changes.

(c) Basis of Computation of Interest; Payment of Interest. All interest shall be payable in arrears not later than 12:00 noon (New York City time) on each Interest Payment Date by wire transfer of immediately available funds in accordance with Section 2.8. All interest (i) in respect of LIBOR Rate Loans shall be calculated for actual days elapsed on the basis of a 360-day year, (ii) in respect of Base Rate Loans shall be calculated for actual number of days elapsed over a year of 365 or 366 days, as the case may be, when the Base Rate is determined by reference to the Prime Rate, and over a year of 360 days at all other times, and (iii) in respect of Continuing Interest Rate Loans shall be calculated on the basis of a year comprised of twelve months of 30 days each.

(d) Default Interest. Subject to Section 2.3(e) below, if an Event of Default described in clause (a) or (b) of Section 7.1 occurs, the Borrower shall on demand from time to time pay interest on such defaulted amount, to the extent permitted by law, from the date such Default in the payment of interest or Event of Default first occurred to but excluding the date of actual payment or cure or waiver (after as well as before judgment) to the extent lawful, at a rate per annum equal to 200 basis points in excess of the otherwise applicable interest rate on the Loans. The Borrower shall pay such default interest and all interest accruing on any overdue Obligation in cash on demand from time to time,

provided, however, that the sum of such default interest rate and rate of interest accruing on any overdue Obligations shall not at any time exceed 16% per annum.

(e) Maximum Interest Rate. Notwithstanding anything contained in Section 2.3(a), 2.3(b) or 2.3(d) above, in no event shall the interest rate on the Loans for any Interest Period exceed an annual rate equal to the lesser of (i) 16% per annum and (ii) the maximum interest rate permitted by law.

(f) Payment of Interest and Liquidated Damages. Except as otherwise set forth herein, interest and Liquidated Damages on each Loan shall be payable in arrears on and to (i) each Interest Payment Date applicable to that Loan; (ii) any prepayment of that Loan, to the extent accrued on the amount being prepaid; (iii) at maturity, including final maturity; and (iv) if such Loan is a Term Loan that is exchanged for an Exchange Note, the date of exchange as specified in the relevant Exchange Notice. All interest and Liquidated Damages payments shall be made not later than 12:00 noon (New York City time) on the date specified for payment by wire transfer of immediately available funds in accordance with Section 2.8.

Section 2.4. Mandatory Prepayment.

(a) The Borrower shall prepay the Loans ratably in accordance with the aggregate outstanding principal balances thereof, with:

(1) the net cash proceeds of:

(i) any direct or indirect public offering or private placement of the Permanent Securities, or any other debt or equity securities of the Borrower or any of its controlled Affiliates issued after the Closing Date (including without limitation any equity contributions from TeleDiffusion de France International S.A.) other than (A) any issuance of directors' qualifying shares and (B) any issuance or sale of common stock (or common stock equivalents) of the Borrower to officers and employees under employee benefit clients or compensation plans";

(ii) the incurrence of any other Indebtedness by the Borrower or any of its controlled Affiliates after the Closing Date (other than Indebtedness permitted to be incurred under the Senior Credit Facility pursuant to clauses (i), (iv) and (vi) of the second paragraph of Section 4.9); and

(iii) any Asset Sale by the Borrower or any of its controlled Affiliates after the Closing Date; provided that the following shall not be deemed an "Asset Sale" for purposes of this covenant: (A) the sale of any asset encumbered by Liens of third-party creditors permitted under Section 4.12 solely to the extent that the Net Proceeds of such Asset Sale are applied to pay the claims of such third party creditors and (B) sales of Tower Assets in an aggregate amount not to exceed $5.0 million during any calendar year if (y) the Borrower advises the Administrative Agents in writing that it will utilize the net cash proceeds of each such sale within six months of the date of closing such sale to purchase additional Tower Assets and (z) the Borrower in fact uses the net cash proceeds to purchase additional Tower Assets within such six-month period,

(each of the transactions in the foregoing clauses (i), (ii) and (iii), a "Capital Markets Transaction"), or

(2) all of the Recovered Escrow Funds if at any time the Borrower or any of its Subsidiaries receives any Recovered Escrow Funds (any such event, an "Escrow Recovery"),

(3) all of the BAM Funds if the Borrower abandons the BAM Joint Venture or if the Formation Agreement expires or is otherwise terminated (any such event, a "Joint Venture Termination").

Subject to Section 2.6 and Section 2.7, the Borrower shall, not later than the fifth Business Day following any Capital Markets Transaction, Escrow Recovery or Joint Venture Termination, apply such net cash proceeds, Recovered Escrow Funds or BAM Funds to prepay the Loans pursuant to this Section 2.4, without premium or penalty, by paying to each Lender an amount equal to 100% of such Lender's pro rata share of the aggregate principal amount of the Loans to be prepaid, plus accrued and unpaid interest thereon to the Prepayment Date.

(b) Notwithstanding the provisions of Section 2.4(a) above:

(i) in the case of any Capital Markets Transaction, the Borrower shall be required to apply the net cash proceeds from such Capital Markets Transaction to prepay the Loans pursuant to this Section 2.4 only after making any repayment of amounts outstanding under the Senior Credit Facility that are required to be made prior to the application of such net cash proceeds to the prepayment of the Loans;

(i) in the case of any Capital Markets Transaction specified in clause (i) of the definition thereof, to the extent that the Borrower receives any equity contributions from TdF, the Borrower shall be required to apply the net cash proceeds from such Capital Markets Transaction (1) first, to prepay the Loans and Other Term Loans pursuant to this Section 2.4 in accordance with clause (iii) below; (2) second, to permanently reduce any remaining unfunded Commitments hereunder on a pro rata basis and (3) third, to permanently reduce any remaining unfunded commitments under the letter agreement with CTSH or related term loan agreement, if any, with respect to the Other Term Loans on a pro rata basis; and

(ii) if Other Term Loans are outstanding at the time that any mandatory prepayment is required pursuant to this Section 2.4, then the net cash proceeds from any Capital Markets Transaction, the Recovered Escrow Funds or the BAM Funds, as the case may be, shall be applied pro rata to repay the principal of and accrued and unpaid interest on all Term Loans and such Other Term Loans.

(c) Subject to and in accordance with Section 4.15, in the event of any Change of Control, the Borrower shall offer to prepay the Loans pursuant to Section 4.15.

Section 2.5. Optional Prepayment.

Subject to Section 2.6 and Section 2.7, the Borrower may prepay the Loans at any time without premium or penalty, in whole or in part, on a pro rata basis, by paying to each applicable Lender an amount equal to 100% of such Lender's pro rata share of the aggregate principal amount of Loans to be prepaid, plus accrued and unpaid interest thereon to the Prepayment Date.

Section 2.6. Breakage Costs; Indemnity.

The Borrower agrees to indemnify and hold each Affected Party harmless from and against any loss or expense which such Affected Party sustains or incurs as a consequence of:

(a) the failure by the Borrower to borrow LIBOR Rate Loans on the Closing Date after the Borrower has given a notice with respect thereof in accordance with Section 2.1,

(b) default by the Borrower in making any prepayment after the Borrower has given a notice thereof in accordance with the provisions of Section 2.4 or 2.5, as applicable, or

(c) the mandatory or optional prepayment of LIBOR Rate Loans on a day that is not the last day of an Interest Period.

Such indemnification may include an amount equal to the excess, if any of (i) such Affected Party's actual loss and expenses incurred (excluding consequential damages) in connection with, or by reason of, any of the foregoing events and (ii) the excess, if any of (A) the amount of interest that would have accrued on the principal amount of Term Loans not so made or the principal amount of Loans so prepaid from the date of such proposed issuance or prepayment in the case of a failure to make Term Loans, to the last day of the Interest Period that would have commenced on the proposed date of funding, or in the case of any such prepayment, to the last day of the Interest Period in which such prepayment occurred, in each case at the applicable rate of interest for such Loans provided for herein (excluding, however, the Initial Spread or the Continuing Spread, as the case may be, included therein, if any) over (B) the amount of interest (as reasonably determined by such Affected Party) which would have accrued to such Affected Party on such amount by placing such amount on deposit for a period comparable to such Interest Period with leading banks in the interbank LIBOR market. A certificate as to any amounts payable pursuant to this Section 2.6 submitted to the Borrower by any Affected Party shall be conclusive in the absence of manifest error. This covenant shall survive the termination of this Agreement and the payment of the Obligations.

Section 2.7. Effect of Notice of Prepayment.

The Borrower shall notify the Lenders of any prepayment in writing at their addresses shown in the Loan Register, which notice shall be given at least five Business Days prior to any date set for prepayment of Loans (each such day, a "Prepayment Date"). Once such notice is sent or mailed, the Loans to be prepaid shall become due and payable on the Prepayment Date set forth in such notice. Such notice may not be conditional.

Section 2.8. Payments.

(a) Wire Transfer. The principal of, fees, premium, if any, and interest on each Loan and all other Obligations arising under the Loan Documents shall be payable by wire transfer in immediately available funds (in United States dollars) to the Administrative Agents for the respective accounts of the Lenders set forth below their signatures on the signature pages of this Agreement or otherwise designated in the Loan Register from time to time to the Borrower by any Lender at least three Business Days prior to the due date therefor.

(b) Change in Costs. If prior to the first day of any Interest Period with respect to a LIBOR Rate Loan, any Lender shall have determined (which determination shall be conclusive and binding upon the Borrower absent manifest error) that: (i) by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the LIBOR Rate for such Interest Period, or (ii) the LIBOR Rate determined or to be determined for such Interest Period will not

adequately and fairly reflect the cost to such Lender or its LIBOR Lending Office of maintaining its LIBOR Rate Loan during such Interest Period, then such Lender shall give facsimile or telephone notice thereof to the Borrower as soon as practicable thereafter. If such notice is given, the interest rate on each Term Loan for such Interest Period and for each subsequent Interest Period until such Lender gives notice to the Borrower otherwise shall equal the sum of the Base Rate plus the Initial Spread or the Continuing Spread, as the case may be.

(c) Change in Law. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Borrower that subsequent to the date hereof the introduction of, or any change in the interpretation of, any law or regulation makes it unlawful, or any Governmental Entity asserts that it is unlawful, for such Lender or its LIBOR Lending Office to make or maintain LIBOR Rate Loans hereunder, (i) the obligation of such Lender to make or maintain LIBOR Rate Loans shall be suspended until such Lender shall notify the Borrower that the circumstances causing such suspension no longer exist and (ii) any LIBOR Rate Loan then outstanding from such Lender shall immediately be converted into a Base Rate Loan.

(d) Payments on Business Days. If any payment to be made hereunder or under any Term Note shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day (and such extension of time shall be included in computing interest in connection with such payment); provided, however, that, in the case of a LIBOR Rate Loan, if such succeeding Business Day falls in the next calendar month, such payment shall be made on the next preceding Business Day.

(e) Partial Prepayments and Redemptions. All partial prepayments and redemptions of the outstanding principal balance of the Loans shall be made ratably amongst the applicable Lenders in accordance with their respective shares of the aggregate outstanding principal balance of the Loans eligible for prepayment or redemption.

(f) No Defense. To the fullest extent permitted by law, the Borrower shall make all payments hereunder and under the Term Notes regardless of any defense or counterclaim.

(g) Allocation. Any money paid to, received by, or collected by any Administrative Agent or any Lender pursuant to this Agreement or any other Loan Document, shall be applied in the following order, at the date or dates fixed by the Administrative Agents:

First: to any unpaid fees and reimbursement or unpaid expenses of the Arrangers (in their capacity as Administrative Agent and/or as Lender) hereunder and under the Fee Letter;

Second: to the payment of all costs, expenses, other fees, commissions and taxes owing to any Lender hereunder;

Third: to the indefeasible payment of all accrued interest to the date of such payment or collection;

Fourth: to the indefeasible payment of the amounts then due and unpaid under this Agreement, the Term Notes or any other Loan Document for principal, in respect of which or for the benefit of which such money has been paid or collected, ratably, without preference or priority of any kind, according to the amounts due and payable on the Term Notes for principal; and

Fifth: the balance, if any, to the Person lawfully entitled thereto.

Section 2.9. Taxes.

(a) Taxes. Any and all payments by the Borrower hereunder or under the Term Notes, the Exchange Notes or any other Loan Document shall be made, in accordance with Section 2.8 or the other applicable provision of the applicable Loan Document, free and clear of and without deduction or withholding for or on account of any and all present or future taxes, levies, imports, deductions, charges or withholdings additions to tax, interest, penalties and all other liabilities with respect thereto, excluding (i) income, franchise or similar taxes imposed or levied on the Administrative Agents or the Lenders as a result of a present or former connection between the Administrative Agents or the Lenders and the jurisdiction of the governmental authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from such Administrative Agents or such Lenders having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement) and (ii) in the case of any Foreign Lender, any taxes that are in effect and that would apply to a payment hereunder or under the Term Notes, the Exchange Notes or any other Loan Document made to such Foreign Lender as of the date such Foreign Lender becomes a party to this Agreement, or in the case of any other Lender which changes its lending office with respect to the Loan or the Exchange Notes to an office outside the U.S., any taxes that are in effect and would apply to a payment to such Lender as of the date of the change of the lending office (all such non-excluded taxes, levies, imports, deductions, charges, withholdings and liabilities being hereinafter referred to as "Taxes"). If the Borrower shall be required by law to deduct or withhold any Taxes from, or in respect of, any sum payable hereunder or under the Term Notes, the Exchange Notes or any other Loan Document to the Administrative Agents or the Lenders or any of their respective Affiliates who may become a Lender: (i) the sum payable thereunder shall be increased as may be necessary so that after making all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under this Section 2.9) the Administrative Agents or the Lenders or any of their respective Affiliates receives an amount equal to the sum it would have received had no such deductions or withholdings been made; (ii) the Borrower shall make such deductions or withholdings; and (iii) the Borrower shall pay the full amount deducted to the relevant tax authority or other authority in accordance with applicable laws.

(b) Other Taxes. In addition, the Borrower agrees to pay any present or future stamp, mortgage recording or documentary taxes or any other excise or property taxes, charges or similar levies which arise from any payment made hereunder or under a Term Note, Exchange Note or other Loan Document or from the execution, delivery or registration of, or otherwise with respect to, this Agreement or the other Loan Documents (hereinafter referred to as "Other Taxes") and hold each Administrative Agent and each Lender harmless from and against any and all liabilities with respect to or resulting from any delay or omission (other than to the extent attributable to such Lender) to pay such Other Taxes. Each Lender represents that, to the best of its knowledge, except for any such Other Taxes that may be imposed under the federal, state or local laws of the United States (or any political subdivision thereof), it is not aware of any such stamp, mortgage recording or documentary taxes or any other excise or property taxes, charges or similar levies.

(c) Indemnity. The Borrower will indemnify any Administrative Agent and any Lender for the full amount of Taxes or Other Taxes arising in connection with payments made under this Agreement or any other Loan Document (including, without limitation, any Taxes or Other Taxes imposed by any jurisdiction on amounts payable under this Section 2.9) paid by any Administrative

Agent or any Lender or any of their respective Affiliates and any liability (including penalties, additions to tax interest and expenses) arising therefrom or with respect thereto. Payment under this indemnification shall be made within fifteen days from the date any Administrative Agent or any Lender or any of their respective Affiliates makes written demand therefor; provided, however, that the Borrower shall not be obligated to make payment to the Lender or the Administrative Agent (as the case may be) pursuant to this Section 2.9(c) in respect of penalties, interest and other liabilities attributable to any Taxes or Other Taxes, if (i) written demand therefor has not been made by such Lender or such Administrative Agent within 60 days from the date on which such Lender or such Administrative Agent received written notice of the imposition of Taxes or Other Taxes by the relevant taxing or governmental authority, but only to the extent such penalties, interest and other similar liabilities are attributable to such failure or delay by the Administrative Agent or the Lender in making such written demand, (ii) such penalties, interest and other liabilities have accrued after the Borrower had indemnified or paid an additional amount due as of the date of such payment pursuant to this Section 2.9(c) or (iii) such penalties, interest and other liabilities are attributable to the gross negligence or willful misconduct of the Lender or the Administrative Agent or such Affiliates. After the Lender or the Administrative Agent (as the case may be) receives written notice of the imposition of the Taxes or Other Taxes which are subject to this Section 2.9(c), such Lender and the Administrative Agents will act in good faith to promptly notify the Borrower of its obligations hereunder; provided, however, that the failure to so act shall not, standing alone, affect the rights of the Administrative Agents or the Lenders under this Section 2.9(c).

(d) Furnish Evidence to Administrative Agents. The Borrower will make reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes deducted or withheld from each taxing authority imposing such Taxes. The Borrower will furnish to the Lenders, within 60 days after the date the payment of any Taxes so deducted or withheld is due pursuant to applicable law, original or certified copies of tax receipts evidencing such payment by the Borrower or, if such receipts are not obtainable, other evidence of such payments by the Borrower reasonably satisfactory to the Lenders.

(e) Survival. Without prejudice to the survival of any other agreement of the Borrower hereunder, the agreements and obligations of the Borrower contained in this Section 2.9 shall survive the payment in full of all amounts due hereunder and under the Term Notes.

(f) Mitigation. If the Borrower is required to pay additional amounts to or for the account of any Lender pursuant to this Section 2.9 as a result of a change in law or treaty occurring after such Lender first became a party to this Agreement, then such Lender will, at the request of the Borrower, change the jurisdiction of its Applicable Lending Office if such change (i) will eliminate or reduce any such additional payment which may thereafter accrue and (ii) is, in such Lender's sole, reasonable discretion, determined not to be materially disadvantageous or cause unreasonable hardship to such Lender, provided that fees, charges, costs or expenses that are related to such change shall be borne by the Borrower on behalf of a Lender, and the mere existence of such expenses, fees or costs shall not be deemed to be materially disadvantageous or cause undue hardship to the Lender.

Each Lender and each Administrative Agent agrees that it will (i) take all reasonable actions reasonably requested by the Borrower in writing that are without material risk and cost to such Lender or such Administrative Agent and consistent with the internal policies of such Lender and applicable legal and regulatory restrictions (as the case may be) to maintain all exemptions, if any, available to it from withholding taxes (whether available by treaty or existing administrative waiver) and (ii) to the extent reasonable and without material risk and cost to it, otherwise cooperate with the

Borrower to minimize any amounts payable by the Borrower under this Section 2.9; provided, however, that in each case, any cost relating to such action or cooperation requested by the Borrower shall be borne by the Borrower.

(g) Certification. Each Foreign Lender and Foreign Participant shall deliver to the Borrower and the Administrative Agents, and if applicable, the assigning Lender (and, in the case of a Foreign Participant, to the Lender from which the related participation shall have been purchased) on or before the date on which it becomes a party to this Agreement (or, in the case of a Foreign Participant, on or before the date on which such Participant purchases the related Participation) either:

(i) two duly completed and signed copies of either Internal Revenue Service Form 1001 or its successor form or Form 4224 or its successor form and related applicable forms, as the case may be; or

(ii) in the case of a Foreign Lender that is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code and that does not comply with the requirements of clause (A) hereof, (x) a statement to the effect that such Lender is eligible for a complete exemption from withholding of U.S. Taxes under Code Section 871(h) or 881(c), and (y) two duly completed and signed copies of Internal Revenue Service Form W-8 or successor and related applicable form.

Further, each Foreign Lender or Foreign Participant agrees (x) to deliver to the Borrower and the Administrative Agents, and if applicable, the assigning Lender (and, in the case of a Foreign Participant, to the Lender from which the related Participation shall have been purchased) two further duly completed and signed copies of such Forms 1001 or 4224, as the case may be, or successor and related applicable forms, on or before the date that any such form expires or becomes obsolete and promptly after the occurrence of any event requiring a change from the most recent form(s) previously delivered by it in accordance with applicable U.S. laws and regulations and (y) in the case of a Foreign Lender that delivers a statement pursuant to Section 2.9(g)(ii) above, to deliver to the Borrower and the Administrative Agents, and if applicable, the assigning Lender, such statement on an annual basis on the anniversary of the date on which such Foreign Lender became a party to this Agreement and to deliver promptly to the Borrower and the Administrative Agents, and if applicable, the assigning Lender, such additional statements and forms as shall be reasonably requested by the Borrower from time to time unless, in any such case, any change in law or regulation has occurred subsequent to the date such Foreign Lender became a party to this Agreement (or in the case of a Foreign Participant, the date on which such Foreign Participant purchased the related Participation) which renders all such forms inapplicable or which would prevent such Lender (or Participant) from properly completing and executing any such form with respect to it and such Lender promptly notifies the Borrower and the Administrative Agents (and, in the case of a Foreign Participant, the Lender from which the related participation shall have been purchased) if it is no longer able to deliver, or if it is required to withdraw or cancel, any form or statement previously delivered by it pursuant to this Section 2.9(g).

(h) Failure to Provide Certification. Notwithstanding any provision of this Agreement, the Borrower shall not be required to pay any Taxes or Other Taxes pursuant to this Section 2.9 in respect of U.S. federal income taxes if the obligation to withhold with respect to such Taxes or Other Taxes results from, or would not have occurred but for, the failure of any Foreign Lender or Foreign Participant to deliver the forms described in the preceding Section 2.9 in the manner and at the times specified in such paragraphs. A Foreign Lender or Foreign Participant shall not be required to deliver any form or statement pursuant to Section 2.9(g) that such Foreign Lender or Foreign Participant is not legally able to deliver.

(i) Tax Benefit. If and to the extent that any Lender is able, in its sole opinion, to apply or otherwise take advantage of any offsetting tax credit or other similar tax benefit arising out of or in conjunction with any deduction or withholding which gives rise to an obligation on the Borrower to pay any Taxes or Other Taxes pursuant to this Section 2.9 then such Lender shall, to the extent that in its sole opinion it can do so without prejudice to the retention of the amount of such credit or benefit and without any other adverse tax consequences for such Lender, reimburse to the Borrower at such time as such tax credit or benefit shall have actually been received by such Lender such amount as such Lender shall, in its sole opinion, have determined to be attributable to the relevant deduction or withholding and as will leave such Lender in no better or worse position than it would have been in if the payment of such Taxes or Other Taxes had not been required.

Nothing in this Section 2.9 shall oblige any Lender to disclose to the Borrower or any other person any information regarding its tax affairs or tax computations or interfere with the right of any Lender to arrange its tax affairs in whatever manner it thinks fit and, in particular, no Lender shall be under any obligation to claim relief from its corporate profits or similar tax liability in credits or deductions available to it and, if it does claim, the extent, order and manner in which it does so shall be at its absolute discretion.

Section 2.10. Right of Set Off; Sharing of Payments, Etc.

(a) Right of Set-Off. In addition to any rights now or hereafter granted under applicable law or otherwise, and not by way of limitation of any such rights, upon the occurrence and during the continuance of any Event of Default or if the Borrower becomes insolvent, however evidenced, the Borrower authorizes each Lender at any time or from time to time, without presentment, demand, protest or other notice of any kind to the Borrower or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all deposits (general or special, time or demand, provisional or final, whether or not collected or available) in any currency and any other indebtedness at any time held by or owing to such Lender or any of its Affiliates (including, without limitation, by branches and agencies of such Lender wherever located) to or for the credit or the account of the Borrower against and on account of the Obligations of the Borrower to such Lender under this Agreement or under any of the other Loan Documents, including, without limitation, all interests in or participation in the Obligations purchased by such Lender, and all other claims of any nature or description arising out of or in connection with this Agreement or any other Loan Document, irrespective of whether or not such Lender shall have made any demand hereunder and although the Obligations, liabilities or claims, or any of them, shall be contingent or unmatured. A Lender may exercise such rights notwithstanding that the amounts concerned may be expressed in different currencies and each Lender is authorized to effect any necessary conversions at a market rate of exchange selected by it. A Lender exercising its rights under this Section 2.10(a) shall provide prompt notice to the Borrower following such exercise.

(b) Sharing. If any Lender shall obtain from the Borrower payment of any principal of or interest on any Loan owing to it or payment of any other amount under this Agreement, a Loan Document or any Term Note held by it though the exercise of any right of set-off, banker's lien or counterclaim or similar right or otherwise (other than from the Administrative Agents as provided herein) and, as a result of such payment, such Lender shall have received a greater percentage of the principal of or interest on the Loans or such other amounts then due to such Lender by the Borrower than the percentage received by any other Lenders, it shall promptly purchase from such other Lenders participation in (or, if and to the extent specified by such Lender, direct interests in) the Loans or such

other amounts, respectively, owing to such other Lenders (or any interest due thereon, as the case may be) in such amounts, and make such other adjustments from time to time as shall be equitable, to the end that all the Lenders shall share the benefit of such excess payment (net of any expenses which may be incurred by such Lender in obtaining or preserving such excess payment) pro rata in accordance with the unpaid principal of and/or interest on the Loans or such other amounts, respectively, owing to each of the Lenders. To such end all the Lenders shall make appropriate adjustments among themselves (by the resale of participation sold or otherwise) if such payment is rescinded or must otherwise be restored.

(c) No Requirement. Nothing in this Agreement shall require any Lender to exercise any such right or shall affect the right of any Lender to exercise, and retain the benefits of exercising, any such right with respect to any other indebtedness or obligation of the Borrower. If, under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a set-off to which this Section 2.10 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 2.10 to share in the benefits of any recovery on such secured claim.

Section 2.11. Certain Fees.

The Borrower agrees to pay to each Arranger (in its capacity as Administrative Agent and/or as Lender), for its own account, the fees specified in the Fee Letter with respect to the Term Loans and Exchange Notes, amounts for its expenses incurred hereunder and all other amounts owing under this Agreement and the other Loan Documents.

ARTICLE III.

REPRESENTATIONS AND WARRANTIES

As of the date hereof and as of the Closing Date, the Borrower hereby agrees with, and represents and warrants to, the Lenders that each of the following representations and warranties is true and will be true after giving pro forma effect to the making of the Loans hereunder (but not, unless otherwise explicitly stated, the consummation of the Acquisitions):

Section 3.1. Acquisition Agreements.

(a) As of the Powertel Funding Date, the representations and warranties of Powertel contained in the Powertel Acquisition Agreement are hereby made by the Borrower and incorporated herein by reference for the benefit of the Lenders (without giving effect to any waivers thereof or amendment thereto subsequent to the date hereof) and are true and correct in all respects except to the extent which, individually or in the aggregate, would not result in a material adverse effect on the condition (financial or other), business, prospects, properties or results of operations of the operations acquired pursuant to the Powertel Acquisition.

(b) As of the Bell South Funding Date, the representations and warranties of BellSouth Mobility contained in the Bell South Letter Agreement, if any, and/or in the Bell South Lease, to the extent then executed and delivered, are hereby made by the Borrower and incorporated herein by reference for the benefit of the Lenders (without giving effect to any waivers thereof or amendment thereto subsequent to the date hereof) and are true and correct in all respects except to the extent which, individually or in the aggregate, would not result in a material adverse effect on the condition (financial or other), business, prospects, properties or results of operations of the assets acquired pursuant to the Bell South Letter Agreement.

(c) As of the date of this Agreement and as of each Funding Date, the Formation Agreement is in full force and effect and, to the knowledge of the Borrower, all of the conditions to the consummation of the BAM Joint Venture contained in the Formation Agreement will be satisfied without waiver.

Section 3.2. Organization; Powers. The Borrower has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware with power and corporate authority to own its properties and conduct its business as now conducted and as proposed to be conducted, and has been duly qualified and is in good standing under the laws of each other jurisdiction, or place where the nature of its properties or the conduct of its business requires such qualification, except where the failure to so register or qualify or to be in good standing would not have a Material Adverse Effect; and each Subsidiary of the Borrower has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation.

Section 3.3. Due Authorization and Enforceability.

(a) Each of the Transaction Documents: (i) has been duly authorized, executed and delivered by the Borrower and each of its Subsidiaries (to the extent each is a party thereto) and (ii) assuming due authorization, execution and delivery by the Lenders, constitutes a valid and binding obligation of Borrower and each of its Subsidiaries (to the extent each is a party thereto) enforceable against each such Person in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights from time to time in effect and to general equity principles including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether in a proceeding at law or equity).

(b) The Loans, the Term Notes and the Exchange Notes have been duly authorized by the Borrower. When the Term Notes and the Exchange Notes have been executed and delivered pursuant to the terms of this Agreement or the Exchange Note Indenture, as applicable, each of the Term Notes and, assuming due authentication of the Exchange Notes by the Exchange Note Trustee, the Exchange Notes will be valid and binding obligations of the Borrower, enforceable against it in accordance with their terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights from time to time in effect and to general equity principles including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether in a proceeding at law or equity).

Section 3.4. No Conflicts; No Consents. The execution and delivery of the Transaction Documents, the consummation of the transactions contemplated hereby or thereby and compliance with the terms and provisions hereof or thereof will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, sale/leaseback agreement, loan agreement or other similar financing agreement or instrument or other agreement or instrument to which the Borrower or any of its Subsidiaries is a party or by which the Borrower or any of its Subsidiaries is bound or to which any of the property or assets of the Borrower or any of its Subsidiaries is subject, except such breaches, violations or defaults that in the aggregate would not have a Material Adverse Effect, nor will such action result in any violation of the provisions of the Certificate of Incorporation or By-laws of the Borrower, nor will such action result any violation of the provisions of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Borrower or any of its Subsidiaries or any of their properties, except such violations that in the aggregate would not have a Material Adverse Effect; and no consent,

approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the consummation by the Borrower of the transactions contemplated by this Agreement, the Exchange Note Indenture, the Escrow Agreement or the Registration Rights Agreement or the issuance and delivery of the Exchange Notes by the Borrower, except for such consents, approvals, authorizations, registrations or qualifications (A) as may be required by securities or "blue sky" laws of any State of the United States in connection with the Exchange Notes, (B) as contemplated by the Registration Rights Agreement, (C) as may already have been obtained or made, (D) as may be required pursuant to the Hart-Scott-Rodino Antitrust Improvement Act of 1976 ("HSR Act"), (E) as may be required in connection with the formation and qualification of the BAM Joint Venture and its subsidiary joint ventures, (F) as may be required in connection with the qualification of CCP Inc. in various jurisdictions in order to consummate the Powertel Acquisition, (G) as may be required in connection with the formation and qualification of subsidiaries to consummate the Bell South Acquisition and (H) which the failure to obtain or make would not, individually or in the aggregate, result in a Material Adverse Effect.

Section 3.5. No Violations; Material Contracts. Neither the Borrower nor any of its subsidiaries is in violation of its Certificate of Incorporation or By-laws or in default in any material respect in the performance or observance of any obligation, covenant or condition contained in any material indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except for such defaults that, in the aggregate, would not have a Material Adverse Effect.

Section 3.6. Capital Stock; Subsidiaries. The Borrower has an authorized capitalization as set forth on its registration statement, dated February 3, 1999, filed on Form S-4 under the Securities Act, as amended, and all of the issued shares of capital stock of the Borrower have been duly and validly authorized and issued and are fully paid and non-assessable; and all of the issued shares of capital stock of each subsidiary of the Borrower (except for Castle Transmission USA, LLC ("CT USA")) have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors' qualifying shares and except for the minority interest of CTSH owned by TdF and its affiliates, are owned directly or indirectly by the Borrower, free and clear of all Liens other than the Liens under the Senior Credit Facility and under CTI's credit facility with Credit Suisse First Boston and J.P. Morgan Securities Ltd.

Section 3.7. Liens. There are no Liens on any assets of the Borrower or any of its Subsidiaries except Permitted Liens.

Section 3.8. Governmental Regulations. None of the Borrower or any of its Subsidiaries is or will be subject to regulation under the Investment Company Act of 1940, as amended, the Public Utility Holding Company Act of 1935, as amended, the Federal Power Act, the Interstate Commerce Act or to any other statute, rule or regulation limiting its ability to incur Indebtedness for borrowed money.

Section 3.9. [Reserved.]

Section 3.10. Financial Statements; No Undisclosed Liabilities.

(a) The consolidated balance sheet of the Borrower and its Subsidiaries as of December 31, 1998 that is attached hereto as Schedule 3.10(a) fairly presents the consolidated financial position of the Borrower and its Subsidiaries as of such date, in accordance with GAAP consistently

applied (except as otherwise specifically indicated therein). The consolidated statements of income and cash flows of the Borrower and its Subsidiaries that are attached hereto as Schedule 3.10(a) have been prepared in conformity with GAAP applied on a consistent basis through all the periods involved (except as otherwise specifically indicated therein) and fairly present the consolidated results of operations of each of the Borrower and its Subsidiaries for the periods indicated.

(b) The statement of net assets of the Bell Atlantic Mobile Tower Operations as of September 30, 1998 that is attached hereto as Schedule 3.10(b) fairly presents the net assets of the Bell Atlantic Mobile Tower Operations as of such date, in accordance with GAAP consistently applied (except as otherwise specifically indicated therein). The statements of revenues and direct expenses of Bell Atlantic Mobile Tower Operations for the year ended December 31, 1997 and the nine months ended September 30, 1998 that are attached hereto as Schedule 3.10(b) have been prepared in conformity with GAAP applied on a consistent basis through all the periods involved (except as otherwise specifically indicated therein) and fairly present the revenues and direct expenses of the Bell Atlantic Mobile Tower Operations for the periods indicated.

(c) The consolidated balance sheet of the operations acquired pursuant to the Powertel Acquisition as of December 31, 1998 that is attached hereto as Schedule 3.10(c) fairly presents the net assets of the operations acquired pursuant to the Powertel Acquisition as of such date, in accordance with GAAP consistently applied (except as otherwise specifically indicated therein). The statement of revenue and direct expenses for such operations for the year ended December 31, 1998 that are attached hereto as Schedule 3.10(c) have been prepared in conformity with GAAP applied on a consistent basis through all the periods involved (except as otherwise specifically indicated therein) and fairly present the consolidated results of operations of each of Powertel Inc. and its Subsidiaries for the periods indicated.

(d) The unaudited statement of income of the assets acquired pursuant to the Bell South Letter Agreement for the year ended December 31, 1998 that are attached hereto as Schedule 3.10(d) have been prepared in conformity with GAAP (except as to notes, year-end adjustments and other items indicated therein) and fairly present the income relating to such assets for the indicated period.

(e) The pro forma consolidated statements of income included in Schedule 3.10(e) fairly present the pro forma position, results of operations and the other information purported to be shown therein at the respective dates or for the respective periods therein specified, assuming the consummation of the Acquisitions and the transactions contemplated in the Formation Agreement and giving effect to the other assumptions indicated therein; and the pro forma consolidated balance sheet of the Borrower included in Schedule 3.10(e) fairly presents the consolidated financial condition of the Borrower and its Subsidiaries on the Closing Date (after giving effect to all simultaneous transactions to occur on such date and the other assumptions indicated therein).

(f) The historical and pro forma financial statements attached hereto as Schedule 3.10(a), Schedule 3.10(b), Schedule 3.10(c) and Schedule 3.10(e) comply as to form with the requirements applicable to such financial statements in, and constitute all of the financial statements required by, Regulation S-X of the Securities Act for a Form S-1 registration statement.

(g) Neither the Borrower nor any of its Subsidiaries (prior to giving effect to the consummation of the Transactions) has any liability (direct or contingent) except (i) those shown on the most recent audited balance sheets described in Section 3.10(a), (ii) those incurred under the Transaction

Documents and (iii) those incurred in the ordinary course of business since the date of such audited balance sheets.

(h) For purposes of this Section 3.10, all financial statements required pursuant to Section 5.5 of this Agreement, once approved by the Lenders, shall be added to Schedule 3.10(a), Schedule 3.10(b), Schedule 3.10(c), Schedule 3.10(d) or Schedule 3.10(e), as appropriate, and shall become subject to the Borrower's representations contained in Sections 3.10(a) through 3.10(g) above.

Section 3.11. Full Disclosure. No information, report, financial statement or certificate delivered or to be delivered to the Lenders in connection with the Transactions contains or will contain any untrue statement of material fact or omitted or omits or will omit to state a material fact necessary to make such statements not misleading in light of the circumstances in which such statements were made; provided that to the extent any such information, report, financial statement, exhibit or schedule was based upon or constitutes a forecast or projection or pro forma financial information, the Borrower represents only that it acted in good faith and utilized reasonable assumptions and due care in the preparation of such information, report, financial statement, exhibit or schedule. The Borrower has disclosed to the Lenders in all material respects the status of negotiations concerning each acquisition (other than the Powertel Acquisition, the Bell South Lease and the BAM Joint Venture) currently being actively considered by the Borrower or any of its controlled Affiliates.

Section 3.12. Private Offering; Rule 144A Matters.

(a) Based in part on the accuracy of the representations and warranties of, and compliance with the covenants and agreements by, the Lenders in Section 6.1, the issuance of the instruments evidencing the Securities are and will be exempt from the registration and prospectus delivery requirements of the Securities Act. The Borrower has not issued or sold Securities to anyone other than the Lenders. No securities of the same class as the Securities have been issued or sold by the Borrower within the six-month period immediately prior to the date hereof. The Borrower agrees that neither it, nor anyone acting on its behalf, will (i) offer the Securities so as to subject the making, issuance and/or sale of the Securities to the registration or prospectus delivery requirements of the Securities Act or (ii) offer any securities that are similar to the Securities for issuance or sale to, or solicit any offer to acquire any of the same from, or otherwise approach or negotiate with respect to the same with, anyone if the issuance or sale of the Securities and any such securities would be integrated as a single offering for the purposes of the Securities Act, including without limitation, Regulation D thereunder, in such a manner as would require registration under the Securities Act thereof. Subject to the terms of the Exchange Note Indenture and the Escrow Agreement, each of the Exchange Notes will bear a legend setting forth the restrictions on the transferability thereof imposed by the Securities Act for so long as such restrictions apply.

(b) In the case of each offer, sale or issuance of the Securities no form of general solicitation or general advertising (within the meaning of Regulation D under the Securities Act) was or will be used by the Borrower or their representatives, including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar medium or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

(c) The Securities will be eligible for resale pursuant to Rule 144A under the Securities Act. When the Securities are issued and delivered pursuant to the Transaction Documents, they will not be of the same class (within the meaning of Rule 144A(d) (3) under the Securities Act) as

any other security of the Borrower that is listed on a national securities exchange registered under Section 6 of the Exchange Act or that is quoted in a United States automated interdealer quotation system. Neither the issuance of the Exchange Notes nor the execution, delivery and performance of the Transaction Documents (other than the Registration Rights Agreement) will require the qualification of an indenture under the Trust Indenture Act.

Section 3.13. Absence of Proceedings. Except with respect to the matters disclosed in Schedule 3.13, there are no legal or governmental proceedings pending to which the Borrower or any of its Subsidiaries is a party or of which any property of the Borrower or any of its Subsidiaries is the subject which, if determined adversely to the Borrower or any of its Subsidiaries, would individually or in the aggregate have a Material Adverse Effect; and, to the best of the Borrower's knowledge, no such proceedings are threatened by governmental authorities or by others.

Section 3.14. Taxes. The Borrower and its Subsidiaries have duly and timely filed all required material tax returns required to be filed through the date hereof and paid prior to delinquency all material taxes, assessments, and governmental levies due thereon except those not in the process of enforcement and being contested in good faith and by appropriate proceedings.

Section 3.15. Financial Condition; Solvency.

(a) The Borrower is, and immediately after giving effect to the making of the Loans will be, Solvent.

(b) The Borrower does not intend to incur debts beyond its ability to pay such debts as they mature, taking into account the timing and amounts of cash to be received by it and the timing and amounts of cash to be payable on or in respect of its Indebtedness.

Section 3.16. Absence of Certain Changes. Since September 30, 1998, there has not been any event or series of events, adverse condition or change in or affecting the Borrower that, individually or in the aggregate, has had or would have a Material Adverse Effect.

Section 3.17. Year 2000 Compliance The Borrower has reviewed its operations and that of its subsidiaries and is in the process of reviewing any third parties with which the Borrower or any of its subsidiaries has a material relationship to evaluate the extent to which the business or operations of the Borrower or any of its Subsidiaries will be affected by the Year 2000 Problem. As a result of such review, the Borrower has no reason to believe, and does not believe, that the Year 2000 Problem will have a Material Adverse Effect or result in a Default. The "Year 2000 Problem" as used herein means any significant risk that computer hardware or software used in the receipt, transmission, processing, manipulation, storage, retrieval, retransmission or other utilization of data or in the operation of mechanical or electrical systems of any kind will not, in the case of dates or time periods occurring after December 31, 1999, function in any material respect at least as effectively as in the case of dates or time periods occurring prior to January 1, 2000.

Section 3.18. Properties. The Borrower and its Subsidiaries have good and indefeasible title to all real property and good and marketable title to all personal property owned by them, in each case free and clear of all liens, encumbrances and defects except such as would not be reasonably expected, in the aggregate, to result in a Material Adverse Effect; and any real property and buildings held under lease by the Borrower and its Subsidiaries are held by them under valid, subsisting

and enforceable leases with such exceptions as would not be reasonably expected, in the aggregate, to result in a Material Adverse Effect.

Section 3.19. Permits; Registration.

(a) The Borrower and each of the Significant Subsidiaries has such permits, licenses, franchises, certificates of need and other approvals or authorizations of any governmental or regulatory authority ("Permits"), including, without limitation, any permits required by the Federal Communications Commission ("FCC"), the Federal Aviation Administration or the Office of Telecommunications, as are necessary under applicable law to own their respective properties and to conduct their respective businesses, except to the extent that the failure to have such Permits would not have a Material Adverse Effect. The Borrower and the Significant Subsidiaries have fulfilled and performed in all material respects, all their respective obligations with respect to the Permits, and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other material impairment of the rights of the holder of any such Permit, except to the extent that any such revocation or termination would not have a Material Adverse Effect. None of the Permits contains any restriction that has not previously been satisfied and that is materially burdensome to the Borrower or any of the Significant Subsidiaries

(b) For each existing tower of the Borrower not yet registered with the FCC where registration will be required, the FCC's grant of an application for registration of such tower will not have a significant environmental effect as defined under Section 1.1307(a) of the FCC's rules.

Section 3.20. ERISA. The Borrower and each of the Significant Subsidiaries are in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("ERISA"); no "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) for which the Borrower would have any liability; the Borrower has not incurred and does not expect to incur liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "pension plan" or (ii) Sections 412 or 4971 of the Code; and each "pension plan" for which the Borrower would have any liability that is intended to be qualified under Section 401(a) of the Code is so qualified in all material respects and nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification.

Section 3.21. Environmental Matters. There has been no storage, disposal, generation, manufacture, refinement, transportation, handling or treatment of toxic wastes, medical wastes, hazardous wastes or hazardous substances by the Borrower or any of its subsidiaries (or, to the knowledge of the Borrower, any of their predecessors in interest) at, upon or from any of the property now or previously owned or leased by the Borrower or any of its subsidiaries in violation of any applicable law, ordinance, rule, regulation, order, judgment, decree or permit or which would require remedial action under any applicable law, ordinance, rule, regulation, order, judgment, decree or permit, except for any violation or remedial action which would not have, or could not be reasonably likely to have, singularly or in the aggregate, a Material Adverse Effect; there has been no material spill, discharge, leak, emission, injection, escape, dumping or release of any kind onto such property or into the environment surrounding such property in a manner reasonably likely to affect such property of any toxic wastes, medical wastes, solid wastes, hazardous wastes or hazardous substances due to or caused by the Borrower or any of its subsidiaries or with respect to which the Borrower or any of its subsidiaries has knowledge, except for any such spill, discharge, leak, emission, injection, escape, dumping or release which would not have or would not be reasonably likely to have, singularly or in the aggregate, a

Material Adverse Effect; and the terms "hazardous wastes," "toxic wastes," "hazardous substances" and "medical wastes" shall have the meanings specified in any applicable local, state, federal and foreign laws or regulations with respect to environmental protection.

Section 3.22. Available Cash for the BAM Joint Venture. As of the date of this Agreement and without giving effect to the funding of any Term Loans hereunder, (i) each of CCAIC, CC Investment Corp. and CC Investment Corp. II, is an Unrestricted Subsidiary of the Borrower, (ii) the Borrower has contributed the BAM Funds to CC Investment Corp. and CC Investment Corp. II, and (iii) CC Investment Corp. and CC Investment Corp. II collectively own all of the common stock of CCAIC.

ARTICLE IV.

COVENANTS

So long as any Commitment shall remain outstanding or any Obligation shall remain unpaid, the Borrower covenants and agrees with the Lenders as follows:

Section 4.1. Use of Proceeds. The Borrower shall use the proceeds of the Loans solely to finance the Acquisition Escrow Payments. In the event the Borrower abandons the BAM Joint Venture or if the Formation Agreement expires or is otherwise terminated prior to the funding of any Term Loans, then the Borrower will apply the BAM Funds toward the Acquisition Escrow Payments in lieu of the proceeds of the Term Loans. However, if a Joint Venture Termination occurs after the funding of any Term Loans, then the Borrower will be required to apply the BAM Funds to redeem the Term Loans and Other Term Loans pursuant to Section 2.4(a).

Section 4.2. Notice of Default and Related Matters. The Borrower shall furnish to the Administrative Agents (with copies for each Lender) written notice, promptly upon becoming aware of the existence of:

(a) any condition or event that constitutes a Default or an Event of Default, specifying the nature and period of existence thereof and the action taken or proposed to be taken with respect thereto;

(b) the filing or commencement of, or any threat or notice of intention of any Person to file or commence, any action, suit or proceeding, whether at law or in equity or by or before any Governmental Entity, against or affecting the Borrower or any of its Subsidiaries or any of their respective Affiliates that could reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect; and

(c) any development that, individually or in the aggregate, has resulted in, or could reasonably be expected to have, a Material Adverse Effect.

Section 4.3. Reports. Whether or not required by the rules and regulations of the SEC, so long as any Term Notes are outstanding, the Borrower shall furnish to the Lenders (i) all quarterly and annual financial information that would be required to be contained in a filing with the SEC on Forms 10-Q and 10-K if the Borrower were required to file such forms, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" that describes the financial condition and results of operations of the Borrower and its consolidated Subsidiaries (showing in reasonable detail, in the footnotes to the financial statements and in "Management's Discussion and Analysis of Financial Condition and Results of Operations" (in each case

to the extent not prohibited by the SEC's rules and regulations), (A) the financial condition and results of operations of the Borrower and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Borrower and (B) the Tower Cash Flow for the most recently completed fiscal quarter and the Adjusted Consolidated Cash Flow for the most recently completed four-quarter period) and, with respect to the annual information only, a report thereon by the Borrower's certified independent accountants and (ii) all current reports that would be required to be filed with the SEC on Form 8-K if the Borrower were required to file such reports, in each case within the time periods specified in the SEC's rules and regulations. In addition, whether or not required by the rules and regulations of the SEC, the Borrower shall file a copy of all such information and reports with the SEC for public availability within the time periods specified in the SEC's rules and regulations (unless the SEC will not accept such a filing) and make such information available to securities analysts and prospective investors upon request.

Section 4.4. Compliance Certificate.

(a) The Borrower shall deliver to the Administrative Agents, within 90 days after the end of each fiscal year, an Officers' Certificate stating that a review of the activities of the Borrower and its Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officers with a view to determining whether the Borrower has kept, observed, performed and fulfilled its obligations under this Agreement, and further stating, as to each such Officer signing such certificate, that to the best of his or her knowledge the Borrower has kept, observed, performed and fulfilled each and every covenant contained in this Agreement and is not in default in the performance or observance of any of the terms, provisions and conditions of this Agreement (or, if a Default or Event of Default shall have occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Borrower is taking or proposes to take with respect thereto) and that to the best of his or her knowledge no event has occurred and remains in existence by reason of which payments on account of the principal of or interest, if any, on the Term Loans is prohibited or if such event has occurred, a description of the event and what action the Borrower is taking or proposes to take with respect thereto.

(b) So long as not contrary to the then current recommendations of the American Institute of Certified Public Accountants, the year-end financial statements delivered pursuant to Section 4.3 above shall be accompanied by a written statement of the Borrower's independent public accountants (who shall be a firm of established national reputation) that in making the examination necessary for certification of such financial statements, nothing has come to their attention that would lead them to believe that the Borrower has violated any provisions of Article IV hereof or, if any such violation has occurred, specifying the nature and period of existence thereof, it being understood that such accountants shall not be liable directly or indirectly to any Person for any failure to obtain knowledge of any such violation.

(c) The Borrower shall, so long as any of the Term Notes are outstanding, deliver to the Administrative Agents, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officers' Certificate specifying such Default or Event of Default and what action the Borrower is taking or proposes to take with respect thereto.

Section 4.5. Taxes. The Borrower shall pay, and shall cause each of its Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Lenders.

Section 4.6. Stay, Extension and Usury Laws. The Borrower covenants (to the extent that it may lawfully do so) that it shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Agreement; and the Borrower (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Lenders, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.7. Restricted Payments. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly: (i) declare or pay any dividend or make any other payment or distribution on account of the Borrower's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Borrower or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Borrower's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Borrower or to the Borrower or a Restricted Subsidiary of the Borrower); (ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Borrower) any Equity Interests of the Borrower or any direct or indirect parent of the Borrower (other than any such Equity Interests owned by the Borrower or any Restricted Subsidiary of the Borrower); (iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the Term Notes, except a payment of interest or the payment of principal at Stated Maturity; or (iv) make any Restricted Investment (all such payments and other actions set forth in clauses (i) through (iv) above, including those occurring prior to the date hereof, being collectively referred to as "Restricted Payments"), unless, at the time of and after giving effect to such Restricted Payment:

(a) no Default shall have occurred and be continuing or would occur as a consequence thereof; and

(b) the Borrower would have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Debt to Adjusted Cash Flow Ratio test set forth in Section 4.9; and

(c) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Borrower and its Restricted Subsidiaries after November 25, 1997, (excluding Restricted Payments permitted by clauses (ii), (iii) and (iv) of the next succeeding paragraph), is less than the sum without duplication of (i) 50% of the Consolidated Net Income of the Borrower for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after November 25, 1997 to the end of the Borrower's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), plus (ii) 100% of the aggregate net cash proceeds received by the Borrower since November 25, 1997 as a contribution to its common equity capital or from the issue or sale of Equity Interests of the Borrower (other than Disqualified Stock and except to the extent such net cash proceeds are used to incur new Indebtedness outstanding pursuant to clause (x) in Section 4.9) or from the issue or sale of Disqualified Stock or debt securities of the Borrower that have been converted into such Equity Interests (other than Equity Interests (or Disqualified Stock or convertible debt securities) sold to a Subsidiary of the Borrower and other

than Disqualified Stock or convertible debt securities that have been converted into Disqualified Stock), plus (iii) to the extent that any Restricted Investment that was made after November 25, 1997 is sold for cash or otherwise liquidated or repaid for cash, the lesser of (A) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (B) the initial amount of such Restricted Investment, plus (iv) to the extent that any Unrestricted Subsidiary of the Borrower is designated as a Restricted Subsidiary after November 25, 1997, the lesser of (A) the fair market value of the Borrower's Investment in such Subsidiary as of the date of such designation, or (B) the sum of (x) the fair market value of the Borrower's Investment in such Subsidiary as of the date on which such Subsidiary was originally designated as an Unrestricted Subsidiary and (y) the amount of any Investments made in such Subsidiary subsequent to such designation (and treated as a Restricted Payment) by the Borrower or any Restricted Subsidiary; provided that (i) in the event the Unrestricted Subsidiary designated as a Restricted Subsidiary is CTSH, the references in clause (A) and (B) of this clause (iv) to fair market value of the Borrower's Investment in such Subsidiary shall mean the amount by which the fair market value of such Investment exceeds 34.3% of the fair market value of CTSH as a whole and (ii) in the event the Unrestricted Subsidiaries designated as Restricted Subsidiaries are CCAIC and its Subsidiaries, the references in clauses (A) and (B) of this clause (d) to fair market value of the Borrower's Investments in such Subsidiaries shall mean the amount by which the fair market value of all such Investments exceeds $250.0 million, plus (v) 50% of any dividends received by the Borrower or a Restricted Subsidiary after November 25, 1997 from an Unrestricted Subsidiary of the Borrower, to the extent that such dividends were not otherwise included in Consolidated Net Income of the Borrower for such period.

The foregoing provisions shall not prohibit (i) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of this Agreement; (ii) the making of any Investment or the redemption, repurchase, retirement, defeasance or other acquisition of any subordinated Indebtedness or Equity Interests of the Borrower in exchange for, or out of the net cash proceeds of the sale (other than to a Subsidiary of the Borrower) of, any Equity Interests of the Borrower (other than any Disqualified Stock); provided that such net cash proceeds are not used to incur new Indebtedness pursuant to clause (x) in Section 4.9); and provided further that, in each such case, the amount of any such net cash proceeds that are so utilized shall be excluded from clause (c) (ii) of the preceding paragraph; (iii) the payment of any dividend by a Restricted Subsidiary of the Borrower to the holders of its common Equity Interests on a pro rata basis; or (iv) the defeasance, redemption, repurchase or other acquisition of subordinated Indebtedness with the net cash proceeds from an incurrence of Permitted Refinancing Indebtedness.

The Board of Directors may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default; provided that in no event shall the businesses operated by the Borrower's Restricted Subsidiaries as of November 25, 1997 be transferred to or held by an Unrestricted Subsidiary. For purposes of making such determination, all outstanding Investments by the Borrower and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated shall be deemed to be Restricted Payments at the time of such designation and shall reduce the amount available for Restricted Payments under the first paragraph of this covenant. All such outstanding Investments will be deemed to constitute Investments in an amount equal to the fair market value of such Investments at the time of such designation. Such designation will only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary if such designation would not cause a Default.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Borrower or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any property, assets or Investments required by this covenant shall be determined by the Board of Directors whose resolution with respect thereto shall be delivered to the Trustee.

Section 4.8. Dividend and Other Payment Restrictions Affecting Subsidiaries. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to (i)(a) pay dividends or make any other distributions to the Borrower or any of its Restricted Subsidiaries (1) on its Capital Stock or (2) with respect to any other interest or participation in, or measured by, its profits, or (b) pay any indebtedness owed to the Borrower or any of its Restricted Subsidiaries, (ii) make loans or advances to the Borrower or any of its Restricted Subsidiaries or (iii) transfer any of its properties or assets to the Borrower or any of its Restricted Subsidiaries. However, the foregoing restrictions shall not apply to encumbrances or restrictions existing under or by reason of (a) Existing Indebtedness or Indebtedness under the Senior Credit Facility, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Existing Indebtedness or in the Senior Credit Facility, (b) encumbrances and restrictions applicable to any Unrestricted Subsidiary, as the same are in effect as of the date on which such Subsidiary becomes a Restricted Subsidiary, and as the same may be amended, modified, restated, renewed, increased, supplemented, refunded, replaced or refinanced; provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacement or refinancings are no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the applicable series of Indebtedness of such Subsidiary as in effect on the date on which such Subsidiary becomes a Restricted Subsidiary, (c) this Agreement and the Term Notes, (d) applicable law, (e) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Borrower or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Agreement to be incurred, (f) by reason of customary non-assignment provisions in leases or licenses entered into in the ordinary course of business, (g) purchase money obligations for property acquired in the ordinary course of business that impose restrictions of the nature described in clause (iii) above on the property so acquired, (h) the provisions of agreements governing Indebtedness incurred pursuant to clause (iv) of the second paragraph of Section 4.9, (i) any agreement for the sale of a Restricted Subsidiary that restricts that Restricted Subsidiary pending its sale, (j) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced, (k) Liens permitted to be incurred pursuant to the provisions of Section 4.12 that limit the right of the debtor to transfer the assets subject to such Liens, (l) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements and (m) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business.

Section 4.9. Incurrence of Indebtedness and Issuance of Preferred Stock. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness (including Acquired Debt) and the Borrower shall not issue any Disqualified Stock and shall not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, however, that the Borrower may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock and the Borrower's Restricted Subsidiaries may incur Eligible Indebtedness if, in each case, (i) no Default shall have occurred and be continuing or would occur as a consequence thereof and (ii) the Borrower's Debt to Adjusted Consolidated Cash Flow Ratio at the time of incurrence of such Indebtedness or the issuance of such Disqualified Stock, after giving pro forma effect to such incurrence or issuance as of such date and to the use of proceeds therefrom as if the same had occurred at the beginning of the most recently ended four full fiscal quarter period of the Borrower for which internal financial statements are available, would have been no greater than 6.5 to 1.

The provisions of the first paragraph of this covenant shall not apply to the incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt") if no Default shall have occurred and be continuing or would occur as a consequence thereof:

(i) the incurrence by the Borrower or any of its Restricted Subsidiaries of Indebtedness (including Indebtedness under Credit Facilities) in an aggregate principal amount (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Borrower and its Restricted Subsidiaries thereunder) at any one time outstanding not to exceed the greater of (x) $100.0 million less the aggregate amount of all Net Proceeds of Assets Sales applied to repay Indebtedness under a Credit Facility since November 25, 1997 and (y) 70% of the Eligible Receivables that are outstanding as of such date of incurrence;

(ii) the incurrence by the Borrower and its Restricted Subsidiaries of the Existing Indebtedness;

(iii) the incurrence by the Borrower of Indebtedness represented by the Senior Discount Notes;

(iv) the incurrence by the Borrower or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in the business of the Borrower or such Restricted Subsidiary, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to refund, refinance or replace any other indebtedness incurred pursuant to this clause (iv), not to exceed $5.0 million at any time outstanding;

(V) the incurrence by the Borrower or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease or refund indebtedness (other than intercompany Indebtedness) that was permitted by this Agreement to be incurred under the first paragraph of this Section 4.9 or clauses (ii) or (iii) or this clause (v) of this paragraph;

(vi) the incurrence by the Borrower or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Borrower and any of its Restricted Subsidiaries; provided, however, that (i) if the Borrower is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all Obligations with respect to the Term Notes and (ii) (a) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Borrower or a Restricted Subsidiary and (b) any sale or other transfer of any such Indebtedness to a Person that is not either the Borrower or a Restricted Subsidiary shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Borrower or such Restricted Subsidiary, as the case may be;

(vii) the incurrence by the Borrower or any of its Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of this Section 4.9 to be outstanding or currency exchange risk;

(viii) the guarantee by the Borrower or any of its Restricted Subsidiaries of Indebtedness of the Borrower or a Restricted Subsidiary of the Borrower that was permitted to be incurred by another provision of this Section 4.9;

(ix) the incurrence by the Borrower or any of its Restricted Subsidiaries of Acquired Debt in connection with the acquisition of assets or a new Subsidiary and the incurrence by the Borrower's Restricted Subsidiaries of Indebtedness as a result of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary; provided that, in the case of any such incurrence of Acquired Debt, such Acquired Debt was incurred by the prior owner of such assets or such Restricted Subsidiary prior to such acquisition by the Borrower or one of its Restricted Subsidiaries and was not incurred in connection with, or in contemplation of, such acquisition by the Borrower or one of its Restricted Subsidiaries; and provided further that, in the case of any incurrence pursuant to this clause (ix), the Borrower would have been permitted to incur at least $1.00 of additional Indebtedness (other than Permitted Debt) immediately after such incurrence pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of this Section 4.9, calculated as if such incurrence had occurred as of the actual date of incurrence and the related acquisition or designation (as applicable) had occurred at the beginning of the most recently ended four full fiscal quarter period of the Borrower for which internal financial statements are available;

(x) the incurrence by the Borrower of Indebtedness not to exceed, at any one time outstanding, 2.0 times the aggregate net cash proceeds from the issuance and sale, other than to a Subsidiary, of Equity Interests (other than Disqualified Stock) of the Borrower since November 25, 1997 (less that amount of such proceeds used to make Restricted Payments as provided in clause (c)(ii) of the first paragraph or clause (ii) of the second paragraph of the covenant described in Section 4.7); provided that such Indebtedness does not mature prior to the stated Maturity of the Notes and the Weighted Average Life to Maturity of such Indebtedness is longer than that of the Term Notes; and

(xi) the incurrence by the Borrower or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, not to exceed $5.0 million.

The Borrower shall not (i) incur any Indebtedness that is contractually subordinated in right of payment to any other Indebtedness of the Borrower unless such Indebtedness is also contractually subordinated in right of payment to the Term Notes and the Securities on substantially identical terms; provided, however, that no Indebtedness of the Borrower shall be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Borrower solely by virtue of being unsecured and (ii) the Borrower shall not permit any of its Unrestricted Subsidiaries to incur any Indebtedness other than Non-Recourse Debt.

For purposes of determining compliance with this Section 4.9, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (i) through (xi) above or is entitled to be incurred pursuant to the first paragraph of this Section 4.9, the Borrower shall, in its sole discretion, classify (or later reclassify in whole or in part) such item of Indebtedness in any manner that complies with this Section 4.9. Accrual of interest, accretion or amortization of original issue discount and the payment of interest in the form of additional Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of this Section 4.9. For avoidance of doubt in determining compliance with this Section 4.9, any Indebtedness incurred since November 25, 1997 (including the Indebtedness represented by the Term Loans) shall be deemed not to constitute "Existing Indebtedness" and shall instead be classified to comply with the criteria of one or more categories of Permitted Debt described in clauses (i) through (xi) above.

Section 4.10. Asset Sales. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless (i) the Borrower (or the Restricted Subsidiary, as the case may be) receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of the Board of Directors set forth in an Officers' Certificate delivered to the Trustee) of the assets or Equity Interests issued or sold or otherwise disposed of and (ii) except in the case of a Tower Asset Exchange, at least 75% of the consideration therefor received by the Borrower or such Restricted Subsidiary is in the form of cash or Cash Equivalents; provided that the amount of (x) any liabilities (as shown on the Borrower's or such Restricted Subsidiary's most recent balance sheet), of the Borrower or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Term Notes or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Borrower or such Restricted Subsidiary from further liability and (y) any securities, notes or other obligations received by the Borrower or any such Restricted Subsidiary from such transferee that are converted by the Borrower or such Restricted Subsidiary into cash within 20 days of the applicable Asset Sale (to the extent of the cash received), shall be deemed to be cash for purposes of this provision.

Section 4.11. Transactions with Affiliates. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless (i) such Affiliate Transaction is on terms that are no less favorable to the Borrower or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Borrower or such Restricted Subsidiary with an unrelated Person and (ii) the Borrower delivers to the Trustee (a) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $1.0 million, a resolution of the Board of Directors set forth in an Officers' Certificate certifying that such Affiliate Transaction complies with clause (i) above and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors and

(b) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $5.0 million, an opinion as to the fairness to the Holders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing. Notwithstanding the foregoing, the following items shall not be deemed to be Affiliate Transactions: (i) any employment arrangements with any executive officer of the Borrower or a Restricted Subsidiary that is entered into by the Borrower or any of its Restricted Subsidiaries in the ordinary course of business and consistent with compensation arrangements of similarly situated executive officers at comparable companies engaged in Permitted Businesses, (ii) transactions between or among the Borrower and/or its Restricted Subsidiaries, (iii) payment of directors fees in an aggregate annual amount not to exceed $25,000 per Person, (iv) Restricted Payments that are permitted by the provisions of Section 4.7, (v) the issuance or sale of Equity Interests (other than Disqualified Stock) of the Borrower, and (vi) transactions pursuant to the provisions of the Governance, Agreement, the Rights Agreement, the Stockholders' Agreement, the CTSH Shareholders' Agreement, the CTI Services Agreement, the CTI Operating Agreement and the Crown Transition Agreements as the same are in effect on the date hereof.

Section 4.12. Liens. The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien securing Indebtedness or trade payables on any asset now owned or hereafter acquired, or any income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens.

Section 4.13. Business Activities. The Borrower shall not, and shall not permit any Subsidiary to, engage in any business other than Permitted Business, except to such extent as would not be material to the Borrower and its Subsidiaries taken as a whole.

Section 4.14. Corporate Existence. Subject to Section 4.19 hereof, the Borrower shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Borrower or any such Restricted Subsidiary and (ii) the rights (charter and statutory), licenses and franchises of the Borrower and its Subsidiaries; provided, however, that the Borrower shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Restricted Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Borrower and its Restricted Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Lenders.

Section 4.15. Offer to Prepay Upon a Change of Control.

(a) Upon the occurrence of a Change of Control, each Lender will have the right to require the Borrower to prepay all or any part of the principal amount of such Lender's Loans pursuant to the offer described below (the "Change of Control Offer") at a prepayment price in cash equal to 100% of the aggregate principal amount thereof plus accrued and unpaid interest thereon, if any, to the date of prepayment (the "Change of Control Payment"). Within 30 days following any Change of Control, the Borrower will mail a notice to each Lender describing the transaction or transactions that constituted the Change of Control and offer to repay the Loans on the date specified in such notice, which date shall be no earlier than 30 days and no later than 60 days from the date such notice is mailed (the "Change of Control Payment Date"), pursuant to the procedures set forth below.

(b) Notice of a Change of Control Offer shall be mailed by the Borrower to the Lenders at their addresses set forth in the Loan Register. The Change of Control Offer shall remain open from the time of mailing until the Change of Control Payment Date. The notice shall be accompanied by a copy of the most recent reports furnished pursuant to Section 4.4(b)(i) and (ii). The notice shall contain all instructions and materials necessary to enable such Lenders to elect to be prepaid pursuant to the Change of Control Offer. Lenders electing to have a Loan repaid will be required to surrender the applicable Term Note, with an appropriate form duly completed, to the Borrower at the address specified in the notice at least three Business Days prior to the repayment date.

(c) The Borrower shall not be required to prepay Loans pursuant to this Section if a third party makes an offer to prepay applicable Loans in the manner, at the times and otherwise in compliance with the requirements set forth in this covenant applicable to an offer to prepay Loans made by the Borrower and purchases all Term Notes validly tendered and not withdrawn under such offer.

(d) On the Change of Control Payment Date, the Borrower shall (i) repay all Loans or portions thereof of each Lender that properly elected repayment thereof pursuant to the Change of Control Offer and were received by the Borrower for cancellation, (ii) pay the Change of Control Payment for each such Loan (or portion thereof) elected to be repaid and (iii) deliver to each such Lender a new Term Note equal in principal amount (excluding premiums, if any) to the unpurchased portion of the corresponding Term Note surrendered, if any. The Borrower will notify the remaining Lenders of the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

Section 4.16. Limitation on Sale and Leaseback Transactions.

The Borrower shall not, and shall not permit any of its Restricted Subsidiaries to, enter into any sale and leaseback transaction; provided that the Borrower or any of its Restricted Subsidiaries may enter into a sale and leaseback transaction if (i) the Borrower or such Restricted Subsidiary, as applicable, could have (a) incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of Section 4.9 and (b) incurred a Lien to secure such Indebtedness pursuant to Section 4.12, (ii) the gross cash proceeds of such sale and leaseback transaction are at least equal to the fair market value (as determined in good faith by the Board of Directors) of the property that is the subject of such sale and leaseback transaction and (iii) the transfer of assets in such sale and leaseback transaction is permitted by Section 4.10, and the Borrower applies the proceeds of such transaction in compliance with, Section 2.4.

Section 4.17. Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries. The Borrower (i) shall not and shall not permit any Restricted Subsidiary of the Borrower to, transfer, convey, sell, lease or otherwise dispose of any Equity Interests in any Restricted Subsidiary of the Borrower to any Person (other than the Borrower or a Wholly Owned Restricted Subsidiary of the Borrower) and (ii) shall not permit any Restricted Subsidiary of the Borrower to issue any of its Equity Interests (other than, if necessary, shares of its Capital Stock constituting directors' qualifying shares) to any Person other than to the Borrower or a Wholly Owned Restricted Subsidiary of the Borrower, unless, in each such case: (a) as a result of such transfer, conveyance, sale, lease or other disposition or issuance such Restricted Subsidiary no longer constitutes a Subsidiary and (b) the cash Net Proceeds from such transfer, conveyance, sale, lease or other disposition or issuance are applied in accordance with Section 2.4.

Section 4.18. Limitation on Issuances of Guarantees of Indebtedness.

The Borrower shall not permit any Restricted Subsidiary, directly or indirectly, to Guarantee or pledge any assets to secure the payment of any other Indebtedness of the Borrower unless such Subsidiary simultaneously executes and delivers a supplement to this Agreement providing for the Guarantee of the payment of the Term Notes by such Subsidiary, which Guarantee shall be senior to or pari passu with such Subsidiary's Guarantee of or pledge to secure such other Indebtedness. Notwithstanding the foregoing, any such Guarantee by a Subsidiary of the Term Notes shall provide by its terms that it shall be automatically and unconditionally released and discharged upon any sale, exchange or transfer, to any Person other than a Subsidiary of the Borrower, of all of the Borrower's stock in, or all or substantially all the assets of, such Subsidiary, which sale, exchange or transfer is made in compliance with the applicable provisions of this Agreement.

Section 4.19. Merger; Sale of All or Substantially All Assets.

(a) The Borrower shall not consolidate or merge with or into (whether or not the Borrower is the surviving corporation), or sell, assign, transfer, lease, convey or otherwise dispose of all or substantially all of its properties or assets in one or more related transactions, to another corporation, Person or entity unless (i) the Borrower is the surviving corporation or the entity or the Person formed by or surviving any such consolidation or merger (if other than the Borrower) or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made is a corporation organized or existing under the laws of the United States, any state thereof or the District of Columbia, (ii) the entity or Person formed by or surviving any such consolidation or merger (if other than the Borrower) or the entity or Person to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made assumes all the obligations of the Borrower under the Term Notes and this Agreement pursuant to a supplemental agreement in a form reasonably satisfactory to the Administrative Agents, (iii) immediately after such transaction, no Default exists and (iv) except in the case of a merger of the Borrower with or into a Wholly Owned Restricted Subsidiary of the Borrower and except in the case of a merger entered into solely for the purpose of reincorporating the Borrower in another jurisdiction, the Borrower or the entity or Person formed by or surviving any such consolidation or merger (if other than the Borrower), or to which such sale, assignment, transfer, lease, conveyance or other disposition shall have been made shall, at the time of such transaction and after giving pro forma effect thereto as if such transaction had occurred at the beginning of the applicable four-quarter period, be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Debt to Adjusted Consolidated Cash Flow Ratio test set forth in the first paragraph of Section 4.9.

(b) Upon any consolidation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the assets of the Borrower in accordance with Section 4.19(a) hereof, the successor corporation formed by such consolidation or into or with which the Borrower is merged or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, merger, sale, lease, conveyance or other disposition, the provisions of this Agreement referring to the "Borrower" shall refer instead to the successor corporation and not to the Borrower), and may exercise every right and power of the Borrower under this Agreement with the same effect as if such successor Person had been named as the Borrower herein, provided, however, that and the predecessor Borrower shall not be relieved from the obligation to pay the principal of and interest on the Term Notes except in the case of a sale of all of the Borrower's assets that meets the requirements of Section 4.19(a) hereof.

Section 4.20. Inspection Rights.

The Borrower shall, and shall cause each of its Subsidiaries to, permit the Lenders or any of their respective representatives to visit and inspect any of its properties, to examine and make abstracts from any of its books and records and to discuss its businesses, finances and accounts with its executive officers and, subject to the right of the Borrower's representatives to participate in any such discussion, with their independent public accountants, all upon reasonable notice and at such reasonable times and as often as may reasonably be desired.

Section 4.21. Special Rights.

(a) For so long as any Loans or Exchange Notes are held by West Street, the Borrower shall, and shall cause each of its Subsidiaries to, promptly provide West Street with such information concerning the businesses, properties or financial condition of the Credit Parties and such Subsidiaries as West Street may from time to time request. In that connection, the Borrower shall, and shall cause each of its Subsidiaries to:

(i) keep proper books of record and account in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities; and

(ii) permit West Street or any of its representatives to consult with the Borrower and its Subsidiaries with respect to their businesses and make proposals with respect to such businesses and meet with the respective executive officers and directors of the Borrower and its Subsidiaries with respect to such proposals.

(b) For so long as any Loans or Exchange Notes are held by West Street, the Borrower shall, and shall cause each of its Subsidiaries to, upon prior reasonable request, invite West Street or any of its representatives to attend each regular, special or other meeting of its Board of Directors in a nonvoting observer capacity and in this respect shall, upon prior reasonable request, give West Street or such representative copies of all notices, minutes, consents and other materials that it provides to its directors. West Street or such representative may participate in any and all discussions of matters brought to the Board of Directors. The Borrower shall and shall cause each of its Subsidiaries to allow West Street or any such representative of West Street to attend such meetings by means of conference call or other communications equipment utilized by any other person participating in such meetings. Notwithstanding the foregoing, the Borrower reserves the right to exclude West Street and its representatives from access to any material or meeting or portion thereof if the Borrower believes upon advice of counsel that such exclusion is reasonably necessary to preserve the attorney-client privilege, to protect highly confidential proprietary information or for other similar valid business reasons.

(c) In addition to the provisions of Section 12.3, (i) any amendment to the provisions of this Section 4.21 shall require the consent of West Street at any time that West Street holds Loans and/or Notes and (ii) for so long as West Street holds Loans and/or Notes having an aggregate principal amount equal to at least 25% of the aggregate principal amount of Term Loans originally funded by West Street under this Agreement, any amendment to the provisions of Section 4.7, 4.8, 4.9, 4.10, 4.11, 4.12, 4.13, 4.15, 4.16, 4.17, 4.18, 4.19 and 4.20 shall require the consent of West Street at any time that West Street holds any Loans or Exchange Notes.

ARTICLE V.

CONDITIONS

The obligation of each of the Lenders to make Term Loans is subject to (i) the representations and warranties of the Borrower in Article III being true, correct and complete in all respects on and as of the Closing Date to the same extent as though made on and as of the Closing Date, (ii) on or prior to the Closing Date, the Borrower having performed and complied with all covenants and conditions to be performed and observed by it on or prior to the Closing Date and (iii) the prior or concurrent satisfaction of each of the conditions set forth below; provided, however, that notwithstanding such conditions, no Lender may default in its obligations to make Term Loans hereunder solely because of (a) the failure by another Lender to deem a condition satisfied, or (b) the failure by another Lender to make Term Loans hereunder:

Section 5.1. Corporate and Other Proceedings. On or before the Closing Date, all corporate and other proceedings taken or to be taken in connection with the Transactions and all documents incidental thereto not previously found acceptable by the Administrative Agents shall be reasonably satisfactory in form and substance to the Administrative Agents, and the Administrative Agents shall have received on behalf of the Lenders the following items, each of which shall be in form and substance satisfactory to the Administrative Agents and, unless otherwise noted, dated the Closing Date:

(a) a certified copy of the Borrower's charters, together with a certificate of status, compliance, good standing or like certificate with respect to the Borrower issued by the appropriate government officials of the jurisdiction of its formation and of each jurisdiction in which the Borrower owns any material assets or carries on any material business, each to be dated a recent date prior to the Closing Date;

(b) a copy of the Borrower's bylaws, in each case certified as of the Closing Date by its Secretary or one of its Assistant Secretaries;

(c) resolutions of the Borrower's Boards of Directors approving and authorizing the execution, delivery and performance of this Agreement, each of the other Transaction Documents and any other documents, instruments and certificates required to be executed by the Borrower in connection herewith or therewith and approving and authorizing the execution, delivery and payment of the Term Notes and the Exchange Notes and the consummation of the Transactions, each certified as of the Closing Date by its Secretary or one of its Assistant Secretaries as being in full force and effect without modification or amendment;

(d) signature and incumbency certificates of the Borrower's Officers executing this Agreement and the Term Notes and any other documents executed in connection therewith;

(e) executed copies of this Agreement and the Term Notes, drawn to the order of the Lenders;

(f) an Officers' Certificate from the Borrower in form and substance satisfactory to the Administrative Agents to the effect that (i) the representations and warranties of the Borrower in Article III are true, correct and complete in all respects on and as of the Closing Date to the same extent as though made on and as of that date, (ii) on or prior to the Closing Date, the Borrower has performed and complied with all covenants and conditions hereunder to be performed and observed by it on or prior

to the Closing Date and (iii) all conditions to the consummation of the relevant Transactions have been satisfied on the terms set forth in the documentation relating thereto and have not been waived or amended without the prior written consent of the Administrative Agents;

(g) true and correct copies of the final form of each of: (i) the Powertel Acquisition Agreement, which shall be reasonably satisfactory in form and substance to each of the Lenders and which shall provide for an aggregate consideration payable by the Borrower of $275 million, of which only $50 million is required to be paid in escrow on the Powertel Funding Date and (ii) the draft Bell South Lease, which shall be reasonably satisfactory in form and substance to each of the Lenders and which shall provide for an aggregate cash consideration payable by the Borrower of $430 million, of which only $50 million is required to be paid in escrow on the Bell South Funding Date; and

(h) true and correct copies of each of the other Transaction Documents, each of which shall be reasonably satisfactory in form and substance to each of the Lenders.

Section 5.3. [Reserved.]

Section 5.3. Absence of Certain Changes.

There shall not have occurred or become known to the Lenders any event or events, adverse condition or change in or affecting the Borrower subsequent to September 30, 1998 that, individually or in the aggregate, (i) could have a Material Adverse Effect, (ii) has, or may be reasonably expected to have, any materially adverse effect upon the validity or enforceability of this Agreement or any of the Transaction Documents or (iii) materially impairs the ability of the Borrower to consummate the Loan or to perform its Obligations under the Transaction Documents. For purposes of this Section 5.3, "Material Adverse Effect" shall mean the result of one or more events, changes or effects which, individually or in the aggregate, could reasonably be expected to have a material adverse effect on (i) the business, results of operations, property, condition (financial or otherwise), management or prospects of the Borrower and its subsidiaries, taken as a whole.

Section 5.4. Market Disruption. There shall not have occurred any disruption or adverse change, as determined by the Arrangers in their sole discretion, in the financial or capital markets generally, or in the markets for term loan syndication, high yield debt or equity securities in particular or affecting the syndication or funding of term loans (or the refinancing thereof) that the Arrangers shall reasonably determine makes it impracticable to consummate the syndication of the Term Loans or the Proposed Offerings.

Section 5.5. Financial Statements. Each of the Lenders shall have received audited financial statements for the one-, two-, or three-year period, as applicable, immediately preceding the Closing Date and any appropriate unaudited financial statements for any interim period or periods of the Borrower, the Powertel Towers and the Bell South Towers and all other recent or probable acquisitions (including pro forma financial statements), to the extent such financial statements are required by, and all meeting the requirements of, Regulation S-X for Form S-1 registration statements (including, without limitations, the availability of audited financial statements for the Powertel Towers) and all such financial statements shall be reasonably satisfactory in form and substance to each of the Lenders. Once approved by the Lenders, all such financial statements shall be added to Schedule 3.10(a), Schedule 3.10(b), Schedule 3.10(c), Schedule 3.10(d) or Schedule 3.10(e), as appropriate, and shall become subject to the Borrower's representations in Section 3.10.

Section 5.6. Litigation, etc. There shall not exist any action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or governmental authority that, in the opinion of the Lenders, affects the Powertel Acquisition, the Bell South Lease, the financing thereof or any of the other transactions contemplated hereby, or that could have a Material Adverse Effect on the Borrower, the Powertel Acquisition, the Bell South Lease, the financing thereof or any of the transactions contemplated hereby.

Section 5.7. Payment of Fees and Expenses. All fees and expenses due to the Lenders, Goldman Sachs Credit Partners L.P., Goldman, Sachs & Co., Salomon Brothers Holding Company Inc., Salomon Smith Barney Inc., Credit Suisse First Boston, Credit Suisse First Boston Corporation or the Administrative Agents on or before the Closing Date in connection with the Term Loans, pursuant to the Commitment Letter, the Fee Letter, the Engagement Letter or otherwise, shall have been paid in full.

Section 5.8. Escrow Agreement. The Borrower and the Escrow Agent shall have entered into the Escrow Agreement and a fully executed copy of the Escrow Agreement shall have been delivered to each of the Lenders.

Section 5.9. Exchange Notes. The Borrower and the Exchange Note Trustee shall have entered into the Exchange Note Indenture and a fully executed copy of the Exchange Note Indenture shall have been delivered to each of the Lenders. At least $100 million in aggregate principal amount of Exchange Notes shall have been issued by the Borrower into escrow and delivered to the Escrow Agent as contemplated by the Escrow Agreement.

Section 5.10. Registration Rights Agreement. The Borrower and the Arrangers shall have entered into the Registration Rights Agreement and a fully executed copy of the Registration Rights Agreement shall have been delivered to each of the Lenders.

Section 5.11. Delivery of Opinions. The Arrangers shall have received originally executed copies of one or more favorable written opinions of (i) Cravath, Swaine & Moore, counsel for the Borrower, in the form of Exhibit F-1 hereto and addressed to the Lenders, (ii) Norton Rose, in the form of Exhibit F-2 hereto and addressed to the Lenders, (ii) General Counsel of the Borrower, in the form of Exhibit F-3 hereto and addressed to the Lenders and (iv) such other opinions of counsel and such certificates or opinions of accountants, appraisers or other professionals as the Arrangers shall have reasonably requested.

Section 5.12. Solvency. The Arrangers shall have received originally executed copies of a certificate of the Chief Financial Officer of the Borrower, in form and substance satisfactory to the Administrative Agents, with appropriate opining that, after giving effect to the making of the Loans, the Borrower and its Subsidiaries will be Solvent, and the Arrangers shall have received such other reasonable and appropriate factual information and expert advice supporting the conclusions reached in such opinion as the Arrangers may reasonably request, all in form and substance satisfactory to the Arrangers.

Section 5.13. No Breach; No Default. The Borrower shall not be in breach or violation of any of its obligations under the Engagement Letter or the Fee Letter and each of the Engagement Letter and the Fee Letter shall be in full force and effect. In addition, No event shall have occurred and be continuing or would result from the consummation of the Transactions that would constitute an Event of Default.

Section 5.14. Special Conditions.

(a) The Powertel Term Loan will be subject to the condition that the Powertel Acquisition Agreement shall have been (i) fully executed and delivered in form and substance reasonably satisfactory in all respects to the Lenders and (ii) the representations and warranties contained therein shall be true and correct in all material respects.

(b) The Bell South Term Loan shall also be subject to the condition that the Bell South Lease shall have been (i) fully executed and delivered in form and substance reasonably satisfactory in all respects to the Lenders and (ii) the representations and warranties contained therein shall be true and correct in all material respects.

ARTICLE VI.

TRANSFER OF THE LOANS, THE INSTRUMENTS EVIDENCING SUCH LOANS AND THE SECURITIES; REPRESENTATIONS OF LENDERS; PARTICIPATIONS

Section 6.1. Transfer of the Loans, the instruments evidencing the Loans and the Securities. Each Lender acknowledges that none of the Loans, the instruments evidencing such Loans and the Securities have been registered under the Securities Act and represents and agrees that it is acquiring the Loans, the instruments evidencing such Loans and the Securities for its own account and that it will not, directly or indirectly, transfer, sell, assign, pledge or otherwise dispose of its Loans, the instruments evidencing such Loans or the Securities (or any interest therein) unless such transfer, sale, assignment, pledge or other disposition is made (i) pursuant to an effective registration statement under the Securities Act or (ii) pursuant to an available exemption from registration under, or in a transaction that is not subject to, the Securities Act. Each Lender represents, warrants, covenants and agrees to and with the Borrower that it is either (i) a qualified institutional buyer within the meaning of Rule 144A under the Securities Act acting for its own account or the account of one or more other qualified institutional buyers, and is aware that the Borrower may rely upon the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A thereunder or (ii) an institutional "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act. Each of the Lenders acknowledges that the instruments evidencing the Securities will bear a legend restricting the transfer thereof in accordance with the Securities Act.

Subject to the provisions of the previous paragraph, the Borrower agrees that, with the consent of the Administrative Agents, each Lender will be free to sell or transfer all or any part of the Loans, the instruments evidencing the Loans or the Securities (including, without limitation, participation interest in the Loans) to any third party and to pledge any or all of the Securities to any commercial bank or other institutional lender.

Section 6.2. Permitted Assignments. Any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time assign to one or more banks or other entities ("Purchasers") all or any part of its rights and obligations hereunder and under the Loan Documents. Such assignment shall be made pursuant to an Assignment and Acceptance substantially in the form of Exhibit A or in such other form as may be agreed to by the parties thereto. The consent of the Borrower and the Administrative Agents shall be required prior to an assignment becoming effective with respect to a Purchaser which is not a Lender, an Affiliate of a Lender (including West Street, in the case of Goldman Sachs Credit Partners L.P.) or a Federal Reserve Bank; provided, however, that if an Event of Default has occurred and is continuing, the consent of the Borrower shall not be required. Such consent shall not be unreasonably withheld or delayed.

Section 6.3. Permitted Participants; Effect. (a) Upon notice thereof to the Borrower, any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more banks or other entities ("Participants") participating interests in any Loan owing to such Lender, any Term Note held by such Lender, any Commitment of such Lender or any other interest of such Lender under the Loan Documents; provided that such Lender retain all voting rights with respect to such participating interests on all matters other than such matters that require the consent of each Lender under this Agreement. In the event of any such sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, such Lender shall remain the owner of its Loans and the holder of any Term Note issued to it in evidence thereof for all purposes under the Loan Documents, all amounts payable by the Borrower under this Agreement shall be determined as if such Lender had not sold such participating interests, and the Borrower and the Administrative Agents shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under the Loan Documents.

(b) Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, modification or waiver of any provision of the Loan Documents other than any amendment, modification or waiver with respect to any Loan or Commitment in which such Participant has an interest which forgives principal, interest or fees or reduces the interest rate or fees payable with respect to any such Loan or Commitment, extends the Maturity Date, postpones any date fixed for any regularly scheduled payment of principal of, or interest or fees on, any such Loan or Commitment or releases any guarantor of any such Loan or releases all or substantially all of the collateral, if any, securing any such Loan.

(c) The Borrower agrees that each Participant shall be deemed to have the right of setoff provided in Section 2.10 in respect of its participating interest in amounts owing under the Loan Documents to the same extent as if the amount of its participating interest were owing directly to it as a Lender under the Loan Documents, provided that each Lender shall retain the right of setoff provided in Section 2.10 with respect to the amount of participating interests sold to each Participant. The Lenders agree to share with each Participant, and each Participant, by exercising the right of setoff provided in Section 2.10, agrees to share with each Lender, any amount received pursuant to the exercise of its right of setoff, such amounts to be shared in accordance with Section 2.10 as if each Participant were a Lender.

Section 6.4. Dissemination of Information. The Borrower authorizes each Lender to disclose to any Participant or Purchaser or any other Person acquiring an interest in the Loan Documents by operation of law (each a "Transferee") and any prospective Transferee any and all information in such Lender's possession concerning the creditworthiness of the Borrower and its Subsidiaries; provided, however, that any records, documents, properties or information that are designated by the Borrower as confidential at the time of delivery of such records, documents, properties or information shall be kept confidential by each Lender and each Transferee, unless (i) such records, documents, properties or information are in the public domain or otherwise publicly available (other than as a result of a breach of this Section 6.4), (ii) disclosure of such records, documents, properties or information is required by court or administrative order or (iii) disclosure of such records, documents, properties or information, in the written opinion of counsel to such Lender or Transferee, is otherwise required by law (including, without limitation, pursuant to the requirements of the Securities Act).

Section 6.5. Tax Treatment. If any interest in any Loan Document is transferred to any Transferee which is organized under the laws of any jurisdiction other than the United States or any State thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 2.9.

Section 6.6. Replacement Securities Upon Transfer or Exchange. Upon surrender of any Securities by any Lender in connection with any permitted transfer or exchange, the Borrower will execute and deliver in exchange therefor a new Security or Securities of the same aggregate tenor and principal amount, payable to the order of such Persons and in such denominations as such Lender may request. The Borrower may require (i) satisfactory indemnification or (ii) payment by such Lender of a sum sufficient to cover any stamp tax or governmental charge imposed in respect of any such transfer.

Section 6.7. Register. The Administrative Agents on behalf of the Borrower shall maintain a register of the principal amount of the Loans held by each Lender and any interest due and payable with respect thereto. The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, the Administrative Agents and the Lenders shall treat each Person whose name is recorded in the register as the owner of a Loan, a Term Note or Exchange Note hereunder as the owner thereof for all purposes of this Agreement. The Administrative Agents will allow any Lender to inspect and copy such register at each Administrative Agent's principal place of business during normal business hours.

ARTICLE VII.

EVENTS OF DEFAULT

Section 7.1. Events of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default":

(a) the Borrower defaults in the payment when due of interest on the Term Loans and such default continues for a period of 10 (or, from and after the Anniversary Date, 30) days;

(b) the Borrower defaults in the payment when due of principal of or premium, if any, on the Term Loans when the same becomes due and payable at maturity, upon redemption (including in connection with an offer to purchase) or otherwise;

(c) any representation or warranty made or deemed made by the Borrower or any of its Subsidiaries herein or that is contained in any certificate, document or financial or other statement furnished by any of them to the Lenders at any time under or in connection with any Transaction Document shall prove to have been incorrect in any material respect on or as of the date made or deemed made;

(d) the Borrower fails to comply with any of the provisions of Section 2.4, 4.15 or 4.19 hereof;

(e) the Borrower fails to observe or perform any other covenant, representation, warranty or other agreement in this Indenture or the Term Loans for 30 days after notice to the Borrower by the Trustee or the Holders of at least 25% in aggregate principal amount of the Term Loans then outstanding voting as a single class;

(f) a default occurs under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Borrower or any of its Significant Subsidiaries (or the payment of which is guaranteed by the Borrower or any of its Significant Subsidiaries), whether such Indebtedness or guarantee now exists, or is created after the date of this Indenture, which default (a) is caused by a failure to pay principal of or premium, if any, or interest on such Indebtedness prior to the expiration of the grace period provided in such Indebtedness on the date of such default (a "Payment Default") or (b) results in the acceleration of such Indebtedness prior to its express maturity and, in each case, the principal amount of such Indebtedness, under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $5 million or more;

(g) a final judgment or final judgments for the payment of money are entered by a court or courts of competent jurisdiction against the Borrower or any of its Significant Subsidiaries or any group of Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary and such judgment or judgments remain undischarged for a period (during which execution shall not be effectively stayed) of 60 days, provided that the aggregate of all such undischarged judgments exceeds $5.0 million;

(h) the Borrower or any of its Restricted Subsidiaries pursuant to or within the meaning of Bankruptcy Law:

(i) commences a voluntary case,

(ii) consents to the entry of an order for relief against it in an involuntary case,

(iii) consents to the appointment of a Custodian of it or for all or substantially all of its property,

(iv) makes a general assignment for the benefit of its creditors, or

(v) generally is not paying its debts as they become due; or

(i) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Borrower or any Restricted Subsidiary in an involuntary case;

(ii) appoints a Custodian of the Borrower or any Restricted Subsidiary or for all or substantially all of the property of the Borrower or any Restricted Subsidiary; or

(iii) orders the liquidation of the Borrower or any Restricted Subsidiary;

and the order or decree remains unstayed and in effect for 60 consecutive days.

Section 7.2. Acceleration. If any Event of Default (other than an Event of Default specified in Section 7.1(h) or 7.1(i) with respect to the Borrower, any Significant Subsidiary or any group of Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary) occurs and is continuing, the Lenders holding at least 25% in aggregate principal amount of the then outstanding Loans may, by written notice to the Borrower, declare the unpaid principal of and any accrued and

unpaid interest and fees on all of the Loans to be immediately due and payable. Upon such declaration, all Obligations in respect of the Loans shall become immediately due and payable immediately. Notwithstanding the foregoing, if an Event of Default specified in Section 7.1(h) or 7.1(i) with respect to the Borrower, any Significant Subsidiary or any group of Subsidiaries that, taken as a whole, would constitute a Significant Subsidiary occurs, all Obligations in respect of the Loans shall ipso facto become and be immediately due and payable without any declaration, notice or other act on the part of any Lender. The Majority Lenders by written notice to the Borrower may on behalf of all Lenders rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest or premium that has become due solely because of the acceleration) have been cured or waived.

Section 7.3. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Lenders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent or subsequent assertion or employment of any other appropriate right or remedy.

Section 7.4. Delay or Omission Not Waiver. No delay or omission by any Lender to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article VII or by law to the Lenders may be exercised from time to time, and as often as may be deemed expedient, by the Lenders.

Section 7.5. Waiver of Past Defaults. Subject to Section 12.3, the Majority Lenders by written notice to the Borrower may (i) rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal or interest that has become due solely because of the acceleration) have been cured or waived and (ii) waive an existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of the principal of, premium, if any, or interest on, the Term Loans (including in connection with an offer to purchase). Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Agreement; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 7.6. Rights of Lenders To Receive Payment. Notwithstanding anything to the contrary contained in this Agreement, the right of any Lender to receive payment of principal of, premium, if any, and interest on the Loans and Term Notes held by such Lender, on or after the respective due dates expressed in this Agreement or the Term Notes, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Lender.

ARTICLE VIII.

PERMANENT SECURITIES

Section 8.1. Permanent Securities. The Borrower shall comply with its agreements in this Agreement, the Fee Letter and the Engagement Letter with respect to the proposed issuance and sale of the Permanent Securities in the Proposed Offerings and the repayment of the Loans with all or a portion of the net proceeds therefrom.

ARTICLE IX.

TERMINATION

Section 9.1. Termination.

(a) the Powertel Commitments hereunder shall terminate on the earlier of (A) the date on which the Borrower informs the Lenders that it has decided not to proceed with the Powertel Acquisition, (B) the date on which the Powertel Acquisition Agreement is terminated in accordance with its terms or (C) the date that is ninety days following the date of the Commitment Letter;

(b) the Bell South Commitments hereunder shall terminate in the earlier of (A) the date on which the Borrower informs the Lenders that it has decided not to proceed with the lease or sublease of communications towers currently owned or leased by BellSouth Mobility, (B) the date on which the Bell South Letter Agreement and the Bell South Lease, if applicable, are terminated (other than as a result of the entry into the related definitive documentation) in accordance with their terms or (C) the date that is ninety days following the date of the Commitment Letter.

Section 9.2. Survival of Certain Provisions. If this Agreement is terminated pursuant to this Article IX, such termination shall be without liability of any party to any other party, except that, whether or not the transactions contemplated by this Agreement are consummated, (i) the Obligations of the Borrower to reimburse the Lenders for all of their out-of-pocket expenses pursuant to Section 12.1 and the Engagement Letter and (ii) the indemnity provisions contained in Article X shall, in each case, remain operative and in full force and effect.

ARTICLE X.

INDEMNITY

Section 10.1. Indemnification. In the event that any of the Lenders or the Administrative Agents (each, an "Indemnified Party") becomes involved in any capacity in any action, proceeding or investigation brought by or against any Person, including stockholders of the Borrower, in connection with or as a result of either this arrangement or any matter referred to in this Agreement, the Borrower periodically will reimburse such Indemnified Party for its legal and other expenses (including the cost of any investigation and preparation) incurred in connection therewith. The Borrower also will indemnify and hold each Indemnified Party harmless against any and all losses, claims, damages or liabilities to any such Person in connection with or as a result of either this arrangement or any matter referred to in this Agreement, except to the extent that any such loss, claim, damage or liability results from the gross negligence or bad faith of such Indemnified Party in performing the services that are the subject of this Agreement. If for any reason the foregoing indemnification is unavailable to any Indemnified Party or insufficient to hold it harmless, then the Borrower shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative economic interests of the Borrower and its stockholders on the one hand and such Indemnified Party on the other hand in the matters contemplated by this Agreement as well as the relative fault of the Borrower, on the one hand, and such Indemnified Party, on the other hand, with respect to such loss, claim, damage or liability and any other relevant equitable considerations. The reimbursement, indemnity and contribution obligations of the Borrower under this Section 10.1 shall be in addition to any liability which the Borrower may otherwise have, shall extend upon the same terms and conditions to any affiliate of any Indemnified Party and the partners, directors, agents, employees and controlling persons (if any), as the case may be, of such Indemnified Party and any such affiliate, and shall be binding upon and inure to the benefit of any successors, assigns, heirs and

personal representatives of the Borrower, such Indemnified Party, any such affiliate and any such Person. Any right to trial by jury with respect to any action or proceeding arising in connection with or as a result of either this arrangement or any matter referred to in the Letters is hereby waived by the parties hereto. The provisions of this Section 10.1 shall survive any termination or completion of the arrangement provided by this Agreement.

Section 10.2. Counsel. Promptly after receipt by an Indemnified Party of notice of the commencement of any proceedings, such Indemnified Party will, if a claim in respect thereof is to be made against the Borrower, notify the Borrower in writing of the commencement thereof; provided that (i) the omission so to notify the Borrower will not relieve it from any liability that it may have hereunder except to the extent it has been materially prejudiced by such failure and (ii) the omission so as to notify the Borrower will not relieve it from any liability that it may have to an Indemnified Party otherwise than on account of the indemnity provided for hereunder. In case any such proceedings are brought against any Indemnified Party and it notifies the Borrower of the commencement thereof, the Borrower will be entitled to participate therein, and, to the extent that it may elect by written notice delivered to such Indemnified Party, to assume the defense thereof, with counsel reasonably satisfactory to such Indemnified Party; provided that, if the defendants in any such proceedings include both such Indemnified Party and the Borrower and such Indemnified Party shall have concluded that there may be legal defenses available to it which are different from or additional to those available to the Borrower, such Indemnified Party shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such proceedings on behalf of such Indemnified Party. Upon receipt of notice from the Borrower to such Indemnified Party of its election so to assume the defense of such proceedings and approval by such Indemnified Party of counsel, the Borrower shall not be liable to such Indemnified Party for expenses incurred by such Indemnified Party in connection with the defense thereof (other than reasonable costs of investigation) unless (i) such Indemnified Party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the Borrower shall not be liable for the reasonable expenses of more than one separate counsel (plus not more than one separate local counsel in any jurisdiction), approved by the Administrative Agents, representing the Indemnified Parties who are parties to such proceedings), (ii) the Borrower shall not have employed counsel reasonably satisfactory to such Indemnified Party to represent such Indemnified Party within a reasonable time after notice of commencement of the proceedings, (iii) the Borrower shall have authorized in writing the employment of counsel for such Indemnified Party or (iv) the use of counsel chosen by the Borrower to represent such Indemnified Party would present such counsel with a conflict of interest, and except that, if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii).

Section 10.3. Settlement of Claims. The Borrower agrees that, neither it nor any of its Subsidiaries will settle, compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding in respect of which indemnification or contribution could be sought under Section 10.1 (whether or not any Indemnified Party is an actual or potential party to such claim, action or proceeding) without the prior written consent of the Indemnified Parties, unless such settlement, compromise or consent includes an unconditional release of each Indemnified Party from all liability arising out of such claim, action or proceeding, which consent shall not be unreasonably withheld.

Section 10.4. Appearance Expenses. If an Indemnified Party is requested or required to appear as a witness in any action brought by or on behalf of or against the Borrower or any Affiliate

thereof in which such Indemnified Party is not named as a defendant, the Borrower agrees to reimburse such Indemnified Party for all reasonable expenses incurred by it in connection with such Indemnified Party's appearing and preparing to appear as such a witness, including, without limitation, the reasonable fees and disbursements of its legal counsel.

Section 10.5. Indemnity for Taxes, Reserves and Expenses.

If, after the date hereof, the adoption of any law or guideline or any amendment or change in the administration, interpretation or application of any existing or future law or guideline by any Governmental Entity charged with the administration, interpretation or application thereof, or the compliance with any request or directive of any Governmental Entity (whether or not having the force of law):

(a) subjects any Affected Party to any tax of any kind with respect to this Agreement or the Term Notes or changes the basis of taxation of payments of amounts due hereunder or thereunder or with respect to this Agreement or any of the other Loan Documents, (including, without limitation, any sales, gross receipts, general corporate, personal property, privilege or license taxes, and including claims, losses and liabilities arising from any failure to pay or delay in paying any such tax (unless such failure or delay results solely from such Affected Party's negligence or willful misconduct), but excluding (i) Taxes and Other Taxes covered by Section 2.9 and (ii) any taxes, levies, imposts, deductions, charges or withholding specifically excluded under Section 2.9(a) (it being understood that, notwithstanding the foregoing, if any payment obligation results from the application of this Section 10.5(a), then the provisions of Section 2.9(f) or 2.9(i) would apply to such extent);

(b) imposes, modifies or deems applicable any reserve (including, without limitation, any reserve imposed by the Board), special deposit or similar requirement against assets of the Borrower held by, credit to the Borrower extended by, deposits of the Borrower with or for the account of, or other acquisition of funds of the Borrower by, any Affected Party;

(c) shall change the amount of capital maintained or requested or directed to be maintained by an Affected Party; or

(d) imposes upon an Affected Party any other condition or expense (including, without limitation, (i) loss of margin and (ii) attorneys' fees and expenses incurred by officers or employees of an Affected Party (or any successor thereto) and expenses of litigation or preparation therefor in contesting any of the foregoing) with respect to this Agreement or any of the other Loan Documents or the purchase, maintenance or funding of the Loans by an Affected Party,

and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, reduce the rate of return on capital of, or impose any expense (including loss of margin) upon, an Affected Party with respect to this Agreement, any of the other Loan Documents, the obligations hereunder or thereunder or the funding of the Loans hereunder, the Affected Party may notify the Borrower of the amount of such increase, reduction, or imposition, and the Borrower hereby agrees to pay to the Affected Party the amount the Affected Party deems necessary to compensate the Affected Party for such increase, reduction or imposition which determination shall be conclusive. Such amounts shall be due and payable by the Borrower 15 days after such notice is given.

Section 10.6. Survival of Indemnification. The provisions contained in this Article X shall remain in full force and effect whether or not any of the transactions contemplated hereby are

consummated and notwithstanding the termination of this Agreement or the payment in full of all Obligations hereunder.

Section 10.7. Liability Not Exclusive; Payments. The agreements of each Person in this Article X shall be in addition to any liability that each may otherwise have. All amounts due under this Article X shall be payable as incurred upon written demand therefor.

ARTICLE XI.

THE ADMINISTRATIVE AGENTS; THE ARRANGERS

Section 11.1. Appointment. Each Lender hereby irrevocably designates and appoints each Administrative Agent to act as an agent of such Lender under this Agreement and the other Loan Documents, and each such Lender irrevocably authorizes each Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agents by the terms of this Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agents shall have no duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender or other Administrative Agents, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Administrative Agents.

Section 11.2. Delegation of Duties. The Administrative Agents may execute any of their duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to the advice of counsel concerning all matters pertaining to such duties. The Administrative Agents shall not be responsible for the negligence or misconduct of any agents or attorneys in-fact selected by them with reasonable care.

Section 11.3. Exculpatory Provisions. Neither any of the Administrative Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Loan Document (except for its own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by the Borrower or any of its Subsidiaries or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement, opinion or other document referred to or provided for in, or received by the Administrative Agents under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of the Borrower or any of its Subsidiaries to perform its obligations hereunder or thereunder. The Administrative Agents shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of the Borrower or any of its Subsidiaries.

Section 11.4. Reliance by the Administrative Agents. The Administrative Agents shall be entitled to rely, and shall be fully protected in relying, upon any Term Note, writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without

limitation, counsel to the Borrower or any of its Subsidiaries), independent accountants and other experts selected by the Administrative Agents. The Administrative Agents may deem and treat the payee of the Term Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agents. The Administrative Agents shall be fully justified in failing or refusing to take any action under this Agreement or any other Loan Document unless they shall first receive such advice or concurrence of the Majority Lenders as they deem appropriate or they shall first be indemnified to their satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agents shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Loan Documents in accordance with a request of the Majority Lenders, and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

Section 11.5. Notice of Default. The Administrative Agents shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agents have received notice from a Lender, the Borrower or any of its Subsidiaries referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default." In the event that any of the Administrative Agents receives such a notice, the Administrative Agents shall give prompt notice thereof to the Lenders. The Administrative Agents shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Majority Lenders; provided that unless and until the Administrative Agents shall have received such directions, the Administrative Agents may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders.

Section 11.6. Non-Reliance on the Administrative Agents and Other Lenders. Each Lender expressly acknowledges that none of the Administrative Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agents hereafter taken, including any review of the affairs of the Borrower or any of its Subsidiaries, shall be deemed to constitute any representation or warranty by the Administrative Agents to any Lender. Each Lender represents to the Administrative Agents that it has, independently and without reliance upon the Administrative Agents or any other Lenders, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition, prospects and credit worthiness of the Borrower and its Subsidiaries and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender confirms that it is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act. Each Lender also represents that it will, independently and without reliance upon the Administrative Agents or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition, prospects and credit worthiness of the Borrower and its Subsidiaries. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agents hereunder, the Administrative Agents shall have no any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, financial or other condition, prospects or credit worthiness of the Borrower or any of its Subsidiaries which may come into the possession of the

Administrative Agents or any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 11.7. Indemnification. The Lenders agree to indemnify each of the Administrative Agents in its capacity as such (to the extent not reimbursed by the Borrower or any of its Subsidiaries and without limiting the obligation of the Borrower and any of its Subsidiaries to do so), ratably according to their respective Commitments in effect on the date on which indemnification is sought, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time (include, without limitation, at any time following the payment of the Loans) be imposed on, incurred by or asserted against any of the Administrative Agents in any way relating to or arising out of, the Commitments, this Agreement, any other Loan Document or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agents under or in connection with any of the foregoing, provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting solely from the gross negligence or willful misconduct of an Administrative Agent. The agreements in this subsection shall survive the payment of the Loans and all other Obligations payable hereunder.

Section 11.8. Administrative Agents, in their Individual Capacities. Each Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower as though such Administrative Agent were not acting in such capacities hereunder and under the other Loan Documents. With respect to the Loans made or renewed by it and the Term Note issued to it such Administrative Agent shall have the same rights and powers under this Agreement and the other Loan Documents as any Lender and may exercise the same as though it were not an Administrative Agent, and the terms "Lender" and "Lenders" shall include each Administrative Agent in its individual capacity.

Section 11.9. Successor Administrative Agents. Each Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders. If all Administrative Agents shall resign as Administrative Agent under this Agreement and the other Loan Documents then the Majority Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent (provided that it shall have been approved by the Borrower), shall succeed to the rights, powers and duties of the Administrative Agents, hereunder. Effective upon such appointment and approval, the term "Administrative Agents" shall mean and include such successor agent, and the former Administrative Agents' rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agents any of the parties to this Agreement or any holders of the Loans. After any retiring Administrative Agent's resignation as Administrative Agent the provisions of this Article XI shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Loan Documents.

Section 11.10. Successor Administrative Agent. Except as expressly set forth herein, the Arrangers, in their capacity as such, shall have no duties or responsibilities, and shall incur no liabilities, under this Agreement or the other Loan Documents.

ARTICLE XII.

MISCELLANEOUS

Section 12.1. Expenses; Documentary Taxes. The Borrower agrees to pay (a) all reasonable out-of-pocket expenses incurred by the Lenders (including, without limitation, expenses incurred in connection with due diligence by the Lenders) associated with the preparation, execution and delivery, administration, waiver, enforcement or modification and enforcement of the documentation contemplated hereby and (b) the reasonable fees and disbursements of Latham & Watkins, legal counsel to the Lenders, in connection with the transactions contemplated herein, including in each case those incurred prior to the date hereof. The Borrower hereby agrees to indemnify the Lenders against any transfer taxes, documentary taxes, assessments or charges made by any Governmental Entity by reason of the execution and delivery, or the terms, of this Agreement or any of the other Loan Documents.

Section 12.2. Notices. All notices and other communications pertaining to this Agreement or any Term Note shall be in writing and shall be delivered (a) in Person (with receipt acknowledged), (b) by facsimile (confirmed immediately in writing by a copy mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as hereafter set forth), (c) by registered or certified mail, return receipt requested, postage prepaid, or (d) by overnight courier, addressed as follows:

(i) If to the Arrangers and/or Administrative Agents, to them at:

Goldman Sachs Credit Partners L.P.
c/o Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004
Attention: John Makrinos
Facsimile No.: (212) 357-4597

Salomon Brothers Holding Company Inc.
c/o Salomon Smith Barney
333 West 34th Street, 4th Floor
New York, NY 10001
Attention: Michael Braithwaite
Facsimile No.: (212) 615-7715

Credit Suisse First Boston
11 Madison Avenue
New York, NY 10010
Attention: Todd Morgan
Facsimile No.: (212) 325-8314

with a copy to:

Latham & Watkins
885 Third Avenue, Suite 1000
New York, New York 10022
Attention: Kirk A. Davenport
Facsimile No.: (212) 751-4864

(ii) If to any Lender, to it at its address set forth on the signature pages hereto:

(iii) If to the Borrower, to it at:

Crown Castle International Corp.
510 Bering Drive
Suite 500
Houston, Texas 77057
Attention: Charles C. Green, III
Facsimile No.: (713) 570-3150

with a copy to:

Cravath, Swaine & Moore
Worldwide Plaza
825 8th Avenue
New York, New York 10019
Attention: Stephen L. Burns
Facsimile No.: (212) 474-3700

or to such other Person or address as shall be furnished in writing delivered to the other parties in compliance with this Section 12.2.

Section 12.3. Consent to Amendments and Waivers.

(a) Except as provided in Section 4.21 and 12.3(b), this Agreement and the Term Notes may be amended or supplemented with the consent of the Borrower and the Majority Lenders and any existing default or compliance with any provision of this Agreement or the Term Notes may be waived with the consent of the Majority Lenders. Term Notes held by the Borrower or any of its Affiliates will not be deemed to be outstanding for purposes of this Section 12.3.

(b) Notwithstanding the provisions of Section 12.3(a) and in addition to the provisions of Section 4.21, without the consent of each Lender affected thereby, an amendment or waiver may not: (i) reduce the principal amount of any Loan, (ii) change the fixed maturity of any Loan, (iii) reduce the rate of or change the time for payment of interest on any Loan, (iv) waive a Default or Event of Default in the payment of principal of, or premium, fees or interest, if any, on the Loans or any other amounts payable under any of the Loan Documents, (v) make any Loan payable in money other than that stated in the applicable Loan, (vi) make any change in the provisions of this Agreement relating to the rights of Lenders to receive (A) prepayments on, or (B) payments of principal of, premium, if any, or fees or interest on, the Loans, (vii) make any change to the provisions of Article VII that would adversely affect the rights of any Lender or (viii) make any change in the foregoing amendment and waiver provisions.

(c) The Borrower shall not and shall not permit any of its Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fee or otherwise, to any Lender for or as an inducement to any consent, waiver or amendment permitted by Section 12.3(a) unless such consideration is offered to be paid and is paid to all Lenders that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or amendment.

Section 12.4. Parties. This Agreement shall inure to the benefit of and be binding upon the Borrower, the Affected Parties and each of their respective successors and assigns. Except as expressly in this Agreement, nothing expressed or mentioned in this Agreement is intended or shall be construed to give any other Person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. Except as expressly provided in this Agreement, this Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Affected Parties and their respective successors and assigns, and for the benefit of no other Person.

Section 12.5. New York Law; Submission to Jurisdiction; Waiver of Jury Trial. THIS AGREEMENT AND THE TERM NOTES SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. THE BORROWER AND EACH OF THE LENDERS HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK AND OF ANY NEW YORK STATE COURT SITTING IN NEW YORK CITY (EACH, A "NEW YORK COURT") FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THE TERM NOTES, THIS AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY. THE BORROWER AND EACH OF THE LENDERS IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE BORROWER AND EACH OF THE LENDERS IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE TERM NOTES, THIS AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 12.6. Replacement Notes. If any Term Note becomes mutilated and is surrendered by the applicable Lender to the Borrower, or if any Lender claims that any of its Term Notes has been lost, destroyed or wrongfully taken, the Borrower shall execute and deliver to such Lender a replacement Term Note, upon the delivery by such Lender of an indemnity to the Borrower reasonably satisfactory to its counsel to save it and any agent of it harmless in respect of such loss, destruction or wrongful taking with respect to such Term Note.

Section 12.7. Appointment of Agent For Service.

The Borrower designates and appoints _____ and such other Persons as may irrevocably agree in writing to serve as their respective agent to receive on their behalf service of all process in any proceedings in any New York Court, such service being hereby acknowledged by the Borrower to be effective and binding in every respect. If any agent appointed by a the Borrower refuses to receive and forward such service, that the Borrower hereby agrees that service upon it by mail shall constitute sufficient service.

Section 12.8. Marshalling; Recapture. None of the Administrative Agents nor any Lender shall be under any obligation to marshall any assets in favor of the Borrower or any other party or against or in payment of any or all of the Obligations. To the extent any Lender receives any payment by or on behalf of the Borrower, which payment or any part thereof is subsequently invalidated, declared to

be fraudulent or preferential, set aside or required to be repaid to the Borrower or its estate, trustee, receiver, custodian or any other party under any Bankruptcy Law, state or federal law, common law or equitable cause, then, to the extent of such payment or repayment, the obligation or part thereof which has been paid, reduced or satisfied by the amount so repaid shall be reinstated by the amount so repaid and shall be included within the liabilities of Borrower to such Lender as of the date such initial payment, reduction or satisfaction occurred.

Section 12.9. Limitation of Liability. No claim may be made by the Borrower or any other Person against any Administrative Agent or any Lender or the Affiliates, directors, officers, employees, attorneys or agents of any of them for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any theory of liability arising out of or related to the transactions contemplated by this Agreement or the other Loan Documents, or any act, omission or event occurring in connection therewith; and the Borrower hereby waives, releases and agrees not to sue and shall cause each of its respective Subsidiaries to waive, release or agree not to sue (if required), upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

Section 12.10. Independence of Covenants. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or be otherwise within the limitations of, another covenant shall not avoid the occurrence of a Default or Event of Default if such action is taken or condition exists.

Section 12.11. Currency Indemnity. The Borrower acknowledges and agrees that this is a credit transaction where specification of dollars is of the essence and dollars shall be the currency of account and payment in all events. If, pursuant to a judgment or for any other reason, payment shall be made in another currency and such payment, after prompt conversion to dollars and transfer to New York City in accordance with normal banking procedures, falls short of the sum due the Lenders in dollars, the Borrower shall pay the Lender such shortfall and the Lenders shall have a separate cause of action for such amount.

Section 12.12. Waiver of Immunity. To the extent that the Borrower has or hereafter may acquire any immunity from:

(a) the jurisdiction of any court of (i) any jurisdiction in which the Borrower owns or leases property or assets or (ii) the United States, the State of New York or any political subdivision thereof; or

(b) from any legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property and assets, this Agreement, any Loan Document or actions to enforce judgments in respect of any thereof,

it hereby irrevocably waives such immunity in respect of its obligations under the above-referenced document.

Section 12.13. Freedom of Choice. The submission to the jurisdiction of the courts referred to in this Article XII shall not (and shall not be construed so as to) limit the right of any Lender to take proceedings against the Borrower in the courts of any country in which the Borrower has assets or

in any other court of competent jurisdiction nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

Section 12.14. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all covenants and agreements of the Borrower in this Agreement shall bind their respective successors and assigns. The Borrower may not assign or transfer any of its rights or obligations hereunder (by operation of law or otherwise) without the prior written consent of the Majority Lenders. Any assignment by any Lender must be made in compliance with Article VI hereof.

Section 12.15. Merger. This Agreement constitutes the entire contract among the parties relating to the subject matter hereof and supersedes any and all previous agreements among the parties relating to the subject matter hereof, except for those provisions in the Fee Letter and the Engagement Letter that are in addition to the provisions contained herein.

Section 12.16. Severability Clause. In case any provision in this Agreement or any Term Note shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective in such jurisdiction only to the extent of such invalidity, illegality or unenforceability.

Section 12.17. Representations, Warranties and Agreements To Survive Delivery. All representations, warranties and agreements contained in or incorporated into this Agreement, or contained in Officers' Certificates submitted pursuant hereto, shall remain operative and in full force and effect until all Obligations under all of the Loan Documents have been repaid in full, regardless of any investigation made by or on behalf of the Lenders or any controlling Person of the Lenders, or by or on behalf of the Borrower or any controlling Person of the Borrower, and shall survive delivery of the Term Notes.

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

Crown Castle International Corp.

By: /s/ Charles C. Green, III

Name: Charles C. Green, III
Title: Executive Vice President and Chief Financial Officer

Goldman Sachs Credit Partners L.P.	Powertel Commitment:	$16,666,666.67
	Bell South Commitment:	16,666,666.67
	Total Commitment:	$33,333,333.34

By: Goldman, Sachs & Co.,
the General Partner

By: /s/ Stephen B. King

Name: Stephen B. King
Title:

Wire Transfer Instructions:

Name of Bank: Chase Manhattan Bank, N.A.
Address: One New York Plaza
New York, NY 10081
ABA#: 021000021
For the account of: Goldman, Sachs & Co.
Account No.: 930-1-011483
For further credit to Goldman Sachs Credit Partners L.P.
Reference: Crown Castle International Corp. Term Loans
Attention: Allen Rodriguez
Telephone:

Salomon Brothers Holding Company Inc.

Powertel Commitment:	$16,666,666.67
Bell South Commitment:	16,666,666.66
Total Commitment:	$33,333,333.33

By: /s/ Steven M. Jones

Name: Steven M. Jones
Title: Managing Director

Wire Transfer Instructions

Name of Bank: First National Bank of Chicago
Address: Chicago, IL
ABA# 071-000-013
For the account of Salomon Brothers Inc
Account No.: 5143322
For further credit to Salomon Brothers Holding Company Inc
Reference: CROWN CASTLE, Bankloan Dept.
Attention: Frank Albanese
Telephone:

Credit Suisse First Boston	Powertel Commitment:	$16,666,666.66
	Bell South Commitment:	16,666,666.67
	Total Commitment:	$33,333,333.33

By: /s/ Marisa J. Harney

Name: Marisa J. Harney
Title: Director

By: /s/ Judith E. Smith

Name: Judith E. Smith
Title: Director

Wire Transfer Instructions

Name of Bank: The Bank of New York
Address: One Wall Street,
New York, NY 10005
ABA#: 021 000 018
For the account of CSFB NY Loan Clearing
Account No.: 890-0329-262
For further credit to Credit Suisse First Boston
Reference: CROWN CASTLE INTERNATIONAL CORP.
Attention: Nirmala Durgana
Telephone: 212-322-1429

Exhibit A

FORM OF

ASSIGNMENT AND ACCEPTANCE

Reference is made to the Term Loan Agreement, dated as of March 15, 1999 (as amended, supplemented or otherwise modified from time to time, the "Term Loan Agreement"), by and among Crown Castle International Corp., a Delaware corporation (the "Borrower"), and Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston (Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston are herein called the "Lenders"), as Arrangers for the Lenders (Salomon Brothers Holding Company Inc. and Credit Suisse First Boston in such capacity, the "Administrative Agents"). Unless otherwise defined herein, terms defined in the Term Loan Agreement and used herein shall have the meanings given to them in the Term Loan Agreement.

The Assignor identified on Schedule I hereto (the "Assignor") and the Assignee identified on Schedule I hereto (the "Assignee") agree as follows:

1. The Assignor hereby irrevocably sells and assigns to the Assignee without recourse to the Assignor, and the Assignee hereby irrevocably purchases and assumes from the Assignor without recourse to the Assignor, as of the Effective Date (as defined below), the percentage interest described in Schedule 1 hereto (the "Assigned Interest") in and to the Assignor's rights and obligations under the Term Loan Agreement (the "Assigned Facilities"), in a principal amount for the Assigned Facilities as set forth on Schedule I hereto.

2. The Assignor (a) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Term Loan Agreement or with respect to the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Term Loan Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto, other than that the Assignor has not created any adverse claim upon the interest being assigned by it hereunder and that such interest is free and clear of any such adverse claim: (b) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower, any of its Subsidiaries or any other obligor or the performance or observance by the Borrower, any of its Subsidiaries or any other obligor of any of their respective obligations under the Term Loan Agreement or any other Loan Document or any other instrument or document furnished pursuant hereto or thereto; and (c) attaches any Term Notes held by it evidencing the Assigned Facilities and (i) requests that the Administrative Agents, upon request by the Assignee, exchange the attached Term Notes for a new Term Note or Term Notes payable to the Assignee and (ii) if the Assignor has retained any interest in the Assigned Facility, requests that the Administrative Agents exchange the attached Term Notes for a new Term Note or Term Notes payable to the Assignor, in each case in amounts which reflect the assignment being made hereby (and after giving effect to any other assignments which are effective on the Effective Date).

3. The Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment and Acceptance; (b) confirms that it has received a copy of the Term Loan Agreement, and all schedules and exhibits thereto together with copies of the financial information delivered pursuant to subsection 3.10 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (c) agrees that it will, independently and without reliance upon the Assignor, the Administrative Agents or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Term Loan

Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agents to take such action as agent on its behalf and to exercise such powers and discretion under the Term Loan Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agents by the terms thereof, together with such powers as are incidental thereto; (e) agrees that it will be bound by the provisions of the Term Loan Agreement and will perform in accordance with its terms all the obligations which by the terms of the Term Loan Agreement are required to be performed by it as a Lender; and (f) agrees that it shall have no recourse against the Assignor with respect to any matters relating to the Term Loan Agreement, the other Loan Documents or any others instrument or documents furnished pursuant hereto or thereto.

4. The Assignor hereby assigns to Assignee all of its rights and obligations under the Fee Letter with respect to the Assigned Interest.

5. The effective date of this Assignment and Acceptance shall be the Effective Date of Assignment described in Schedule I hereto (the "Effective Date"). Following the execution of this Assignment and Acceptance, it will be delivered to the Administrative Agents for acceptance by them and recording by the Administrative Agents pursuant to Section 6.7 of the Term Loan Agreement, effective as of the Effective Date (which shall not, unless otherwise agreed to by the Administrative Agents, be earlier than five Business Days after the date of such acceptance and recording by the Administrative Agents).

6. Upon such acceptance and recording, from and after the Effective Date, the Administrative Agents shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to the Effective Date and to the Assignee for amounts which have accrued subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agents for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

7. From and after the Effective Date, (a) the Assignee shall be a party to the Term Loan Agreement and the Fee Letter and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and under the other Loan Documents and shall be bound by the provisions thereof and (b) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Term Loan Agreement and the Fee Letter.

8. THIS ASSIGNMENT AND ACCEPTANCE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed as of the date first above written by their respective duly authorized officers on Schedule I hereto.

Schedule 1

to Assignment and Acceptance

Name of Assignor: _____

Name of Assignee: _____

Effective Date of Assignment: _____

Credit Facility Assigned	Principal Commitment Amount Assigned	Commitment Percentage Assigned/1/
	$_____	_____ . _____%

1. Calculate the Commitment Percentage that is assigned to at least 9 decimal places and show as a percentage of the aggregate commitments of all Lenders

[Name of Assignee]

By: _____
Name
Title:

[Name of Assignor]

By:_____
Name:
Title:

Accepted:

Salomon Brothers Holding Company Inc.

By:_____
Name:
Title:

Credit Suisse First Boston

By:_____
Name:
Title:

By:_____
Name:
Title:

as Administrative Agents

Exhibit B

No. I-__ New York, New York
$_____ _____, _____

SENIOR TERM NOTE

FOR VALUE RECEIVED, the undersigned, Crown Castle International Corp. (the "Borrower"), promises to pay to the order of _____, or its registered assigns (the "Holder"), the principal amount of _____ Dollars ($_____), and to pay interest from the date hereof on the unpaid principal amount hereof from time to time outstanding, at the rates per annum and on the dates specified in that certain Term Loan Agreement, dated as of March 15, 1999, among the Borrower, Goldman Sachs Credit Partners L.P., Salomon Brothers Holding Company Inc. and Credit Suisse First Boston (as amended, restated and/or otherwise modified from time to time, the "Term Loan Agreement"). Terms used herein and not otherwise defined have the meanings assigned to them in the Term Loan Agreement.

The unpaid principal balance of this Term Note, together with all accrued and unpaid interest thereon, shall become due and payable on the Maturity Date.

The Borrower promises to pay interest on demand, to the extent permitted by law, on any overdue principal and interest from their due dates at the rate per annum as specified in Section 2.3(d) of the Term Loan Agreement.

All payments of the principal of and premium and interest on this Term Note shall be made in money of the United States of America that at the time of payment is legal tender for the payment of public and private debts, by transfer of immediately available funds into a bank account designated by the Holder in writing to the Borrower; provided, however, that notwithstanding anything contained in the Term Loan Agreement or any of the Term Notes to the contrary, in no event shall the interest rate hereon for any period of computation exceed a rate per annum equal to the lesser of 16% and the maximum interest rate permitted by applicable law.

The Borrower agrees to pay, upon demand, all reasonable out-of-pocket expenses (including, without limitation, the reasonable fees and disbursements of legal counsel to the Holder) associated with the waiver, enforcement or modification of the Term Loan Agreement or this Term Note.

The Borrower hereby waives diligence, presentment, demand, protest and notice of any kind whatsoever. The nonexercise by the Holder of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

This Term Note is one of the Term Notes referred to in the Term Loan Agreement, which Agreement, among other things, contains provisions for the acceleration of the maturity hereof upon the happening of certain events, for optional and mandatory prepayment in full of the principal hereof prior to maturity and for the amendment or waiver of certain provisions of the Term Loan Agreement, all upon the terms and conditions therein specified. In the event of any conflict between the provisions of this Term Note and the Term Loan Agreement, the provisions of the Term Loan Agreement shall govern.

THIS SECURITY WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT UNDER SECTION 1273 OF THE INTERNAL REVENUE CODE. YOU MAY CONTACT WESLEY CUNNINGHAM, VICE PRESIDENT, CORPORATE CONTROLLER AND CHIEF ACCOUNTING OFFICER OF CROWN CASTLE INTERNATIONAL CORP., 510 BERING DRIVE, SUITE 500, HOUSTON, TEXAS, 77057, TELEPHONE NUMBER: (713) 570-3000, FACSIMILE NUMBER: (713) 570-3100 WHO WILL

PROVIDE YOU WITH ANY REQUIRED INFORMATION REGARDING THE ORIGINAL ISSUE DISCOUNT.

THIS TERM NOTE SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the Borrower has caused this Term Note to be signed in its corporate name by its duly authorized officer and to be dated as of the day and year first above written.

CROWN CASTLE INTERNATIONAL CORP.

By: _____
Name:
Title:

[Back of Term Note]

OPTION OF HOLDER TO ELECT PREPAYMENT UPON CHANGE OF CONTROL

If you want to elect to have this Term Note prepaid by the Borrower pursuant to Section 4.15 of the Term Loan Agreement check the box below.

[ ] Please prepay the entire amount of this Term Note

If you want to elect to have only part of this Term Note prepaid by the Borrower pursuant to Section 4.15 of the Term Loan Agreement, state the amount you elect to have purchased: $_____.

Date: _____

Your Signature:

_____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No. _____

Signature Guarantee:

_____

Exhibit F-1

FORM OF OPINION OF CRAVATH, SWAINE & MOORE

1. Based solely on certificates from the Secretary of State of the State of Delaware, each of the Borrower, CCI, CC Investment, CC Investment II and CCAIC is a corporation validly existing and in good standing under the laws of the State of Delaware, with full corporate power and authority to own, lease and operate its properties and conduct its businesses in which it is now engaged and as are expressly contemplated by the Loan Documents and the Acquisition Agreements.

2. Based solely on certificates from the Secretary of State of the applicable jurisdiction, each of the Borrower, CCI, CC Investment, CC Investment II and CCAIC is duly registered and qualified as a foreign corporation to transact business and is in good standing in each jurisdiction listed in the officer's certificate of the Borrower attached as Schedule A hereto.

3. The Borrower has all requisite power and authority to enter into each of the Loan Documents and the Acquisition Agreements to which it is a party and to perform its obligations thereunder.

4. Each of the Loan Documents to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower, and constitutes a legal, valid and binding obligation, agreement or instrument, as the case may be, of the Borrower, enforceable against the Borrower in accordance with its respective terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

5. The Term Loan Agreement has been duly authorized, executed and delivered by the Borrower, and constitutes a legal, valid and binding agreement of the Borrower, enforceable against the Borrower in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

6. The Term Notes have been duly authorized, executed and delivered by the Borrower, and constitute legal, valid and binding obligations of the Borrower entitled to the benefits of the Term Loan Agreement and enforceable against the Borrower in accordance with their terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

7. The Registration Rights Agreement has been duly authorized, executed and delivered by the Borrower and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a legal, valid and binding agreement of the Borrower, enforceable against the Borrower in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

8. The Escrow Agreement has been duly authorized, executed and delivered by the Borrower and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a legal, valid and binding agreement of the Borrower, enforceable against the Borrower in

accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

9. The Exchange Note Indenture has been duly authorized, executed and delivered by the Borrower and, assuming due authorization, execution and delivery by the Exchange Note Trustee, constitutes a legal, valid and binding agreement of the Borrower, enforceable against the Borrower in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

10. The Exchange Notes have been duly authorized, executed and delivered by the Borrower and, assuming due authentication in accordance with the terms of the Exchange Indenture by the Exchange Trustee, upon delivery to the holders of Term Loans in exchange for Term Notes, will have been validly issued and delivered and will constitute legal, valid and binding obligations of the Borrower entitled to the benefits of the Exchange Indenture and enforceable against the Borrower in accordance with their terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law).

11. No registration of the Term Loans, the Term Notes or the Exchange Notes under the Securities Act of 1933, as amended, is required for the funding of the Term Loans and the issuance of the Term Notes and the Exchange Notes, in each case, in the manner contemplated by the Term Loan Agreement and the Escrow Agreement, as applicable. We express no opinion, however, as to when or under what circumstances the Term Loans, the Term Notes or the Exchange Notes subsequently may be resold. No qualification of the Exchange Note Indenture under the Trust Indenture Act of 1939, as amended, is required prior to the effectiveness of the Shelf Registration Statement (as such term is defined in the Registration Rights Agreement).

12. Each of the Acquisition Agreements has been duly authorized by the Board of Directors of each of the parties thereto (and by any required shareholder action), has been duly executed and delivered by the other parties thereto, and constitutes a legal, valid and binding obligation, agreement or instrument, as the case may be, of the parties thereto, enforceable against the parties thereto in accordance with its terms (subject to applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws affecting creditors' rights generally from time to time in effect and to general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether considered in a proceeding in equity or at law). [Prior to the closing of any Acquisition, this opinion may be rendered with respect to the Borrower only. To the extent that any Acquisition has closed and the Borrower has received an opinion of counsel from the other parties thereto, Borrower's counsel shall render this opinion including the opinion with respect to such other parities based upon such other opinion of counsel.]

13. No authorization, approval or other action by, and no notice to, consent of, order of, or filing with, any United States Federal, new York or, to the extent required under the General Corporation Law of the State of Delaware, Delaware governmental authority or regulatory body is required for the consummation of the transactions contemplated by the Loan Documents, except such as have been obtained or made on or prior to the date hereof, such as may be required in connection with

the registration under the Act of the Exchange Notes in accordance with the Registration Rights Agreement and such as to which the failure to be obtained or made would not, individually or in the aggregate, have a Material Adverse Effect.

14. Neither the execution or delivery of, nor performance by the Borrower of its obligations under, the Transaction Documents (as defined in the Term Loan Agreement) (i) will conflict with, result in a breach of, or constitute a default under the Restated Certificate of Incorporation or By-laws of the Borrower, (ii) will conflict with, result in a breach of, or constitute a default under the terms of any agreement or instrument listed on the officer's certificate of the Company attached as Schedule A hereto (the "Material Agreements"), or (iii) will contravene any law, rule or regulation of the United States or the State of New York or the General Corporation Law of the State of Delaware, or, to our knowledge, any order or decree of any court or government agency or instrumentality or will result in the creation or imposition of any Lien upon any property or assets of the Borrower, CCI, CC Investments, CC Investments II or CCAIC pursuant to the terms of any Material Agreement, except in the case of clauses (ii) and (iii), such breaches, conflicts or defaults that, individually or in the aggregate, would not have a Material Adverse Effect. In connection with the foregoing, we point out that certain of the Material Agreements are or may be governed by laws other than the laws of the State of New York. For purposes of the opinion expressed in this paragraph, however, we have assumed that all such agreements are governed by and would be interpreted in accordance with the laws of the State of New York.

15. The Borrower is not and, upon the issuance of the Term Notes and the Exchange Notes and the application of the net proceeds to the Borrower of such issuance, will not be an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

The foregoing opinions are qualified as follows:

(i) We express no opinion with respect to the enforcement of any provision of any agreement providing for indemnification or contribution to the extent contrary to or inconsistent with public policy.

(ii) With respect to our opinion in paragraphs (13) and (14), in determining whether any of the matters referred to would have a Material Adverse Effect, we have relied on statements from officers and directors of the Borrower as to the anticipated consequences of those matters and have not independently attempted to verify such consequences.

We are admitted to the practice of law in the State of New York, and we express no opinion as to any matters governed by any law other than the law of the State of New York, the General Corporation Law of the State of Delaware and the Federal law of the United States of America.

Exhibit F-2

FORM OF OPINION OF NORTON ROSE

1. CTI was duly incorporated on 9 May 1996 under the Companies Act 1985 as a private limited company. CTSH was duly incorporated on 27 August 1996 as a private limited company. A certificate of good standing in respect of each of the Companies issued by the Companies Registration Office on _____, is attached.

2. by a Certificate of Incorporation on Change of Name issued on 21 March 1997 CTI changed its name to Castle Transmission International Ltd. By a Certificate of Incorporation on Change of Name issue don 25 February 1997, CTSH changed its name to Castle Transmission Services (Holdings) Ltd.; and

3. CTI is empowered by its Memorandum of Association to conduct its business as described in the Offering Memorandum.

Exhibit F-3

FORM OF OPINION OF GENERAL COUNSEL

1. Except as set forth on Schedule 3.13 to the Term Loan Agreement, to my actual knowledge, there are no legal or governmental proceedings pending or threatened against the Borrower or any of its subsidiaries, or to which any of their respective properties is subject, that are reasonably likely to have a Material Adverse Effect or to materially affect the consummation of the transactions contemplated in the Transaction Documents

2. To my actual knowledge, neither the Borrower nor any Subsidiary (i) is in default (which default has not been waived) under any agreement, document or instrument to which it is a party or by which it or any of its assets is bound or (ii) is in violation of any law, rule, regulation, judgment, writ, determination, order, decree or arbitral award to which the Borrower or any Subsidiary is a party or by which the Borrower or any Subsidiary or any of their respective properties is bound, which default or violation, as the case may be, would constitute a Default or Event of Default under the Term Loan Agreement or otherwise could reasonably be likely to have a Material Adverse Effect.

Schedule 3.10(a)

Consolidated Balance Sheet and

Consolidated Statements of Income and Cash Flows

of the Borrower

[Attached]

Schedule 3.10(b)

Statement of Net Assets and Statements of Revenues and Direct Expenses

of the Bell Atlantic Mobile Tower Operations

[Attached]

Schedule 3.10(c)

Consolidated Balance Sheet and Statement of Revenues and Direct Expenses

of the operations acquired pursuant to the Powertel Acquisition

[Attached]

Schedule 3.10(d)

Unaudited Statement of Income of the assets

acquired pursuant to the Bell South Letter Agreement

[Attached]

Schedule 3.10(e)

Pro Forma Consolidated Balance Sheet and

Consolidated Statements of Income and Cash Flows

of the Borrower

[Attached]

Schedule 3.13

Absence of Proceedings

Such proceedings as may be required:

1. pursuant to the HSR Act;

2. in connection with the formation and qualification of the BAM Joint Venture and its subsidiary joint ventures;

3. in connection with the qualification of CCP Inc. in various jurisdictions in order to consummate the Powertel Acquisition; and

4. in connection with the formation and qualification of subsidiaries to consummate the Bell South Acquisition.

EXHIBIT 11

CROWN CASTLE INTERNATIONAL CORP.

COMPUTATION OF NET LOSS
PER COMMON SHARE
(IN THOUSANDS OF DOLLARS, EXCEPT PER SHARE AMOUNTS)

	HISTORICAL				PRO FORMA
	YEARS ENDED DECEMBER 31,				YEAR ENDED DECEMBER 31,
	1995	1996	1997	1998	1998
Net loss	$ (21)	$ (957)	$(11,942)	$(37,775)	$(103,294)
Dividends on preferred stock	--	--	(2,199)	(5,411)	(26,745)
Net loss applicable to common stock for basic and diluted computations	$ (21)	$ (957)	$(14,141)	$(43,186)	$(130,039)
Weighted-average number of common shares outstanding during the period for basic and diluted computations (in thousands)	3,316	3,503	6,238	42,518	
Loss per common share-- basic and diluted	$(0.01)	$(0.27)	$ (2.27)	1.02	$

EXHIBIT 12

CROWN CASTLE INTERNATIONAL CORP.

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(DOLLARS IN THOUSANDS)

	HISTORICAL			
	YEARS ENDED DECEMBER 31,			
	1995	1996	1997	1998
Computation of Earnings:				
Income (loss) before income taxes and minority interests	$ (21)	$ (947)	$(11,893)	$(35,747)
Add:				
Fixed charges (as computed below)	1,214	1,912	9,825	32,296
Equity in losses (earnings) of unconsolidated affiliate	--	--	(1,138)	(2,055)
	$ 1,193	$ 965	$ (930)	$ (5,506)
Computation of Fixed Earnings:				
Interest expense	$ 1,101	$ 1,748	$ 7,095	$ 11,179
Amortization of deferred financing costs and discount on long-term debt	36	55	2,159	17,910
Interest component of operating lease expense	77	109	571	3,207
	$ 1,214	$ 1,912	$ 9,825	$ 32,296
Ratio of Earnings to Fixed Charges	--	--	--	--
Fixed charge Coverage Deficiency	$ 21	$ 947	$10,755	37,802

	PRO FORMA
	YEAR ENDED DECEMBER 31, 1998
.....	
Computation of Earnings:	
Income (loss) before income taxes and minority interests	$ (104,227)
Add:	
Fixed charges (as computed below)	101,484
Equity in losses (earnings) of unconsolidated affiliate	--
	$ (2,743)
Computation of Fixed Earnings:	
Interest expense	40,360
Amortization of deferred financing costs and discount on long-term debt	48,699
Interest component of operating lease expense	12,425
	$ 101,484
Ratio of Earnings to Fixed Charges	--
Fixed charge Coverage Deficiency	$ 104,227

EXHIBIT 21

CROWN CASTLE INTERNATIONAL CORP. SUBSIDIARIES*

Crown Communication Inc., a Delaware corporation (d/b/a Crown Communications, CrownCom)

Castle Transmission Services (Holdings) Ltd, an England and Wales company (unrestricted)

Crown Castle do Brasil Ltda, a Brazilian limited liability company

Crown Castle Investment Corp., a Delaware corporation (unrestricted)

Crown Castle Investment Corp. II, a Delaware corporation (unrestricted)

Crown Castle Australia Limited, an Australian limited liability company

*direct subsidiaries of CCIC, does not include second tier subs of the above-listed corporations

This schedule contains summary financial information extracted from the company's consolidated balance sheet and consolidated statement of operations and is qualified in its entirety by reference to such consolidated financial statements together with the related footnotes thereto.

1,000
U.S. DOLLARS

YEAR	
	DEC-31-1998
	JAN-01-1998
	DEC-31-1998
	1
	296,450
	0
	33,665
	1,535
	6,599
	342,116
	615,374
	22,780
	1,523,230
	92,887
	429,710
	201,063
	0
	944
	736,618
1,523,230	
	0
	113,078
	0
	47,818
	78,193
	0
	29,089
	(35,747)
	374
	(37,775)
	0
	0
	0
	(37,775)
	(1.02)
	(1.02)