
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): September 2, 2013

VERIZON COMMUNICATIONS INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1-8606
(Commission
File Number)

23-2259884
(I.R.S. Employer
Identification No.)

140 West Street
New York, New York
(Address of principal executive offices)

10007
(Zip Code)

Registrant's telephone number, including area code: (212) 395-1000

Not Applicable
Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01. Entry into a Material Definitive Agreement.

Stock Purchase Agreement

On September 2, 2013, Verizon Communications Inc. (“Verizon”) entered into a stock purchase agreement (the “Stock Purchase Agreement”) with Vodafone Group Plc (“Vodafone”) and Vodafone 4 Limited (“Seller”), pursuant to which Verizon agreed to acquire Vodafone’s indirect 45% interest in Cellco Partnership d/b/a Verizon Wireless (the “Partnership,” and such interest, the “Vodafone Interest”). The Partnership is a joint venture between Verizon and Vodafone formed in April 2000 by the combination of the U.S. wireless operations and interests of Verizon and Vodafone.

Pursuant to the terms and subject to the conditions set forth in the Stock Purchase Agreement, Verizon will acquire (the “Wireless Transaction”) from Seller all of the issued and outstanding capital stock (the “Transferred Shares”) of Vodafone Americas Finance 1 Inc., a subsidiary of Vodafone (“VF1 Inc”), which indirectly through certain subsidiaries (together with VF1 Inc, the “Sold Entities”) owns the Vodafone Interest. In consideration for the Transferred Shares, Verizon has agreed to, upon completion of the Wireless Transaction, (i) pay approximately \$58.89 billion in cash (the “Cash Consideration”), (ii) issue approximately \$60.15 billion of Verizon’s common stock, par value \$0.10 per share (the “Stock Consideration”), (iii) issue senior unsecured Verizon notes in an aggregate principal amount of \$5.0 billion (the “Verizon Notes”), (iv) transfer Verizon’s indirectly owned 23.1% interest in Vodafone Omnitel N.V. (“Omnitel,” and such interest, the “Omnitel Interest”), valued at \$3.5 billion and (v) provide other consideration of approximately \$2.5 billion. The exact number of shares of Verizon’s common stock to be issued in the Wireless Transaction will be determined prior to the closing of the Wireless Transaction based on the volume-weighted average trading prices of such shares during the 20 trading days ending on the third business day prior to the closing, except that the price used for this purpose will not be less than \$47.00 or more than \$51.00 per share. In addition, Verizon has the right to increase the cash portion of the purchase price (and correspondingly reduce the stock portion of the purchase price) by up to \$15 billion in certain circumstances. All of the Stock Consideration will be issued directly or distributed to the Vodafone ordinary shareholders.

The Stock Purchase Agreement provides that the parties will seek to implement the Wireless Transaction by means of a scheme of arrangement under the laws of England and Wales (the “Scheme”), which requires the approval of holders of 75% of the Vodafone ordinary shares voting on the scheme of arrangement and a majority in number of the holders of record of Vodafone ordinary shares voting on the scheme of arrangement. If Vodafone shareholder approval of the Scheme is not obtained or other specified conditions relating to the Scheme are not satisfied or waived, or if the Scheme lapses in accordance with its terms or is withdrawn, Vodafone and Verizon have agreed, subject to the terms and conditions of the Stock Purchase Agreement, to implement the Wireless Transaction by means of a purchase and sale of the Transferred Shares (the “Share Purchase”).

Each of Verizon and Vodafone has made representations, warranties and covenants with respect to itself and the Wireless Transaction and, in the case of Vodafone, with respect to the Vodafone Interest and the Sold Entities. The Stock Purchase Agreement also provides that each of Verizon and Vodafone will indemnify the other for certain losses, subject to the limits set

forth therein. The closing of the Wireless Transaction is subject to the satisfaction or waiver of certain conditions, including, among others, approval by the Federal Communications Commission and approval by the shareholders of Verizon and Vodafone. The Stock Purchase Agreement contains certain termination rights for each of Verizon and Vodafone, which if exercised give rise to termination fees or expense reimbursement obligations in specified circumstances.

Omnitel Transaction

Verizon and Vodafone have agreed to implement the transfer of the Omnitel Interest (the “Omnitel Transaction”) by a subsidiary of Verizon to a subsidiary of Vodafone (the “Purchaser”) in connection with the Wireless Transaction pursuant to a separate share purchase agreement. The completion of the Wireless Transaction is a condition to the completion of the Omnitel Transaction. However, completion of the Omnitel Transaction is not a condition to the completion of the Wireless Transaction. If the Omnitel Transaction does not close concurrently with the Wireless Transaction, Verizon has agreed to issue a note to Seller in the amount of \$3.5 billion, which note will be surrendered to the Verizon subsidiary upon completion of the Omnitel Transaction in payment for the Omnitel Interest. Either party may terminate the Omnitel share purchase agreement if the Omnitel Transaction has not been consummated by the second anniversary of the completion of the Wireless Transaction. The Omnitel Note would mature upon such termination and may be settled in cash, Verizon common stock or a combination thereof, at Verizon’s election.

Verizon Notes

The Stock Purchase Agreement provides that the Verizon Notes will be issued pursuant to Verizon’s existing indenture dated as of December 1, 2000, as amended, and that the Verizon Notes will: (i) consist of senior unsecured notes in an aggregate principal amount of \$5 billion in two separate series, with \$2.5 billion due on the eighth anniversary of the closing of the Wireless Transaction and \$2.5 billion due on the eleventh anniversary of the closing of the Wireless Transaction and (ii) bear interest at a floating annual rate equal to three-month LIBOR, plus an agreed margin, which rate will be reset quarterly, with interest payable quarterly in arrears, beginning three months after closing of the Wireless Transaction. Verizon and Vodafone have also agreed that, beginning two years after the closing of the Wireless Transaction, Verizon may redeem all or any portion of the outstanding Verizon Notes held by Vodafone or any of its affiliates for a redemption price of 100% of the principal amount plus accrued and unpaid interest. The Verizon Notes may be transferred by Vodafone to third parties in specified amounts during specified periods, commencing January 1, 2017. Verizon Notes held by third parties will not be redeemable.

Bridge Credit Agreement

On September 2, 2013 (the “Effective Date”), Verizon entered into a \$61.0 billion Bridge Credit Agreement (the “Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent (“JPM”), and the lenders named therein. The Credit Agreement provides Verizon with the ability to borrow up to \$61.0 billion to finance, in part, Verizon’s acquisition of the Vodafone Interest in the Partnership and to pay related fees and expenses. The loans under the Credit Agreement are available during the period (the “Availability Period”) beginning on the Effective Date and ending on the earliest of (i) September 2, 2014, (ii) the date immediately

following the consummation of the Wireless Transaction, (iii) the termination of the Stock Purchase Agreement and (iv) the termination in full of the commitments pursuant to the Credit Agreement. The availability of the loans under the Credit Agreement, which have not yet been funded, is subject to the satisfaction (or waiver) of the conditions set forth therein. The date on which such conditions are satisfied (or waived in accordance with the Credit Agreement) in connection with the consummation of the Wireless Transaction is the “Funding Date.” The loans under the Credit Agreement are to be made in a single borrowing on the Funding Date and will mature and be payable in full on the date that is 364 days after the Funding Date unless extended pursuant to the terms of the Credit Agreement.

Certain of the lenders under the Credit Agreement and their affiliates have performed commercial banking, investment banking or advisory services for Verizon from time to time for which they have received customary fees and reimbursement of expenses. These lenders and their affiliates may, from time to time, engage in transactions with and perform services for Verizon in the ordinary course of our business for which they may receive customary fees and reimbursement of expenses. In addition, some of the lenders under the Credit Agreement are lenders, and in some cases agents or managers for the lenders, under other debt facilities through which Verizon may obtain funding.

Interest Rate and Fees

The loans under the Credit Agreement will bear interest at a rate equal to, at the option of Verizon, (i) the base rate (defined as the greater of the rate JPM announces publicly as its “prime rate” or the federal funds rate plus 0.50%, subject to a floor of LIBOR plus 1.00%) or (ii) LIBOR, in each case plus a margin to be determined by reference to Verizon’s credit ratings and ranging from 0.25% to 1.00% in the case of base rate loans and 1.25% to 2.00% in the case of LIBOR loans. Additional margin is added to the loan over time in increments and on dates specified in the Credit Agreement.

Verizon will pay duration fees based on the outstanding principal amount of the loans in amounts and on dates specified in the Credit Agreement. In addition, Verizon will pay a commitment fee on the daily actual unused commitment of each lender for the period from and including the Effective Date through the last day of the Availability Period. This fee accrues at a rate equal to 0.10% per annum.

Prepayments

The Credit Agreement requires Verizon to reduce unused commitments and prepay the loans with 100% of the net cash proceeds received from specified asset sales, issuances or sales of equity and incurrences of borrowed money indebtedness, subject to certain exceptions.

Covenants and Events of Default

The Credit Agreement contains certain negative covenants, including a negative pledge covenant, a merger or similar transaction covenant and an accounting changes covenant, and affirmative covenants and events of default that are customary for companies maintaining an investment grade credit rating. An event of default may result in the termination of any unused commitments or the acceleration of any outstanding loans under the Credit Agreement, as

applicable. In addition, the Credit Agreement requires Verizon to maintain a Leverage Ratio (as such term is defined in the Credit Agreement) not in excess of 3.50:1.00, until Verizon's credit ratings reach a certain level.

The foregoing description of the Stock Purchase Agreement and the Credit Agreement does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Stock Purchase Agreement and the Credit Agreement, respectively, which are attached hereto as Exhibits 2.1 and 10.1, respectively, which are incorporated herein by reference.

The Stock Purchase Agreement and the Credit Agreement have been included to provide investors and security holders with information regarding their terms. They are not intended to be a source of financial, business or operational information, or provide any other factual information, about Verizon or the Partnership or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in each of the Stock Purchase Agreement and the Credit Agreement are made only for purposes of such agreement and are as of specific dates; are solely for the benefit of the parties thereto (except as specifically set forth therein); may be subject to limitations agreed upon by the parties thereto, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties, instead of establishing these matters as facts; and may be subject to standards of materiality and knowledge applicable to the contracting parties that differ from those applicable to investors. Investors should not rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or condition of Verizon or the Partnership or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Stock Purchase Agreement or the Credit Agreement, as applicable, which subsequent information may or may not be fully reflected in Verizon's public disclosures or public disclosures concerning the Partnership.

Item 7.01. Regulation FD Disclosure.

On September 2, 2013, Verizon issued a press release announcing the Wireless Transaction. The press release is furnished hereto as Exhibit 99.1. The press release contains a reference to Wireless Segment EBITDA service margin, which is a non-GAAP measure and does not purport to be an alternative to GAAP items as a measure of operating performance. Management believes that this measure is useful to investors and other users of Verizon's financial information in evaluating operating profitability on a more various cost basis, as it excludes depreciation and amortization expenses related primarily to capital expenditures and acquisitions that occurred in prior years, as well as in evaluating operating performance in relation to Verizon's competitors. Wireless Segment EBITDA service margin is calculated by dividing Wireless Segment EBITDA (calculated by adding back depreciation and amortization expenses to Wireless Segment Operating Income) by Wireless service revenues. Wireless Segment EBITDA service margin utilizes service revenues rather than total revenues in order to capture the impact of providing service to the wireless customer base on an ongoing basis. Service revenues primarily exclude equipment revenues (as well as other non-service revenues). A reconciliation of this non-GAAP measure is furnished as Exhibit 99.2 hereto.

The information in this Item 7.01, including the information in Exhibits 99.1 and 99.2 hereto, is being furnished and shall not be deemed "filed" for any purpose, including for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the

liabilities of that section. The information in this Item 7.01 shall not be incorporated by reference into any registration statement or any other filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof and regardless of any general incorporation language in such filing, except to the extent set forth by specific reference in such a filing.

Item 8.01. Other Events.

Unaudited pro forma condensed consolidated financial information of Verizon, giving effect to the Wireless Transaction and related financing, and the notes related thereto, are attached hereto as Exhibit 99.3 and are incorporated herein by reference. The unaudited pro forma condensed consolidated financial information of Verizon includes: (i) unaudited pro forma condensed consolidated statement of operations for the six months ended June 30, 2013, (ii) unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2012 and (iii) unaudited pro forma condensed consolidated balance sheet as of June 30, 2013. The unaudited pro forma condensed consolidated financial information is presented for informational and illustrative purposes only and should be read in conjunction with Verizon's historical condensed consolidated financial information.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
2.1*	Stock Purchase Agreement, dated as of September 2, 2013, by and among Verizon Communications Inc., Vodafone Group Plc and Vodafone 4 Limited.
10.1	Bridge Credit Agreement, dated as of September 2, 2013, by and among Verizon Communications Inc., J.P. Morgan Chase Bank, N.A., as administrative agent, and the lenders party thereto.
99.1	Press Release, dated September 2, 2013.
99.2	Reconciliation of Wireless Segment EBITDA Service Margin.
99.3	Unaudited Condensed Consolidated Pro Forma Financial Statements.

* Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule will be furnished supplementally to the Securities and Exchange Commission upon request.

ADVERTISEMENT

This communication is deemed an advertisement for the purposes of the U.K. prospectus rules and is not a prospectus or a prospectus equivalent document. Any decision to subscribe for, purchase, otherwise acquire, sell or otherwise dispose of any Verizon Communications Inc. shares must be made only on the basis of the information contained in and incorporated by reference into the prospectus expected to be published by Verizon in connection with the proposed transaction. Copies of the prospectus will be available from Verizon's registered offices and on Verizon's website at www.verizon.com/investor.

FORWARD-LOOKING STATEMENTS

This communication contains statements about expected future events that are forward-looking and subject to risks and uncertainties. Forward-looking statements also include those preceded or followed by the words "anticipates," "believes," "estimates," "hopes" or similar expressions. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors could affect future results and could cause those results to differ materially from those expressed in the forward-looking statements: failure to obtain applicable regulatory or shareholder approvals in a timely manner or otherwise; failure to satisfy other closing conditions to the proposed transaction or events giving rise to termination the transaction agreement; adverse conditions in the U.S. and international economies; competition in our markets; material changes in available technology or technology substitution; disruption of our key suppliers' provisioning of products or services; changes in the regulatory environments in which we operate, including any increase in restrictions on our ability to operate our networks; breaches of network or information technology security, natural disasters, terrorist attacks or significant litigation and any resulting financial impact not covered by insurance; significantly increased levels of indebtedness as a result of the proposed transaction; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets affecting the cost, including interest rates, and/or availability of financing; changes in our accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could affect earnings; material adverse changes in labor matters, including labor negotiations, and any resulting financial and/or operational impact; significant increases in benefit plan costs or lower investment returns on plan assets; and the inability to implement our business strategies. The foregoing list of factors is not exhaustive and there can be no assurance that the proposed transaction will in fact be consummated. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the parties' businesses, including those described in Verizon's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other documents filed from time to time with the Securities and Exchange Commission (the "SEC") and those described in Vodafone's Annual Reports, Reports of Foreign Private Issuer and other documents filed from time to time with the SEC. Except as required under applicable law, the parties do not assume any obligation to update these forward-looking statements.

NO OFFER OR SOLICITATION

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any offer or sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or pursuant to an exemption from the registration requirements thereof.

IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC

Verizon Communications Inc. will file with the SEC a registration statement on Form S-4 containing a prospectus with respect to the Verizon securities to be offered in the proposed transaction (the "prospectus") and a proxy statement (the "proxy statement") with respect to the special meeting of the Verizon shareholders in connection with the proposed transaction. **VODAFONE**

SHAREHOLDERS ARE URGED TO READ CAREFULLY THE PROSPECTUS AND VERIZON SHAREHOLDERS ARE URGED TO READ CAREFULLY THE PROXY STATEMENT, EACH TOGETHER WITH OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SEC, IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and shareholders will be able to obtain free copies of the pro-

spectus, the proxy statement and other documents filed with the SEC by the parties through the website maintained by the SEC at www.sec.gov. In addition, investors and shareholders will be able to obtain free copies of the prospectus, the proxy statement and other documents filed with the SEC by Verizon by contacting Verizon's Assistant Corporate Secretary, Verizon Communications Inc., 140 West Street, 29th Floor, New York, New York 10007. These materials are also available on Verizon's website, at www.verizon.com/investor.

PARTICIPANTS IN THE SOLICITATION

Verizon, Vodafone and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Verizon in respect of the proposed transactions contemplated by proxy statement. Information regarding the persons who are, under the rules of the SEC, participants in the solicitation of the shareholders of Verizon in connection with the proposed transactions, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement when it is filed with the SEC. Information regarding Verizon's directors and executive officers is contained in Verizon's Annual Report on Form 10-K for the year ended December 31, 2012 and its Proxy Statement on Schedule 14A, dated March 18, 2013, which are filed with the SEC. Information regarding Vodafone's directors and executive officers is contained in Vodafone's Annual Report on Form 20-F for the year ended December 31, 2012, which is filed with the SEC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 3, 2013

/s/ William L. Horton, Jr.

Name: William L. Horton, Jr.

Title: Senior Vice President, Deputy General Counsel and
Corporate Secretary

EXHIBIT INDEX

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* Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule will be furnished supplementally to the Securities and Exchange Commission upon request.

STOCK PURCHASE AGREEMENT

Dated as of

September 2, 2013,

among

VODAFONE GROUP PLC,

VODAFONE 4 LIMITED

and

VERIZON COMMUNICATIONS INC.

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Exhibits

- Exhibit A – Omnitel Note
- Exhibit B – Settlement Note
- Exhibit C – Term Note
- Exhibit D – Verizon Notes Term Sheet
- Exhibit E – Vodafone B.V. Inc. Note
- Exhibit F – Vodafone Scheme
- Exhibit G – Vodafone Direction Letter
- Exhibit H – Initial Verizon Press Release
- Exhibit I – Initial Vodafone Press Release

Schedules

- Schedule 1 – Adverse Ruling or Statement
- Schedule 5.1 – Reorganization
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Schedule 5.19 – Settlement Note Actions
Schedule 7.1(g) – Requisite Regulatory Approvals

STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT, dated as of September 2, 2013 (this “Agreement”), is hereby entered into among Vodafone Group Plc, an English public limited company (“Vodafone”), Vodafone 4 Limited, an indirect wholly owned Subsidiary of Vodafone (“Seller”), and Verizon Communications Inc., a Delaware corporation (“Verizon”).

WHEREAS, subject to the terms and conditions set forth herein, Vodafone, Seller and Verizon desire to engage, and cause certain of their respective Affiliates to engage, in certain transactions the consummation of which will have the effect of transferring all of the issued and outstanding capital stock of Vodafone Finance 1, which indirectly owns all of the Partnership Interests of Cellco Partnership d/b/a Verizon Wireless, a Delaware general partnership (the “Partnership”), that are indirectly owned by Seller, to Verizon or its Affiliates; and

WHEREAS, simultaneously with the execution of this Agreement, Vodafone Europe B.V., an Affiliate of Vodafone (“Vodafone Europe”) and Verizon Business International Holding BV, an Affiliate of Verizon (“VBIH”), have entered into a Share Purchase Agreement (the “Omnitel Purchase Agreement”), pursuant to the terms and conditions of which Vodafone Europe will acquire from VBIH, and VBIH will sell to Vodafone Europe, all of the outstanding equity interests of Vodafone Omnitel NV, an Affiliate of Vodafone (“Omnitel”), that are owned by VBIH.

NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

“Action” has the meaning set forth in Section 10.9(b).

“Adjusted Closing Price” means a dollar amount equal to (i) if the Average Trading Price is greater than \$47.00 and less than \$51.00, then the Average Trading Price; (ii) if the Average Trading Price is greater than or equal to \$51.00, then \$51.00; or (iii) if the Average Trading Price is equal to or less than \$47.00, then \$47.00.

“Adjusted Verizon Share Amount” has the meaning set forth in Section 2.2(a)(ii).

“Adverse Ruling or Statement” has the meaning set forth on Schedule 1 hereto.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, such Person; and for purposes of the foregoing, “control” means (i) the ownership of more than 50% of the voting securities or other voting interests of such Person, or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting shares, by contract or otherwise, it being understood, for the avoidance of

doubt, that the Partnership and its Subsidiaries shall not be considered “Affiliates” of Vodafone or its Affiliates for the purposes of this Agreement.

“Agreement” has the meaning set forth in the preamble.

“Ancillary Documents” means the Verizon Notes, the Vodafone Scheme, the Omnitel Note, the Omnitel Purchase Agreement, the Vodafone Direction Letter, the Vodafone B.V. Inc. Note, the Settlement Note and the Term Note.

“Applicable De Minimis Amount” means (i) in the case of claims for indemnification pursuant to Section 9.2(a)(i) or 9.2(b)(i), Two Million Dollars (\$2,000,000), and (ii) in the case of claims for indemnification pursuant to Sections 9.2(a)(ii) through (vi) or Sections 9.2(b)(ii) through (iv), Two Hundred Fifty Thousand Dollars (\$250,000).

“Average Trading Price” means the volume-weighted average of the per share trading prices of Verizon Common Stock on the NYSE as reported through Bloomberg (based on all NYSE trades in Verizon Common Stock during the primary trading session from 9:30 a.m., New York City time, to 4:00 p.m., New York City time, and not an average of daily averages) for the twenty (20) consecutive full trading days ending on the third (3rd) Business Day prior to the Closing Date (the “Reference Period”); provided, however, that if an ex-dividend date for Verizon Common Stock occurs during the period beginning on the first (1st) day of such Reference Period and ending on (and including) the Closing Date, then the volume-weighted average of the per share NYSE trading prices of Verizon Common Stock for each day during the portion of such Reference Period that precedes such ex-dividend date shall be reduced by the amount of the applicable dividend payable on a share of Verizon Common Stock.

“B Share Election” has the meaning set forth in the Vodafone Scheme.

“Base Verizon Share Amount” has the meaning set forth in Section 2.2(a)(ii).

“Burdensome Effect” has the meaning set forth in Section 5.8(a).

“Business Day” means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York or London, United Kingdom are authorized or required by applicable Law to close.

“Cash Consideration” has the meaning set forth in Section 2.2(a)(i).

“Cash Election” has the meaning set forth in Section 2.2(b).

“Cash Election Amount” has the meaning set forth in Section 2.2(b).

“Cash Election Notice” has the meaning set forth in Section 2.2(b).

“Cash Entitlement” has the meaning set forth in the Vodafone Scheme.

“Cash Flow Adjustment Amount” shall mean an amount equal to the product of (i) the number of calendar days elapsed from (and including) May 1, 2014 through (and including) the Closing Date and (ii) Ten Million Dollars (\$10,000,000).

“Check-the-box-election” has the meaning set forth in Section 6.4.

“Claims” means all debts, demands, causes of action, suits, covenants, torts, damages, Encumbrances, claims, defenses, offsets, judgments and demands whatsoever, of every name and nature, both at law and in equity, known or unknown, suspected or unsuspected, accrued or unaccrued, fixed or contingent.

“Closing” means, if the Transaction is implemented by way of the Vodafone Scheme, the Scheme Closing, and if the Transaction is implemented by way of the Share Purchase, the Share Purchase Closing.

“Closing Date” means, if the Transaction is implemented by way of the Vodafone Scheme, the Scheme Effective Date and, if the Transaction is implemented by way of the Share Purchase, the Share Purchase Closing Date.

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

“Companies Act” means the Companies Act 2006.

“Consents” has the meaning set forth in Section 7.1(g).

“Contract” means any binding agreement, lease, license, contract, note, mortgage, indenture, arrangement or other contractual obligation.

“Controlling Party” has the meaning set forth in Section 6.2.

“Court” means the High Court of Justice of England and Wales.

“Court Hearing” means the hearing at which the Court will be requested to make an order sanctioning the Vodafone Scheme under Section 899 of the Companies Act.

“Court Meeting” has the meaning set forth in Section 7.1(b)(i).

“Crest” means the relevant system (as defined in the Uncertificated Securities Regulations 2001, as amended) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such regulations).

“Damages” has the meaning set forth in Section 9.2(a).

“Distribution Agent” has the meaning set forth in Section 2.7(a).

“Distribution Agent Agreement” has the meaning set forth in Section 2.7(a).

“Dividend Payment Date” has the meaning set forth in the respective Certificates of Designation, Preferences and Rights for the VAI Preferred Shares.

“Dollars” and “§” means the lawful currency of the United States of America.

“Employee Benefit Plans” means (i) “employee benefit plans” (within the meaning of Section 3(3) of ERISA) and (ii) all other compensation or employee benefit plans, programs, policies, agreements or other arrangements, whether or not subject to ERISA, and whether cash- or equity-based, including employment, retention, change of control, health, medical, dental, disability, accident, life insurance, vacation, severance, retirement, pension, savings, or termination plans, programs, policies, agreements or other arrangements.

“Encumbrance” means any lien, mortgage, security interest, pledge, restriction on transferability, defect of title, option or other claim, charge or encumbrance of any nature whatsoever.

“Entity” means any corporation, firm, unincorporated organization, association, partnership, limited liability company, business trust, joint stock company, joint venture or other organization, entity or business.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means, with respect to any Entity, trade or business, any other Entity, trade or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first Entity, trade or business, or that is, or was at the relevant time, a member of the same “controlled group” as the first Entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

“EUR” means the lawful single currency of the Institutions of the European Union.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Excluded Assets” has the meaning set forth in Section 5.1.

“Excluded Liabilities” has the meaning set forth in Section 5.1.

“FCA” means the Financial Conduct Authority.

“FCC” means the United States Federal Communications Commission.

“Financing” has the meaning set forth in Section 4.14(a).

“Financing Documents” has the meaning set forth in Section 4.14(b).

“Financing Failure” has the meaning set forth in Section 8.1(j)(ii).

“Financing Failure Termination Fee” means a cash amount equal to Ten Billion Dollars (\$10,000,000,000).

“Financing Related Party” has the meaning set forth in Section 8.3(g).

“Financing Sources” has the meaning set forth in Section 4.14(a).

“FSMA” means the Financial Services and Markets Act 2000.

“GAAP” means U.S. generally accepted accounting principles.

“Governmental Entity” means any federal, state, territorial, county, municipal, local, multinational or other government or governmental agency or body or any other type of regulatory body, whether U.S. or non-U.S.

“IFRS” means International Financial Reporting Standards as adopted by the European Union.

“IRS” means the United States Internal Revenue Service.

“Indemnified Party” has the meaning set forth in Section 9.3(a).

“Indemnifying Party” has the meaning set forth in Section 9.3(a).

“Initial Verizon Press Release” has the meaning set forth in Section 5.5.

“Initial Vodafone Press Release” has the meaning set forth in Section 5.5.

“Initial Press Releases” has the meaning set forth in Section 5.5.

“Intervening Event” means a material event or circumstance (occurring or arising after the date hereof) that was neither known nor reasonably foreseeable to the Board of Directors of Verizon on the date of this Agreement, which event or circumstance becomes known to the Board of Directors of Verizon prior to the time at which Verizon receives the Verizon Requisite Vote, other than (i) general events or changes in the industries in which any of Verizon and its Subsidiaries operate; (ii) changes in the market price or trading volume of the Verizon Common Stock; provided, that this clause (ii) shall not prevent or otherwise affect a determination that any event or change in circumstances underlying such change has resulted in or contributed to an “Intervening Event”; (iii) any action taken by the parties hereto pursuant to and in compliance with this Agreement or any of the Ancillary Documents; (iv) any event or change in circumstances adversely affecting the availability or terms of the Financing or Replacement Financing; (v) any event or change in circumstances that has had or would reasonably be expected to have an adverse effect on the business, financial condition or operations of Verizon or its Subsidiaries; and (vi) the receipt, existence or terms of any proposal or offer made by any Person relating to a merger, joint venture, partnership, consolidation, dissolution, liquidation, tender offer, recapitalization, reorganization, spin-off, share exchange, business combination or similar transaction involving Verizon or any of its Subsidiaries.

“JV Partnerco” means JV Partnerco LLC.

“Knowledge of Verizon” means the actual knowledge of the persons set forth in Section 1 of the Verizon Disclosure Letter.

“Knowledge of Vodafone” means the actual knowledge of the persons set forth in Section 1 of the Vodafone Disclosure Letter.

“Law” means all applicable provisions of (i) constitutions, treaties, statutes, laws (including the common law), rules, regulations, ordinances, codes or orders of any Governmental Entity, (ii) any consents or approvals of any Governmental Entity and (iii) any orders, decisions, injunctions, judgments, awards, decrees or agreements with any Governmental Entity.

“Liability” means any liability, indebtedness, obligation, commitment, expense, claim, deficiency, guaranty or endorsement (or claims or contingencies that have not yet become liabilities) of or by any Person of any type, whether accrued, absolute, contingent, matured, unmatured, liquidated, unliquidated, known or unknown, or whether due or to become due, including any fines, penalties, interest, judgments, awards or settlements respecting any judicial, administrative or arbitration proceedings or other actions or any damages, losses, claims or demands with respect to any Law.

“Licenses” has the meaning set forth in Section 3.6(b).

“Listing Rules” means the Listing Rules of the UKLA made under Section 73A of FSMA.

“Loan Facility” has the meaning set forth in Section 4.14(a).

“LSE” means London Stock Exchange plc.

“Measurement Time” means, if the Transaction is implemented by way of the Vodafone Scheme, immediately prior to commencement of the Court Hearing on the Sanction Date, and, if the Transaction is implemented by way of the Share Purchase, 8:00 a.m. (New York time) on the Share Purchase Closing Date.

“Multiemployer Plan” has the meaning set forth in Section 4.10(a).

“NASDAQ” means the NASDAQ Stock Market.

“New Vodafone Shares” means ordinary shares in Vodafone arising as a result of the Vodafone Share Consolidation.

“New Vodafone Shares Admission” has the meaning set forth in Section 7.1(c).

“Non-Controlling Party” has the meaning set forth in Section 6.2.

“NYSE” means the New York Stock Exchange.

“Official List” means the Official List maintained by the FCA for the purposes of Section 74(1) of FSMA.

“Omnitel” has the meaning set forth in the recitals.

“Omnitel Consideration Amount” means Three Billion Five Hundred Million Dollars (\$3,500,000,000).

“Omnitel Note” means the note to be issued at the Closing by Verizon if the transactions contemplated by the Omnitel Purchase Agreement are not consummated on the Closing Date, and made payable to Seller in the amount of the Omnitel Consideration Amount, having the terms provided for in Exhibit A hereto.

“Omnitel Purchase Agreement” has the meaning set forth in the recitals.

“Overseas Scheme Shareholders” has the meaning set forth in the Vodafone Scheme.

“Partner” has the meaning set forth in the Partnership Agreement.

“Partnership” has the meaning set forth in the recitals.

“Partnership Agreement” means the Amended and Restated Partnership Agreement of the Partnership, dated as of April 3, 2000, by and among certain Affiliates of Vodafone and Verizon, as amended.

“Partnership Interest” means, as of any date, with respect to each Partner of the Partnership, the entire ownership interests and rights of such Partner (expressed as a percentage) in the Partnership as of such date.

“PBGC” has the meaning set forth in Section 4.10(c).

“PCS Nucleus” means PCS Nucleus LP.

“Person” means any natural person or Entity.

“Post-Closing Tax Period” means (i) any taxable period beginning after the Closing Date and (ii) the portion of any Straddle Period beginning immediately after the Closing Date and ending at the close of the last day of the Straddle Period.

“Post-Sanction Conditions” means the conditions set forth in Sections 7.1(b)(ii)(y) and 7.1(b)(iii).

“Pre-Closing Tax Period” means (i) any taxable period ending on or before the close of the Closing Date and (ii) the portion of any Straddle Period beginning on the first day of such Straddle Period and ending at the close of the Closing Date.

“Pro Rata Portion” has the meaning set forth in Section 2.7(b).

“Proxy Statement” means the proxy statement relating to matters to be submitted to the stockholders of Verizon at the Verizon Stockholders Meeting, as may be supplemented or amended from time to time.

“Purchase Price” has the meaning set forth in Section 2.2(c).

“Reference Period” has the meaning set forth in the definition of Average Trading Price.

“Reorganization” has the meaning set forth in Section 5.1.

“Replacement Financing” has the meaning set forth in Section 5.9(b).

“Replacement Financing Documents” has the meaning set forth in Section 5.9(b).

“Replacement Financing Sources” has the meaning set forth in Section 5.9(b).

“Representatives” means, with respect to any Person, such Person’s controlled Affiliates and its and their officers, directors, employees, investment bankers, attorneys, accountants, consultants or other agents or advisors.

“Requisite Regulatory Approvals” has the meaning set forth in Section 7.1(g).

“Sanction Date” has the meaning set forth in Section 7.1(b)(ii).

“Scheme Closing” means the Vodafone Scheme and the Vodafone Reduction of Capital becoming effective in accordance with their terms and the Companies Act 2006.

“Scheme Effective Date” means the date on which the Vodafone Reduction of Capital becomes effective in accordance with its terms and the Companies Act 2006.

“Scheme Longstop Date” means the date falling twenty (20) Business Days following the first scheduled date of the Court Hearing where such date falls after the satisfaction or waiver of the conditions set out in Article VII (other than the conditions set out in Sections 7.1(b)(ii) and 7.1(b)(iii)).

“SEC” means the United States Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended.

“Seller” has the meaning set forth in the preamble.

“Seller Returns” has the meaning set forth in Section 6.1(a).

“Settlement Note” means the note to be issued by Verizon and made payable to Seller at Closing, in the form appended as Exhibit B, in an amount equal to the principal amount of the Vodafone B.V. Inc. Note plus accrued interest, which shall be settled in accordance with Section 5.19.

“Share Issuance” has the meaning set forth in Section 4.3(b).

“Share Purchase” has the meaning set forth in Section 2.5.

“Share Purchase Closing” has the meaning set forth in Section 2.5.

“Share Purchase Closing Date” has the meaning set forth in Section 2.5.

“Significant Subsidiary” means a significant subsidiary as defined in Rule 1-02(w) of Regulation S-X of the Securities Act.

“Sold Entities” means Vodafone Finance 1, Vodafone Finance 2, Vodafone Americas Holdings, Vodafone Americas, Vodafone Holdings LLC, JV Partnerco, PCS Nucleus, Vodafone International Inc. and Vodafone B.V. Inc.

“Straddle Period” means any taxable period beginning on or before the Closing Date and ending after the Closing Date.

“Subsidiary” means, with respect to any Person, any Entity, whether incorporated or unincorporated, of which (i) voting power to elect a majority of the board of directors or others performing similar functions with respect to such other Person is held by the first mentioned Person and/or by any one or more of its Subsidiaries or (ii) more than 50% of the equity interests of such other Person is, directly or indirectly, owned or controlled by such first mentioned Person and/or by any one or more of its Subsidiaries.

“Supplemental Tax Distributions” shall have the meaning set forth in Section 1 of the Verizon Disclosure Letter.

“Tax” or **“Taxes”** means any federal, state, local or foreign income, capital, corporation, gross receipts, property, sales, turnover, value-added, use, license, excise, franchise, employment, payroll, withholding, windfall profits, alternative or add on minimum, ad valorem, transfer, stamp, financial transaction or excise tax, or any other tax, custom, duty, levy, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest, penalties, additions to tax or additional amounts imposed by any Governmental Entity.

“Tax Authority” means any Governmental Entity exercising any taxing or Tax regulatory authority.

“Tax Claim” means any claim, notice, demand, assessment, letter, or other document with respect to Taxes made by any Tax Authority that, if pursued successfully, would reasonably be expected to serve as the basis for a claim for indemnification pursuant to Section 9.2(c).

“Tax Return” means any return, declaration, report or similar statement filed or required to be filed with respect to any Tax (including any attached schedules), including any information return, claim for refund, amended return or declaration of estimated Tax.

“Term Note” means the note to be issued by Verizon and made payable to Seller at Closing, in the form appended as Exhibit C, in the amount of Two Hundred Fifty Million Dollars (\$250,000,000).

“Termination Date” has the meaning set forth in Section 8.1(b).

“Third-Party Claim” has the meaning set forth in Section 9.3(a).

“Transaction” means (a) the Vodafone Scheme and the purchase by Verizon of the Transferred Shares as contemplated thereby or (b) the Share Purchase, as applicable.

“Transferred Shares” has the meaning set forth in Section 2.1.

“UKLA” means the United Kingdom Listing Authority.

“VAI Preferred Shares” means (a) the 5.143% Class D Cumulative Preferred Stock, Series 1998, of Vodafone Americas and (b) the 5.143% Class E Cumulative Preferred Stock, Series 1998, of Vodafone Americas.

“VAT” means (a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) and (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in clause (a) above, or imposed elsewhere.

“VBIH” has the meaning set forth in the recitals.

“Verizon” has the meaning set forth in the preamble.

“Verizon Benefit Plans” means all Employee Benefit Plans, including the Verizon Stock Plans, that are sponsored, maintained, contributed to or required to be contributed to by Verizon or any of its Subsidiaries for the benefit of current or former employees, directors or consultants of Verizon or its Subsidiaries, or with respect to which Verizon or its Subsidiaries have any current, future or contingent Liability.

“Verizon Certificate Amendment” has the meaning set forth in Section 4.2(a).

“Verizon CDIs” has the meaning set forth in Section 5.2(e).

“Verizon Change Notice” has the meaning set forth in Section 5.2(f).

“Verizon Change of Recommendation” has the meaning set forth in Section 5.2(f).

“Verizon Charter Documents” has the meaning set forth in Section 4.1(c).

“Verizon Common Stock” has the meaning set forth in Section 2.2(a)(ii).

“Verizon Disclosure Document” means any registration statement, prospectus, offering memorandum, offering circular or similar disclosure document provided by or on behalf of Verizon to shareholders of Vodafone in connection with the Vodafone Scheme or the Share Purchase (including any other documents incorporated by reference therein) pursuant to the securities laws of any jurisdiction or the listing requirements of any securities exchange.

“Verizon Disclosure Letter” has the meaning set forth in Article IV.

“Verizon Fairness Opinions” has the meaning set forth in Section 4.17.

“Verizon Financial Advisors” has the meaning set forth in Section 4.17.

“Verizon Indemnitees” has the meaning set forth in Section 9.2(a).

“Verizon Indemnity Amount” has the meaning set forth in Section 6.4.

“Verizon Intellectual Property” has the meaning set forth in Section 4.13.

“Verizon Material Adverse Effect” means (i) any change, effect, event or occurrence that prevents or materially delays the ability of Verizon to consummate the Transaction or (ii) any change, effect, event or occurrence that has a material adverse effect on the financial condition, business or results of operations of Verizon and its Subsidiaries, taken as a whole; provided, however, that any changes, effects, events or occurrences will be deemed not to constitute a “Verizon Material Adverse Effect” to the extent resulting from (A) changes, effects, events or occurrences generally affecting (x) the United States or global economy or financial, debt, credit or securities markets or (y) any industry in which Verizon or its Subsidiaries operate; (B) declared or undeclared acts of war, terrorism, outbreaks or escalations of hostilities; (C) natural disasters or other force majeure events; (D) any change in GAAP or applicable Laws or regulatory or enforcement developments; (E) the failure by Verizon to meet any estimates of revenues or earnings for any period ending on or after the date hereof; provided, that the exception in this clause (E) shall not prevent or otherwise affect a determination that any change, effect, event or occurrence underlying such decline has resulted in or contributed to a “Verizon Material Adverse Effect”; (F) a decline in the price of Verizon Common Stock on the NYSE, NASDAQ or the LSE; provided, that the exception in this clause (F) shall not prevent or otherwise affect a determination that any change, effect, event or occurrence underlying such decline has resulted in or contributed to a “Verizon Material Adverse Effect”; or (G) the execution, delivery or performance of this Agreement, the Ancillary Documents or the Financing Documents (or any Replacement Financing Documents) or the public announcement or consummation of the transactions contemplated by this Agreement, the Ancillary Documents or the Financing Documents (or any Replacement Financing Documents); provided, that the exception in this clause (G) shall not apply to the representation or warranty contained in Section 4.4 to the extent that such representation or warranty purports to address the consequences resulting from the execution and delivery of this Agreement or the Ancillary Documents or the performance of obligations or consummation of the transactions contemplated by this Agreement or the Ancillary Documents; provided, however, that changes, effects, events or occurrences referred to in clauses (A), (B), (C) or (D) above shall, unless otherwise excluded, be considered for purposes of determining whether there is a “Verizon Material Adverse Effect” if and to the extent that such changes, effects, events or occurrences disproportionately adversely affect Verizon and its Subsidiaries, as compared to other companies operating in the industries in which Verizon and its Subsidiaries operate.

“Verizon Material Contract” has the meaning set forth in Section 4.12(a).

“Verizon Notes” means the notes to be issued at the Closing by Verizon and made payable to Seller in the aggregate amount of Five Billion Dollars (\$5,000,000,000), having the terms provided for in Exhibit D hereto.

“Verizon Preferred Stock” has the meaning set forth in Section 4.2(a).

“Verizon Recommendation” has the meaning set forth in Section 5.2(f).

“Verizon Recommendation Change Fee” means a cash amount equal to Four Billion Six Hundred Fifty Million Dollars (\$4,650,000,000).

“Verizon Registration Statement” has the meaning set forth in Section 5.2(c).

“Verizon Related Party” means Verizon and its Affiliates (including, upon and after the Closing, the Sold Entities), and the respective past or present directors, managers, officers, agents, employees, members, partners, successors and assigns of the foregoing.

“Verizon Releasing Persons” has the meaning set forth in Section 5.15(c).

“Verizon Requisite Vote” has the meaning set forth in Section 4.3(c).

“Verizon Returns” has the meaning set forth in Section 6.1(b).

“Verizon Reverse Termination Fee” means a cash amount equal to One Billion Five Hundred Fifty Million Dollars (\$1,550,000,000).

“Verizon SEC Documents” has the meaning set forth in Section 4.5(a).

“Verizon Shares” has the meaning set forth in Section 2.2(a)(ii).

“Verizon Stockholders Meeting” has the meaning set forth in Section 5.2(b).

“Verizon Stock Option” means each option to purchase Verizon Common Stock granted pursuant to a Verizon Stock Plan that is outstanding and unexercised as of the Closing Date.

“Verizon Stock Plans” means the 2009 Verizon Long-Term Incentive Plan and the Verizon Broad-Based Incentive Plan, each as may be amended from time to time, and any other plan, policy or arrangement, including any Verizon Benefit Plan or Contract, pursuant to which Verizon Stock Options or other awards based on, in respect of, or denominated in Verizon Common Stock have been granted.

“Verizon Termination Fee” has the meaning set forth in Section 8.3(a).

“Verizon UK Admission” has the meaning set forth in Section 5.2(d).

“Verizon UK Prospectus” has the meaning set forth in Section 5.2(d).

“Verizon US Prospectus” has the meaning set forth in Section 5.2(d).

“Vodafone” has the meaning set forth in the preamble.

“Vodafone Americas” means Vodafone Americas Inc.

“Vodafone Americas Holdings” means Vodafone Americas Holdings Inc.

“Vodafone B.V. Inc.” means Vodafone International Business Ventures Inc., an entity to be incorporated as provided in Schedule 5.1.

“Vodafone B.V. Inc. Note” means the loan note issued by Vodafone and held by Vodafone B.V. Inc. pursuant to the Reorganization, in the form appended as Exhibit E, which shall remain outstanding immediately following the consummation of the sale of the Transferred Shares and which shall be settled in accordance with Section 5.19.

“Vodafone Change of Recommendation” has the meaning set forth in Section 5.3(d).

“Vodafone Circular” has the meaning set forth in Section 5.3(a)(ii).

“Vodafone Circular Posting Date” means the date on which the Vodafone Circular is published.

“Vodafone Class B Shares” means the class B shares in the capital of Vodafone to be issued by Vodafone in accordance with the terms of the Vodafone Scheme, having the rights and restrictions specified in the special resolution to be set out in the Vodafone Circular.

“Vodafone Class C Shares” means the class C shares in the capital of Vodafone to be issued by Vodafone in accordance with the terms of the Vodafone Scheme, having the rights and restrictions specified in the special resolution to be set out in the Vodafone Circular.

“Vodafone Direction Letter” has the meaning set forth in Section 2.6(a)(ii).

“Vodafone Disclosure Letter” has the meaning set forth in Article III.

“Vodafone Distribution Record Date” has the meaning set forth in Section 2.7(a).

“Vodafone Distribution Record Holders” has the meaning set forth in Section 2.7(a).

“Vodafone Benefit Plans” means all Employee Benefit Plans, including the Vodafone Stock Plans, that are sponsored, maintained, contributed to or required to be contributed to by Vodafone or its Subsidiaries for the benefit of current or former employees, directors or consultants of Vodafone or its Subsidiaries, or with respect to which Vodafone or its Subsidiaries have any current, future or contingent Liability.

“Vodafone Europe” has the meaning set forth in the recitals.

“Vodafone Finance 1” means Vodafone Americas Finance 1 Inc.

“Vodafone Finance 2” means Vodafone Americas Finance 2 Inc.

“Vodafone Holdings LLC” means Vodafone Holdings LLC.

“Vodafone Indemnitees” has the meaning set forth in Section 9.2(b).

“Vodafone International Inc.” means Vodafone International Inc.

“Vodafone Material Adverse Effect” means any change, effect, event or occurrence that, individually or in the aggregate with any other changes, effects, events or occurrences, prevents or materially delays the ability of Vodafone to consummate the Transaction.

“Vodafone Material Adverse Financial Effect” has the meaning set forth in Section 8.1.

“Vodafone Ordinary Shares” has the meaning set forth in Section 2.7(a).

“Vodafone Partners” means PCS Nucleus and JV Partnerco.

“Vodafone Recommendation” has the meaning set forth in Section 5.3(d).

“Vodafone Reduction of Capital” means the proposed reductions of capital of Vodafone under Chapter 10 of Part 17 of the Companies Act to be undertaken pursuant to the Vodafone Scheme, being (i) the reduction or cancellation of Vodafone’s share premium account; (ii) the cancellation of Vodafone’s capital redemption reserve; (iii) the cancellation of the Vodafone Class B Shares; and (iv) if applicable, the cancellation of the Vodafone Class C Shares, but subject always to Section 5.4(b).

“Vodafone Related Party” means Vodafone and its Affiliates and the respective past or present directors, managers, officers, agents, employees, members, partners, successors and assigns of (i) the foregoing or (ii) the Partnership or any of its Subsidiaries that, in the case of clause (ii), were designated or appointed by Vodafone or any of its Affiliates.

“Vodafone Releasing Persons” has the meaning set forth in Section 5.15(c).

“Vodafone Requisite Scheme Vote” has the meaning set forth in Section 3.2(c)(i).

“Vodafone Requisite Share Purchase Vote” has the meaning set forth in Section 3.2(c)(ii).

“Vodafone Resolutions” has the meaning set forth in Section 5.3(a)(vii).

“Vodafone Sale Resolutions” has the meaning set forth in Section 5.3(a)(vii).

“Vodafone Scheme” means the scheme of arrangement between Vodafone and its shareholders under Part 26 of the Companies Act, the terms of which shall be included in the Vodafone Circular and shall, subject always to Section 5.4(b), be in the form appended as Exhibit F.

“Vodafone Share Consolidation” means the proposed subdivision and consolidation of Vodafone’s share capital pursuant to the Vodafone Scheme, on terms to be set out in the Vodafone Circular.

“Vodafone Shareholders” means, collectively, the holders of the Vodafone Ordinary Shares and, following the issuance of the Vodafone Class B Shares and the Vodafone Class C Shares in accordance with the Vodafone Scheme, the Vodafone Class B Shares and the Vodafone Class C Shares and, following the Scheme Closing (if applicable), the New Vodafone Shares.

“Vodafone Shareholders Meeting” has the meaning set forth in Section 3.2(c)(i).

“Vodafone Stock Plans” means the Vodafone Group 1999 Long-Term Stock Incentive Plan, the Vodafone Group 2008 Sharesave Plan, the Vodafone Global Long-Term Incentive Plan, the Vodafone Global Incentive Plan and the Vodafone Share Incentive Plan, each as may be amended from time to time, and any other plan, policy or arrangement, including any Vodafone Benefit Plan or Contract pursuant to which awards based on, in respect of, or denominated in Vodafone capital stock have been granted.

“Vodafone Termination Fee” means a cash amount equal to One Billion Five Hundred Fifty Million Dollars (\$1,550,000,000).

“Vodafone UK Pension Plan” has the meaning set forth in Section 3.14.

ARTICLE II

PURCHASE AND SALE OF TRANSFERRED SHARES

2.1 Purchase and Sale of Transferred Shares. Upon the terms and subject to the conditions set forth in this Agreement and pursuant to the Transaction, at the Closing, Seller will sell, assign, transfer and convey to Verizon, and Verizon will purchase and acquire from Seller, all of the issued and outstanding capital stock of Vodafone Finance 1 (collectively, the “Transferred Shares”), free and clear of any Encumbrance. As a result of Verizon’s acquisition of the Transferred Shares, each of the Sold Entities shall, except as a result of the existence of the VAI Preferred Shares, become a direct or indirect wholly owned Subsidiary of Verizon. Subject to Section 2.3, the Transaction shall be implemented by way of the Vodafone Scheme, unless the Vodafone Requisite Scheme Vote is not obtained, any condition set forth in Section 7.1(b) or 7.1(c) is not satisfied or waived or the Vodafone Scheme lapses in accordance with its terms or is withdrawn, in which case the Transaction shall be implemented by way of the Share Purchase, subject to Section 2.5. If Seller fails to perform its obligations pursuant to this Section 2.1, Vodafone shall procure that Seller does so and Vodafone shall be jointly and severally liable to Verizon for any default by Seller in performing its obligations under this clause.

2.2 Consideration for Transferred Shares.

(a) Upon the terms and subject to the conditions set forth in this Agreement and pursuant to the Transaction, at the Closing, Verizon shall:

(i) pay to Seller an amount in cash equal to (A) Fifty-Eight Billion Eight Hundred Eighty-Six Million Dollars (\$58,886,000,000), plus (B) if so elected by Verizon pursuant to Section 2.2(b), the Cash Election Amount, plus (C) unless the failure to consummate the Closing prior to May 1, 2014 results from a breach by Vodafone or Seller of this Agreement, an amount equal to the Cash Flow Adjustment Amount, if any (collectively, the “Cash Consideration”);

(ii) issue and deliver an aggregate number of shares of common stock of Verizon, par value \$0.10 per share (the “Verizon Common Stock”), equal to the quotient obtained by dividing (A) the difference (the “Adjusted Verizon Share Amount”) between (x) Sixty Billion One Hundred Fifty Million Dollars (\$60,150,000,000) (the “Base Verizon Share Amount”) and (y) the Cash

Election Amount (if any), by (B) the Adjusted Closing Price (the “Verizon Shares”); provided, that in the event of any stock split, reverse stock split, stock dividend or dividend payable in other securities, reorganization, reclassification, merger, combination, recapitalization, or other like event that occurs after the date hereof and prior to the Closing (or in respect of which a record date or effective date, as applicable, has been declared and passed within such period) that changes the outstanding shares of Verizon Common Stock into a different number of shares or a different class of stock, then any number, amount or definition contained herein that is used for purposes of determining the number of Verizon Shares to be received by the Vodafone Shareholders will be appropriately adjusted to provide the Vodafone Shareholders with the same economic effect as contemplated by this Agreement prior to such event; provided, further, that the aggregate payment hereunder to be made in the form of Verizon Shares shall be made only in whole shares of Verizon Common Stock, and any fractional share shall be rounded up to the nearest whole share;

- (iii) deliver the Verizon Notes to Seller;
- (iv) deliver the Term Note to Seller; and
- (v) deliver the Settlement Note to Seller.

(b) No later than ten (10) Business Days prior to the Vodafone Circular Posting Date, Verizon may on a single occasion (subject to the below proviso), in its sole discretion, elect to increase the amount of the Cash Consideration payable pursuant to Section 2.2(a)(i) (a “Cash Election”) by up to Fifteen Billion Dollars (\$15,000,000,000), and reduce the Adjusted Verizon Share Amount pursuant to Section 2.2(a)(ii)(A) by an amount equal to such increase, by delivery of a written notice to Vodafone (a “Cash Election Notice”) specifying the additional amount of Cash Consideration to be paid pursuant to such election (together with any amount elected pursuant to the proviso to this sentence, the “Cash Election Amount”); provided, in addition to any Cash Election previously made, on a single occasion during the period after the date of the Verizon Shareholders Meeting and prior to the date that is ten (10) Business Days prior to the anticipated Closing Date, if the Verizon Certificate Amendment has not been approved by the Verizon Shareholders, then Verizon may make a Cash Election for a Cash Election Amount of up to the lesser of (x) Five Billion Dollars (\$5,000,000,000) and (y) Fifteen Billion Dollars (\$15,000,000,000) minus the Cash Election Amount of any Cash Election previously made; provided, further, that upon the making of any Cash Election, the representations and warranties contained in Section 4.14 (Financing) remain true and accurate in all material respects after giving effect to such Cash Election.

(c) (i) If the transactions contemplated by the Omnitel Purchase Agreement are consummated on the Closing Date, Verizon shall pay, or cause to be paid, by wire transfer or intrabank transfer of immediately available funds to an account designated by Vodafone no later than the close of business on the third (3rd) Business Day prior to the Closing Date, cash in the amount of the Omnitel Consideration Amount or (ii) if the transactions contemplated by the Omnitel Purchase Agreement are not consummated on

the Closing Date, Verizon shall deliver to Seller the Omnitel Note, duly executed by Verizon (the Omnitel Consideration Amount or the Omnitel Note, as applicable, together with the Cash Consideration, Verizon Shares, Verizon Notes, Settlement Note and the Term Note, collectively, the “Purchase Price”).

2.3 Scheme Closing. Subject to the terms and conditions of this Agreement, (a) the Scheme Closing shall occur on the date that the condition set forth in Section 7.1(b)(iii)(y) is satisfied, (b) Vodafone shall use commercially reasonable efforts to cause to be satisfied the condition set forth in Section 7.1(b)(iii)(x) on the date that the condition set forth in Section 7.1(b)(ii)(x) is satisfied, or at such other time as Verizon and Vodafone may agree in writing and (c) Vodafone shall use commercially reasonable efforts to cause to be satisfied the condition set forth in Section 7.1(b)(iii)(y) on the date that the condition set forth in Section 7.1(b)(ii)(y) is satisfied, or at such other time as Verizon and Vodafone may agree in writing. For the avoidance of doubt, the Court Hearing shall not be held until all of the conditions set forth in Article VII have been satisfied (or, to the extent permitted by applicable Law, waived in a writing signed by the party for whose benefit the condition exists) other than the conditions set forth in Sections 7.1(b)(ii) and 7.1(b)(iii). The purchase and sale of the Transferred Shares in connection with the Scheme Closing shall take place on the Scheme Effective Date at the offices of Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, NY, or at such other place as Verizon and Vodafone may agree in writing. Upon the earlier of (i) the Scheme Longstop Date and (ii) the date on which the Vodafone Scheme lapses in accordance with its terms or is withdrawn, or as Verizon and Vodafone may otherwise agree in writing, this Section 2.3 shall be of no further force and effect.

2.4 Vodafone Scheme Closing Deliverables. The provisions of this Section 2.4 shall apply (for the avoidance of doubt, without prejudice to the provisions of the Scheme, which shall apply) if the Transaction is implemented by way of the Vodafone Scheme, but not if it is implemented by way of the Share Purchase.

(a) **Distribution of Verizon Shares.** Promptly following the Scheme Closing, pursuant to and in accordance with the terms of the Vodafone Scheme, the Verizon Shares shall be distributed by or on behalf of Verizon to the Vodafone Shareholders in respect of their Vodafone Class B Shares or Vodafone Class C Shares, as applicable.

(b) **Payment of Cash Consideration.** If the Transaction is implemented pursuant to the Vodafone Scheme, payment of the Cash Consideration will be made at the Closing by wire transfer or intrabank transfer of immediately available funds to Seller or such other Person as Vodafone may direct to an account or accounts designated by Vodafone in writing, such designation to be made no later than the close of business on the third (3rd) Business Day prior to the Closing Date.

(c) **Vodafone Deliverables.** At or prior to the Scheme Effective Date or, in the case of clauses (ii) through (vi) of this Section 2.4(c), at or prior to the Measurement Time, Vodafone shall deliver, or cause to be delivered, to Verizon (or to a wholly owned Affiliate of Verizon designated by Verizon or as otherwise set forth below), the following:

- (i) certificates representing the Transferred Shares, duly endorsed in blank or with stock powers duly executed in proper form for transfer in favor of Verizon (or to a wholly owned Affiliate of Verizon designated by Verizon);
- (ii) a certificate of an executive officer of Vodafone to the effect that the Reorganization has been completed pursuant to Section 5.1;
- (iii) duly executed letters of resignation, effective as of the Scheme Effective Date, providing for the resignation of all of the persons holding the positions of a director, officer or Representative (as defined in the Partnership Agreement) (A) of the Partnership or any of its Subsidiaries who were appointed to such position by Vodafone or any of its Affiliates or (B) of any of the Sold Entities, in each case in office immediately prior to the Closing;
- (iv) a certification from Vodafone Finance 1 that complies with Treasury Regulation Section 1.1445-2(c)(3), dated no more than thirty (30) days prior to the Scheme Effective Date and signed by a responsible corporate officer of Vodafone Finance 1, that the Transferred Shares are not a “United States real property interest” (as defined in Section 897(c)(1) of the Code), and proof reasonably satisfactory to Verizon that Vodafone Finance 1 has provided notice of such certification to the IRS in accordance with the provisions of Treasury Regulation Section 1.897-2(h)(2);
- (v) a certificate of an executive officer of Vodafone to the effect set forth in Section 7.3(c); and
- (vi) any other documents, instruments or agreements that are reasonably requested by Verizon in connection with the consummation of the transactions contemplated hereby.

(d) Other Verizon Deliverables. At or prior to the Scheme Effective Date or, in the case of clauses (v) through (vii) of this Section 2.4(d), at or prior to the Measurement Time, Verizon shall deliver, or cause to be delivered, to Vodafone (or to a wholly owned Affiliate of Vodafone designated by Vodafone or as otherwise set forth below), the following:

- (i) (A) if the transactions contemplated by the Omnitel Purchase Agreement are consummated on the Scheme Effective Date, payment, by wire transfer or intrabank transfer of immediately available funds to an account designated by Vodafone no later than the close of business on the third (3rd) Business Day prior to the Scheme Effective Date, of cash in the amount of the Omnitel Consideration Amount or (B) if the transactions contemplated by the Omnitel Purchase Agreement are not consummated on the Scheme Effective Date, the Omnitel Note, duly executed by Verizon;
- (ii) the Verizon Notes, duly executed by Verizon and authenticated by the trustee under the indenture pursuant to which the Verizon Notes are issued;

(iii) the Settlement Note (which shall be delivered to Seller), duly executed by Verizon;

(iv) the Term Note, duly executed by Verizon;

(v) if Verizon determines (using commercially reasonable efforts) that the Verizon Shares do not constitute a “United States real property interest” (as defined in Section 897(c)(1) of the Code), a certification from Verizon that complies with Treasury Regulation Section 1.1445-2(c)(3), dated no more than thirty (30) days prior to the Scheme Effective Date and signed by a responsible corporate officer of Verizon, that the Verizon Shares are not a United States real property interest (as so defined) to Vodafone or its Subsidiaries, and proof reasonably satisfactory to Vodafone that Verizon has provided notice of such certification to the IRS in accordance with the provisions of Treasury Regulation Section 1.897-2(h)(2);

(vi) a certificate of an executive officer of Verizon to the effect set forth in Section 7.2(c); and

(vii) any other documents, instruments or agreements which are reasonably requested by Vodafone in connection with the consummation of the transactions contemplated hereby.

2.5 Share Purchase Closing. Subject to the terms and conditions of this Agreement, unless the Scheme Closing shall have occurred, the closing (the “Share Purchase Closing”) of the Transaction in accordance with Sections 2.6 and 2.7 (the “Share Purchase”) shall take place at the offices of Wachtell, Lipton, Rosen & Katz, 51 West 52nd Street, New York, NY, at 10:00 a.m., New York time, on the fifth (5th) Business Day (the “Share Purchase Closing Date”) after the later of (a) the satisfaction or waiver (to the extent permitted by applicable Law) of the conditions set forth in Article VII (other than the conditions set forth in Sections 7.1(b) and 7.1(c)) and any condition to the Share Purchase that by its nature cannot be satisfied until the Share Purchase Closing, but subject to the satisfaction or waiver (to the extent permitted by applicable Law) by the party or parties entitled to the benefits thereof of such conditions at such time) and (b) the earlier of (i) the Scheme Longstop Date and (ii) the date on which the Vodafone Scheme lapses in accordance with its terms or is withdrawn, or at such other time or place as Verizon and Vodafone may agree in writing. If the Scheme Closing shall have occurred, this Section 2.5 shall be of no further force and effect.

2.6 Share Purchase Closing Deliverables. The provisions of this Section 2.6 shall apply if the Transaction is implemented by way of the Share Purchase, but not if it is implemented by way of the Vodafone Scheme.

(a) **Vodafone Deliverables.** At or prior to the Share Purchase Closing, Vodafone shall deliver, or cause to be delivered, to Verizon (or to a wholly owned Affiliate of Verizon designated by Verizon or as otherwise set forth below), the following:

- (i) certificates representing the Transferred Shares, duly endorsed in blank or with stock powers duly executed in proper form for transfer in favor of Verizon (or to a wholly owned Affiliate of Verizon designated by Verizon);
- (ii) the direction letter, substantially in the form attached hereto as Exhibit G (the “Vodafone Direction Letter”), duly executed by Vodafone;
- (iii) a duly executed copy of the Distribution Agent Agreement;
- (iv) a certificate of an executive officer of Vodafone to the effect that the Reorganization has been completed pursuant to Section 5.1;
- (v) duly executed letters of resignation, effective as of the Share Purchase Closing Date, providing for the resignation of all of the persons holding the positions of a director, officer or Representative (as defined in the Partnership Agreement) (A) of the Partnership or any of its Subsidiaries who were appointed to such position by Vodafone or any of its Affiliates or (B) of any of the Sold Entities, in each case in office immediately prior to the Closing;
- (vi) a certification from Vodafone Finance 1 that complies with Treasury Regulation Section 1.1445-2(c)(3), dated no more than thirty (30) days prior to the Share Purchase Closing Date and signed by a responsible corporate officer of Vodafone Finance 1, that the Transferred Shares are not a “United States real property interest” (as defined in Section 897(c)(1) of the Code), and proof reasonably satisfactory to Verizon that Vodafone Finance 1 has provided notice of such certification to the IRS in accordance with the provisions of Treasury Regulation Section 1.897-2(h)(2);
- (vii) a certificate of an executive officer of Vodafone to the effect set forth in Section 7.3(c); and
- (viii) any other documents, instruments or agreements that are reasonably requested by Verizon in connection with the consummation of the transactions contemplated hereby.

(b) Verizon Deliverables. At or prior to the Share Purchase Closing, Verizon shall deliver, or cause to be delivered, to Vodafone (or to a wholly owned Affiliate of Vodafone designated by Vodafone or as otherwise set forth below), the following:

- (i) payment of the Cash Consideration, by wire transfer or intrabank transfer of immediately available funds, to Seller or such other Person as Vodafone may direct, to an account or accounts designated by Vodafone in writing, such designation to be made not later than the close of business on the third (3rd) Business Day prior to the Share Purchase Closing Date;
- (ii) (A) if the transactions contemplated by the Omnitel Purchase Agreement are consummated on the Share Purchase Closing Date, payment, by wire transfer or intrabank transfer of immediately available funds to an account

designated by Vodafone no later than the close of business on the third (3rd) Business Day prior to the Share Purchase Closing Date, of cash in the amount of the Omnitel Consideration Amount or (B) if the transactions contemplated by the Omnitel Purchase Agreement are not consummated on the Share Purchase Closing Date, the Omnitel Note, duly executed by Verizon;

(iii) evidence of the book-entry issuance of the Verizon Shares, which Verizon Shares will be deposited by Verizon with the Distribution Agent in accordance with the Vodafone Direction Letter;

(iv) the Verizon Notes, duly executed by Verizon and authenticated by the trustee under the indenture pursuant to which the Verizon Notes are issued;

(v) the Settlement Note (which shall be delivered to Seller), duly executed by Verizon;

(vi) the Term Note, duly executed by Verizon;

(vii) if Verizon determines (using commercially reasonable efforts) that the Verizon Shares do not constitute a "United States real property interest" (as defined in Section 897(c)(1) of the Code), a certification from Verizon that complies with Treasury Regulation Section 1.1445-2(c)(3), dated no more than thirty (30) days prior to the Share Purchase Closing Date and signed by a responsible corporate officer of Verizon, that the Verizon Shares are not a United States real property interest (as so defined) to Vodafone or its Subsidiaries, and proof reasonably satisfactory to Vodafone that Verizon has provided notice of such certification to the IRS in accordance with the provisions of Treasury Regulation Section 1.897-2(h)(2);

(viii) a certificate of an executive officer of Verizon to the effect set forth in Section 7.2(c); and

(ix) any other documents, instruments or agreements which are reasonably requested by Vodafone in connection with the consummation of the transactions contemplated hereby.

2.7 Distribution of the Verizon Shares following a Share Purchase Closing. The provisions of this Section 2.7 shall apply if the Transaction is implemented by way of the Share Purchase, but not if it is implemented by way of the Vodafone Scheme. As soon as practicable after the date of this Agreement and the selection of the Distribution Agent, the parties shall discuss with Vodafone's registrar and the Distribution Agent the method pursuant to which the parties will accomplish the prompt and efficient distribution of the Verizon Shares to the Vodafone Distribution Record Holders in accordance with Law, Vodafone's articles of association and market practice. In the absence of agreement pursuant to the preceding sentence, the parties will take the actions specified in clauses (a)-(d) of this Section 2.7.

(a) **Distribution Agent**. Prior to the Share Purchase Closing, Vodafone shall enter into an agreement (the “**Distribution Agent Agreement**”) with such bank, trust company or other appropriate service provider as may be mutually agreed by Verizon and Vodafone (the “**Distribution Agent**”), which agreement shall provide that Verizon shall deposit the Verizon Shares pursuant to the Vodafone Direction Letter, with the Distribution Agent on the Share Purchase Closing, for the benefit of the holders of the Vodafone ordinary shares, par value 11 and 3/7ths cents per share (the “**Vodafone Ordinary Shares**”) as of the close of business on a date determined by the Board of Directors of Vodafone (such date, the “**Vodafone Distribution Record Date**” and such holders as of the Vodafone Distribution Record Date, the “**Vodafone Distribution Record Holders**”), for distribution in accordance with this **Section 2.7**.

(b) **Distribution Procedures**. Vodafone shall, if necessary to effect the distribution of the Verizon Shares required by this **Section 2.7(b)**, declare such a dividend as shall enable such distribution to be effected Lawfully and shall instruct the Distribution Agent to distribute, as soon as reasonably practicable after the Share Purchase Closing, to each Vodafone Distribution Record Holder that number of whole shares of Verizon Common Stock representing such Vodafone Distribution Record Holder’s Pro Rata Portion of the Verizon Shares and cash in lieu of fractional shares pursuant to **Section 2.7(c)**. No interest shall be paid or will accrue on the Verizon Shares or any cash payable to the Vodafone Distribution Record Holders pursuant to the provisions of this Agreement. “**Pro Rata Portion**” means the percentage obtained by dividing (i) the number of Vodafone Ordinary Shares owned by a Vodafone Distribution Record Holder by (ii) the total number of Vodafone Ordinary Shares issued and outstanding as of the Vodafone Distribution Record Date.

(c) **No Fractional Shares**. Notwithstanding anything herein to the contrary, no fractional shares of Verizon Common Stock shall be distributed to Vodafone Distribution Record Holders, and any such fractional share interests to which a Vodafone Distribution Record Holder would otherwise be entitled shall not entitle such Vodafone Distribution Record Holder to vote or to any other rights as a stockholder of Verizon. In lieu of any such fractional shares, each Vodafone Distribution Record Holder who, but for the provisions of this **Section 2.7(c)**, would be entitled to receive a fractional share interest of Verizon Common Stock pursuant to this **Section 2.7**, shall be paid cash, without any interest thereon, as hereinafter provided. Vodafone shall instruct the Distribution Agent to determine the number of whole shares and fractional shares of Verizon Common Stock allocable to each Vodafone Distribution Record Holder, to aggregate all such fractional shares into whole shares, to sell the whole shares obtained thereby in the open market at the then-prevailing prices on behalf of each Vodafone Distribution Record Holder who otherwise would be entitled to receive fractional share interests and to distribute to each such Vodafone Distribution Record Holder his, her or its ratable share of the total proceeds of such sale, after making appropriate deductions of the amounts required for Tax withholding purposes and after deducting any applicable transfer Taxes and the costs and expenses of such sale and distribution, including brokers fees and commissions. The sales of fractional shares shall occur as soon after the Share Purchase Closing as practicable and as determined by the Distribution Agent. None of Verizon, Vodafone or the Distribution Agent shall guarantee any minimum sale price for the fractional shares of

Verizon Common Stock. None of Verizon, Vodafone or the Distribution Agent shall pay any interest on the proceeds from the sale of fractional shares. The Distribution Agent shall have the sole discretion to select the broker-dealers through which to sell the aggregated fractional shares and to determine when, how and at what price to sell such shares. Neither the Distribution Agent nor the broker-dealers through which the aggregated fractional shares are sold shall be Affiliates of Verizon or Vodafone.

(d) Unclaimed Stock or Cash. Any Verizon Common Stock or cash in lieu of fractional shares with respect to Verizon Common Stock that remain unclaimed by any Vodafone Distribution Record Holder one (1) year after the Share Purchase Closing Date shall be delivered to Vodafone. Vodafone shall hold such Verizon Common Stock for the account of such Vodafone Distribution Record Holder and the parties agree that all obligations to provide such Verizon Common Stock and cash, if any, in lieu of fractional share interests shall be obligations of Vodafone, subject in each case to applicable escheat or other abandoned property Laws, and Verizon shall have no Liability with respect thereto. For the avoidance of doubt, Vodafone shall have no right to vote any such unclaimed shares of Verizon Common Stock on behalf of any Vodafone Distribution Record Holder.

2.8 Withholding. Verizon shall be entitled to deduct and withhold from the consideration otherwise payable under this Agreement, such amounts as are required to be withheld or deducted under any Tax Law with respect to the making of such payment; provided, that Verizon shall notify and consult with Vodafone prior to making any such withholding or deduction. To the extent that amounts are so withheld or deducted and paid over to the applicable Governmental Entity, such withheld or deducted amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding were made.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF VODAFONE

Except as set forth in the corresponding sections of the disclosure letter delivered to Verizon on or prior to entering into this Agreement (the “Vodafone Disclosure Letter”) (it being agreed that disclosure of any item in any part of the Vodafone Disclosure Letter shall be deemed disclosure with respect to any other part to which the relevance of such item is reasonably apparent), Vodafone hereby makes the following representations and warranties (a) on the date hereof and (b) on the Measurement Time (except in either case to the extent such representation is made as of an earlier date (in which case on and as of such earlier date)):

3.1 Organization and Qualification. Vodafone is a public limited company duly incorporated and validly existing under the Laws of England and has the requisite power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted. Each of Seller and each Sold Entity is duly organized, validly existing in good standing under the Laws of the jurisdiction of its incorporation or organization (with respect to jurisdictions that recognize the concept of good standing) and has the requisite power and authority to own, lease and operate its assets and properties and to carry on its business as it

is now being conducted. Each of Seller and each Sold Entity is duly licensed or qualified to do business and is in good standing (with respect to jurisdictions that recognize the concept of good standing) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties or assets owned or leased by it makes such licensing or qualification necessary, except for such failures to be so licensed, qualified or in good standing as would not reasonably be expected to have, individually or in the aggregate, a Vodafone Material Adverse Effect. Vodafone has filed with the SEC a correct and complete copy of its articles of association, as in force at the date of this Agreement, and made available to Verizon correct and complete copies of the organizational documents (including the certificate of incorporation and bylaws, or comparable documents) of each of Seller and each Sold Entity, in each case as amended to the date of this Agreement.

3.2 Authority.

(a) Each of Vodafone and Seller has the requisite power and authority to execute and deliver this Agreement and, subject to obtaining the approvals set out in Section 3.2(c) below, to consummate the transactions contemplated hereby, and such execution, delivery and, subject to obtaining the approvals set out in Section 3.2(c) below, consummation have been duly authorized by all necessary action. This Agreement has been duly executed and delivered by Vodafone and Seller and, assuming the due execution and delivery by Verizon, constitutes the valid and binding obligation thereof, enforceable against Vodafone and Seller in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency and similar federal and state Laws generally affecting the rights and remedies of creditors and general principles of equity, whether considered in a proceeding at law or in equity.

(b) The Board of Directors of Vodafone, at a meeting duly called and held on September 1, 2013, has (i) approved this Agreement and the transactions contemplated by this Agreement and the Ancillary Documents, and (ii) resolved to make the Vodafone Recommendation and to include the Vodafone Recommendation in the Vodafone Circular (subject to Section 5.3(d)) substantially on the following terms:

“The Board considers that the [Proposals] are in the best interests of Vodafone Shareholders as a whole and accordingly unanimously recommends that all Vodafone Shareholders vote in favour of the Scheme of Arrangement at the Court Meeting and the Resolutions at the Vodafone Shareholders Meeting, as the Directors intend to do in respect of their own beneficial shareholdings. The Vodafone Board, which has been so advised by Goldman Sachs and UBS, considers the terms of the [Transactions] to be fair and reasonable so far as the Vodafone Shareholders are concerned. In providing financial advice to the Vodafone Board, Goldman Sachs and UBS have each taken into account the commercial assessments of the Directors.”

(c) (i) The approval of the Vodafone Scheme at the Court Meeting and the passing of the Vodafone Resolutions at a duly convened and held general meeting of Vodafone (the “Vodafone Shareholders Meeting”), in each case by the requisite majority (the “Vodafone Requisite Scheme Vote”), are the only votes of the holders of any class or

series of the equity interests of Vodafone necessary to approve and consummate the Transaction by way of the Vodafone Scheme as contemplated by this Agreement, and (ii) the approval of the Vodafone Sale Resolutions at the Vodafone Shareholders Meeting by the requisite majority (the “Vodafone Requisite Share Purchase Vote”) is the only vote of the holders of any class or series of the equity interests of Vodafone necessary to approve and consummate the Transaction by way of the Share Purchase as contemplated by this Agreement.

3.3 Consents. Neither the execution and delivery of this Agreement by Vodafone nor the execution and delivery of the Omnitel Purchase Agreement by Vodafone Europe, nor the consummation of the transactions contemplated hereby (including the Reorganization) or thereby, will (a) conflict with, or result in any breach or violation of, any provision of the organizational documents of Vodafone, Seller, Vodafone Europe, Omnitel or any of the Sold Entities; (b) constitute, with or without notice or the passage of time or both, a breach, violation or default, create an Encumbrance, or give rise to any right of termination, modification, cancellation, prepayment or acceleration, under any order, writ, injunction, decree, Law, statute, rule or regulation, governmental permit or license, or any mortgage, indenture, lease, agreement or other instrument of Vodafone, Seller, Vodafone Europe, Omnitel or the Sold Entities or to which Vodafone, Seller, Vodafone Europe, Omnitel or the Sold Entities or any of their respective assets or properties are subject, except in each case which would not reasonably be expected to have, individually or in the aggregate, a Vodafone Material Adverse Effect; or (c) require any consent, approval, or authorization of, waiver by, notification to, or filing with, any Governmental Entity on the part of Vodafone, Seller, Vodafone Europe, Omnitel or the Sold Entities other than (i) the filing of certificates and other documents with respect to the Reorganization transaction contemplated in Schedule 5.1 hereto, (ii) filings with the FCC or in connection with the transactions contemplated in the Omnitel Purchase Agreement and (iii) such other consents, approvals, authorizations, waivers, notifications or filings the failure of which to be obtained or made would not reasonably be expected to have, individually or in the aggregate, a Vodafone Material Adverse Effect.

3.4 No Liabilities of the Sold Entities; Assets of the Sold Entities.

(a) As of the Closing Date and following completion of the Reorganization, there will be no Liabilities of any Sold Entity of any kind, other than Liabilities (i) set forth on Section 3.4(a) of the Vodafone Disclosure Letter or that exist between such Sold Entity and another Sold Entity arising from the Reorganization, (ii) in the case of each Vodafone Partner, of and in respect of the Partnership pursuant to such Vodafone Partner’s ownership of its Partnership Interest and (iii) for Taxes of the Sold Entities.

(b) As of the Closing Date and following completion of the Reorganization, none of the Sold Entities will be party to any Contract or will have any assets other than (i) as set forth on Section 3.4(b) of the Vodafone Disclosure Letter or that exist between such Sold Entity and another Sold Entity arising from the Reorganization, (ii) in the case of any Sold Entity that owns another Sold Entity, ownership of such other Sold Entity and (iii) in the case of any Sold Entity which is also a Vodafone Partner, (x) Contracts with the Partnership or its Subsidiaries, Verizon or wholly owned Subsidiaries of Verizon in respect thereof and (y) ownership of any Partnership Interest. As of the Closing Date and

following completion of the Reorganization, none of the Sold Entities will employ any persons or sponsor, maintain, contribute to or be required to contribute to any Employee Benefit Plan, or have any current, future or contingent Liability in respect of any Employee Benefit Plan, in each case other than Excluded Liabilities.

(c) As of the Closing Date and following completion of the Reorganization, there is no Liability for, or obligation with respect to, any dividends or distributions declared or to be declared or accumulated but unpaid with respect to any shares of the capital stock or other equity interests of any Sold Entity. As of the most recent Dividend Payment Date, there were no accrued and unpaid dividends with respect to the VAI Preferred Shares.

3.5 Litigation. There are no (a) investigations or proceedings pending (or, to the Knowledge of Vodafone, threatened) by any Governmental Entity with respect to any Sold Entity or (b) actions, suits or proceedings pending (or, to the Knowledge of Vodafone, threatened) against any Sold Entity or any of their respective properties at law or in equity before, and there are no orders, judgments or decrees of, any Governmental Entity against any Sold Entity, in each case of clause (a) or (b), which would reasonably be expected to have, individually or in the aggregate, a Vodafone Material Adverse Effect.

3.6 Compliance with Laws; Licenses.

(a) The businesses of the Sold Entities are not being conducted in violation of any applicable Law, except for violations that would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect (disregarding, for purposes of this Section 3.6(a), clause (i) of the definition of “Verizon Material Adverse Effect”).

(b) As of the date of this Agreement, to the Knowledge of Vodafone, no event or condition has occurred or exists which would result in a violation of, breach, default or loss of a benefit under, or acceleration of an obligation of any Sold Entity under, any permits, licenses, certifications, approvals, registrations, consents, authorizations, franchises, variances, exemptions and orders issued or granted by a Governmental Entity (“Licenses”) or has caused (or would cause) an applicable Governmental Entity to fail or refuse to issue, renew or extend any License (in each case, with or without notice or lapse of time or both), in each case except for violations, breaches, defaults, losses, accelerations or failures that would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect (disregarding, for purposes of this Section 3.6(b), clause (i) of the definition of “Verizon Material Adverse Effect”).

(c) None of Vodafone, Seller or any Sold Entity is an “investment company” as defined in the Investment Company Act of 1940, as amended.

3.7 Capitalization and Ownership of the Sold Entities.

(a) Section 3.7 of the Vodafone Disclosure Letter sets forth, with respect to each Sold Entity, as of the date of this Agreement, (i) the number of its issued and outstanding shares of capital stock or other equity interests of such Sold Entity and (ii) except with

respect to the VAI Preferred Shares, the owner of such shares of capital stock or other equity interests.

(b) Except for the shares of capital stock or other equity interests of each Sold Entity to be transferred to Verizon, directly or indirectly, pursuant to the terms and subject to the conditions of this Agreement, there are no issued and outstanding equity interests in any Sold Entity other than the VAI Preferred Shares. All of the shares of capital stock or other equity interests of each Sold Entity have been duly authorized and validly issued and are fully paid and nonassessable and, as of immediately prior to the Closing and except for (x) the VAI Preferred Shares or (y) as set forth on Section 3.7 of the Vodafone Disclosure Letter, will be owned, beneficially and of record, by Seller or a Sold Entity, free and clear of all Encumbrances other than transfer restrictions under applicable securities Laws. There are no preemptive or other outstanding rights, options, warrants, conversion rights, stock appreciation rights, redemption rights, agreements, arrangements or commitments of any character under which Vodafone or a Sold Entity is or may become obligated to issue or sell, or giving any Person other than a Sold Entity a right to subscribe for or acquire, or in any way dispose of, any shares of capital stock or other securities of any Sold Entity or any securities or obligations convertible or exchangeable into or exercisable for, or convertible into, any shares of capital stock or any securities of any Sold Entity, and no securities or obligations evidencing such rights will be authorized, reserved for issuance, issued or outstanding. Except for the VAI Preferred Shares, no Sold Entity has any outstanding bonds, debentures, notes or other obligations that provide the holders thereof the right to vote (or are convertible or exchangeable into or exercisable for securities having the right to vote) with the shareholders of Vodafone, Seller or any Sold Entity on any matter.

3.8 Ownership of Partnership Interest. The Vodafone Partners (together) have good and valid title to a 45% Partnership Interest in the Partnership, free and clear of any Encumbrance other than any Encumbrance imposed by the organizational documents of the Partnership, the Delaware Revised Uniform Partnership Act or applicable federal and state securities Law transfer restrictions.

3.9 Ownership of Transferred Shares. Seller has good and valid title to the Transferred Shares, free and clear of any Encumbrance other than applicable federal and state securities Law transfer restrictions, and upon consummation of the Transaction, Verizon will have good and valid title to such Transferred Shares, free and clear of any Encumbrance other than applicable federal and state securities Law transfer restrictions.

3.10 Tax.

(a) The Sold Entities (i) have timely filed or caused to be filed (taking into account any extension of time to file granted or obtained) all material Tax Returns required to be filed by or on behalf of them and all such filed Tax Returns are true, correct and complete in all material respects; and (ii) have timely paid all material amounts of Taxes due and payable except, in each case, to the extent that such Taxes are being contested in good faith or are adequately reserved in accordance with IFRS; provided, that no representation is made with respect to the accuracy of any such filed

Tax Return with respect to information reported to the Sold Entities by the Partnership on Schedule K-1 (IRS Form 1065). There are no material liens with respect to Taxes upon any asset of the Sold Entities, other than liens for current Taxes not yet due and payable.

(b) Other than with respect to items of Partnership income, gain, loss, deduction or credit (or other items reported to its partners on Schedule K-1 (IRS Form 1065)), no material deficiencies for any Taxes have been proposed in writing or assessed against or with respect to any of the Sold Entities, and there is no outstanding audit, assessment, dispute or claim pending or threatened in writing concerning any material Tax Liability of the Sold Entities.

(c) None of the Sold Entities has received any written notice or inquiry that has not been withdrawn or resolved from any jurisdiction where such Sold Entity does not currently file Tax Returns to the effect that such filings may be required or that such Sold Entity may be subject to Tax by such jurisdiction.

(d) None of the Sold Entities (i) is a party to, is bound by or has any obligation under any Tax sharing or Tax indemnity agreement or similar contract or arrangement, (ii) is or was (since June 30, 1999), a member of any consolidated, combined, unitary or affiliated Tax Return group (other than a group consisting solely of one or more of the Sold Entities), and (iii) has any liability for Taxes of any other Person under any Law, as transferee or successor, by contract or otherwise.

(e) None of the Sold Entities will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any Post-Closing Tax Period as a result of any (i) adjustment required by reason of a change in method of accounting for a Pre-Closing Tax Period under Section 481(c) of the Code (or any corresponding or similar provision of state, local or foreign Tax Law), (ii) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign Tax Law) entered into prior to the Closing, or (iii) installment sale or intercompany transaction made prior to the Closing, except, in each case of clauses (i) through (iii), for any such items arising from any such change in method of accounting, closing agreement, installment sale or intercompany transaction by the Partnership.

(f) All material Taxes required to be withheld, collected or deposited by or with respect to any of the Sold Entities have been timely withheld, collected or deposited, as the case may be, and to the extent required, have been paid to the relevant Tax Authority.

(g) Section 3.10(g) of the Vodafone Disclosure Letter specifies any Sold Entity for which an entity classification election pursuant to Treasury Regulation Section 301.7701-3 was made, and with respect to each such election, the effective date thereof and the classification elected pursuant thereto.

(h) Within the past two (2) years, none of the Sold Entities has been a “distributing corporation” or a “controlled corporation” in a distribution intended to qualify under Section 355(a) of the Code.

(i) None of the Sold Entities has participated in any “listed transaction” within the meaning of Treasury Regulations Section 1.6011-4.

3.11 Information Supplied. None of the information supplied or to be supplied in writing by Vodafone in connection with this Agreement, the Ancillary Documents and the transactions contemplated hereby and thereby specifically for inclusion or incorporation by reference in the Proxy Statement, the Verizon Registration Statement or the Verizon UK Prospectus will, at the time such document or any amendment or supplement thereto is declared effective under the Securities Act or first mailed or posted to shareholders and/or, as applicable, published, contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading. The Vodafone Circular will not, at the date of publication of the Vodafone Circular, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein; provided, however, that no representation is made by Vodafone with respect to statements made or incorporated by reference therein based on information supplied in writing by Verizon specifically for inclusion or incorporation by reference therein.

3.12 Brokers and Finders. Other than Goldman Sachs International and UBS Limited, the fees and expenses of which will be paid by Vodafone, none of Vodafone or any of its controlled Affiliates has engaged any broker or finder or incurred any Liability for any brokerage fees, commissions or finder's fees in connection with the transactions contemplated by this Agreement and the Ancillary Documents for which any cost or Liability could be imposed on Verizon or any of its Affiliates.

3.13 Lack of Ownership of Verizon Common Stock. Except as held by any benefit or pension plan sponsored, maintained, contributed to or required to be contributed to by Vodafone or any of its Subsidiaries for the benefit of current or former employees, directors or consultants of Vodafone or its Subsidiaries, or with respect to which Vodafone or its Subsidiaries have any current, future or contingent Liability, neither Vodafone nor any of its Subsidiaries beneficially owns directly or indirectly, any shares of Verizon Common Stock or other securities convertible into, exchangeable for or exercisable for shares of Verizon Common Stock, and none of Vodafone or any of its Subsidiaries has any rights to acquire any shares of Verizon Common Stock. There are no voting trusts or other agreements or understandings to which Vodafone or any of its Subsidiaries is a party with respect to the voting of the capital stock or other equity interest of Verizon.

3.14 Vodafone Employee Benefits. With respect to each Vodafone Benefit Plan, except as would not reasonably be expected to have, individually or in the aggregate, a Vodafone Material Adverse Effect, (i) Vodafone and its Subsidiaries and the Sold Entities have complied, and are now in compliance with, all Laws applicable to the Vodafone Benefit Plans and their terms, (ii) each Vodafone Benefit Plan has been maintained, funded and administered in compliance with its terms and with applicable Law, and (iii) insofar as relates to any Vodafone Benefit Plan operated in the UK which provides pension benefits other than on a money purchase basis (each such plan, a “Vodafone UK Pension Plan”), there is no cause to believe that the UK Pensions Regulator currently has any reason to consider issuing a financial support direction or a contribution notice against any entity by reference to such Vodafone UK Pension Plan.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF VERIZON

Except as set forth in the Verizon SEC Documents filed with the SEC after December 31, 2011 and prior to the date hereof (excluding, in each case, any disclosures set forth in any risk factor section or in any other section to the extent they are forward-looking statements or cautionary, predictive or forward-looking in nature) or in the corresponding sections of the disclosure letter delivered to Vodafone on or prior to entering into this Agreement (the “Verizon Disclosure Letter”) (it being agreed that disclosure of any item in any part of the Verizon Disclosure Letter shall be deemed disclosure with respect to any other part to which the relevance of such item is reasonably apparent), Verizon hereby makes the following representations and warranties (a) on the date hereof and (b) on the Measurement Time (except in either case to the extent such representation is made as of an earlier date (in which case on and as of such earlier date)):

4.1 Organization and Qualification.

(a) Each of Verizon and its Significant Subsidiaries is a legal entity duly organized, validly existing in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of the jurisdiction in which it is incorporated or organized and has all requisite power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted, except, in the case of the Significant Subsidiaries of Verizon, for such failures to be so organized, existing and in good standing or to have such power and authority as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

(b) Each of Verizon and its Subsidiaries is duly licensed or qualified to do business and is in good standing (with respect to jurisdictions that recognize the concept of good standing) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except for such failures to be so licensed, qualified or in good standing as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

(c) Verizon has filed with the SEC correct and complete copies of its certificate of incorporation and by-laws (the “Verizon Charter Documents”), in each case as amended to the date of this Agreement. All such Verizon Charter Documents are in full force and effect and Verizon is not in violation of any of their provisions.

4.2 Capitalization.

(a) The authorized capital stock of Verizon consists of 4,250,000,000 shares of Verizon Common Stock and 250,000,000 shares of preferred stock, par value \$0.10 per share (“Verizon Preferred Stock”). As of the close of business on August 30, 2013, (i) 2,861,731,823 shares of Verizon Common Stock were issued and outstanding,

(ii) 105,878,296 shares of Verizon Common Stock were issued and held in treasury, (iii) 117,180,785 shares of Verizon Common Stock were reserved for issuance upon the exercise of outstanding stock options, the vesting or lapse of restrictions of restricted share units to acquire shares of Verizon Common Stock or the exercise or vesting or lapse of restrictions of or on any similar instruments into Verizon Common Stock and (iv) no shares of Verizon Preferred Stock were issued and outstanding. All of the Verizon Common Stock (A) has been duly authorized and validly issued, (B) is fully paid and nonassessable and (C) was issued in compliance with all applicable Laws concerning the issuance of securities. As of the close of business on August 30, 2013, there were no other equity interests of Verizon issued, authorized or outstanding. In the event that the Verizon Certificate of Incorporation is amended to provide for an increase in the number of shares of Verizon Common Stock authorized by the Verizon Certificate of Incorporation (a “Verizon Certificate Amendment”), the authorized capital stock of Verizon will be increased by the number of newly authorized shares of Verizon Common Stock provided for thereupon.

(b) Other than pursuant to the Verizon Stock Plans, as of the date hereof, except as expressly contemplated by this Agreement, there are no preemptive or other outstanding rights, options, warrants, conversion rights, stock appreciation rights, redemption rights, repurchase rights, agreements, arrangements or commitments of any character under which Verizon is or may become obligated to issue or sell, or giving any Person a right to subscribe for or acquire, or in any way dispose of, any equity interests of Verizon, or any securities or obligations exercisable or exchangeable for, or convertible into, any equity interests of Verizon, and no securities or obligations evidencing such rights are authorized, reserved for issuance, issued, or outstanding. Upon issuance, the Verizon Shares will not be subject to any voting trust agreement or other contract, agreement or arrangement restricting or otherwise relating to the voting, dividend rights or disposition of such equity interests.

4.3 Authority.

(a) Verizon has the requisite power and authority to execute and deliver this Agreement and, subject to obtaining the Verizon Requisite Vote, to consummate the transactions contemplated by this Agreement and the Ancillary Documents, and such execution, delivery and, subject to obtaining the Verizon Requisite Vote, consummation have been duly authorized by all necessary action. This Agreement has been duly executed and delivered by Verizon and, assuming the due execution and delivery by Vodafone and Seller, constitutes the valid and binding obligation thereof, enforceable against Verizon in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency and similar federal and state Laws generally affecting the rights and remedies of creditors and general principles of equity, whether considered in a proceeding at law or in equity.

(b) The Board of Directors of Verizon, at a meeting duly called and held, has (i) approved and declared advisable this Agreement and the transactions contemplated by this Agreement and the Ancillary Documents, including the issuance of the Verizon

Shares (the “Share Issuance”) and (ii) resolved to make the Verizon Recommendation (subject to Section 5.2(f)).

(c) The affirmative vote (in person or by proxy) pursuant to NYSE listing rules, of the holders of a majority of the shares of Verizon Common Stock voting at the Verizon Stockholders Meeting or any adjournment or postponement thereof to approve the Share Issuance (the “Verizon Requisite Vote”) is the only vote of the holders of any class or series of the equity interests of Verizon necessary to approve and consummate the Transaction.

4.4 Consents. Neither the execution and delivery of this Agreement by Verizon nor execution and delivery of the Omnitel Purchase Agreement by VBIH, nor the consummation of the transactions contemplated hereby or thereby, will (a) conflict with, or result in any breach or violation of, any provision of the Verizon Charter Documents or any equivalent organizational or governing documents of any Significant Subsidiary of Verizon or VBIH; (b) constitute, with or without notice or the passage of time or both, a breach, violation or default, create an Encumbrance, or give rise to any right of termination, modification, cancellation, prepayment or acceleration, under any order, writ, injunction, decree, Law, statute, rule or regulation, governmental permit or license, or any mortgage, indenture, lease, agreement or other instrument of Verizon or its Significant Subsidiaries or VBIH or to which Verizon or its Significant Subsidiaries or VBIH or any of their respective assets or properties is subject, except for such breaches, violations, defaults, Encumbrances, and rights as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect; or (c) require any consent, approval, or authorization of, waiver by, notification to, or filing with, any Governmental Entity on the part of Verizon or any of its Subsidiaries other than (i) those expressly contemplated by this Agreement (including the approvals required by the FCC) or in connection with the transactions contemplated by the Omnitel Purchase Agreement and (ii) such consents, approvals, authorizations, waivers, notifications or filings the failure of which to be obtained or made would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

4.5 Verizon SEC Documents; Financial Statements; Verizon UK Prospectus.

(a) Verizon has filed or furnished, as applicable, on a timely basis all required reports, schedules, forms, certifications, prospectuses, and registration, proxy and other statements with the SEC (collectively and together with all documents filed on a voluntary basis on Form 8-K, and in each case including all exhibits and schedules thereto and documents incorporated by reference therein, the “Verizon SEC Documents”) since December 31, 2011. Each of the Verizon SEC Documents, at the time of its filing or being furnished, complied, or if not yet filed or furnished, will comply, in all material respects, with the applicable requirements of the Exchange Act, the Securities Act and the Sarbanes-Oxley Act of 2002, and any rules and regulations promulgated thereunder applicable to the Verizon SEC Documents. As of their respective dates (or, if amended prior to the date hereof, as of the date of such amendment), the Verizon SEC Documents did not, and any Verizon SEC Documents filed with or furnished to the SEC subsequent to the date hereof will not, contain any untrue statement of a material fact or omit to state

a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances in which they were made, not misleading.

(b) Verizon maintains disclosure controls and procedures required by Rule 13a-15 or 15d-15 under the Exchange Act. Such disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by Verizon is recorded and reported on a timely basis to the individuals responsible for the preparation of Verizon's filings with the SEC and other public disclosure documents. Verizon maintains internal control over financial reporting (as defined in Rule 13a-15 or 15d-15, as applicable, under the Exchange Act). Such internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and includes policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of Verizon, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of Verizon are being made only in accordance with authorizations of management and directors of Verizon, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Verizon's assets that could have a material effect on its financial statements. Verizon has disclosed, based on the most recent evaluation of its chief executive officer and its chief financial officer prior to the date of this Agreement, to Verizon's auditors and the audit committee of Verizon's Board of Directors (A) any "significant deficiencies" (as defined in Auditing Standard No. 5 of the Public Company Accounting Oversight Board, as in effect on the date hereof) in the design or operation of its internal controls over financial reporting that are reasonably likely to adversely affect Verizon's ability to record, process, summarize and report financial information and has identified for Verizon's auditors and audit committee of Verizon's Board of Directors any "material weaknesses" (as defined in Auditing Standard No. 5 of the Public Company Accounting Oversight Board, as in effect on the date hereof) in internal control over financial reporting and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Verizon's internal control over financial reporting.

(c) Each of the audited consolidated statements of income, changes in stockholders' equity and cash flows of Verizon and its consolidated Subsidiaries included in or incorporated by reference into the Verizon SEC Documents (including any related notes and schedules) (i) have been prepared in accordance with GAAP applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto); (ii) presented fairly, in all material respects, the consolidated financial position of Verizon and its consolidated Subsidiaries as at the dates thereof and the consolidated results of income, changes in stockholders' equity and cash flows of Verizon and its consolidated Subsidiaries for the periods then ended, and (iii) were prepared from the books of account and other financial records of Verizon and its consolidated Subsidiaries.

(d) Verizon does not have any Liabilities of any kind (whether or not accrued or contingent) that would be required to be reflected or reserved against on a consolidated

balance sheet of Verizon prepared in accordance with GAAP (or the notes thereto), except for (i) Liabilities reflected or reserved against on Verizon's consolidated unaudited balance sheet as of June 30, 2013 (or the notes thereto), (ii) Liabilities incurred in the ordinary course of business since June 30, 2013, (iii) Liabilities incurred in connection with or contemplated by this Agreement and (iv) Liabilities that would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

(e) The Verizon UK Prospectus will contain all such information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of Verizon and the rights attaching to the Verizon Shares having regard to the matters specified in section 87A of FSMA and all statements contained in the Verizon UK Prospectus or any other Verizon Disclosure Document upon publication will be true and accurate in all material respects and not misleading in any material respect.

(f) None of the information supplied or to be supplied by Verizon for inclusion or incorporation by reference in the Proxy Statement, the Verizon Registration Statement, the Verizon UK Prospectus or any other Verizon Disclosure Document will, at the time such document or any amendment or supplement thereto is declared effective under the Securities Act or first mailed or posted to shareholders and/or, as applicable, published, contain any untrue statement of material fact or omit to state any material fact required to be stated therein to make the statements therein not misleading.

(g) None of the information supplied or to be supplied in writing by Verizon specifically for inclusion or incorporation by reference in the Vodafone Circular will, at the time such document or any amendment or supplement thereto is first mailed or posted to shareholders and/or, as applicable, published, contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(h) Notwithstanding anything in this Agreement to the contrary, no representation is made by Verizon with respect to statements made or incorporated by reference in any Verizon Disclosure Document based on information supplied in writing by Vodafone in connection with this Agreement, the Ancillary Documents and the transactions contemplated hereby and thereby specifically for inclusion or incorporation by reference in such Verizon Disclosure Document.

4.6 Absence of Certain Changes. Since June 30, 2013 until the date of this Agreement, the businesses of Verizon and its Subsidiaries have been conducted in the ordinary course of business in all material respects. Since December 31, 2012, there has not been any change, effect, event or occurrence that would reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

4.7 Litigation. There are no (a) investigations or proceedings pending (or, to the Knowledge of Verizon, threatened) by any Governmental Entity with respect to Verizon or any of its Subsidiaries or (b) actions, suits or proceedings pending (or, to the Knowledge of Verizon,

threatened) against Verizon or any of its Subsidiaries or any of their respective properties at law or in equity before, and there are no orders, judgments or decrees of, any Governmental Entity against Verizon or any of its Subsidiaries, in each case of clause (a) or (b), which would reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

4.8 Compliance with Laws; Licenses.

(a) Verizon and its Subsidiaries each has obtained and is in compliance with all Licenses necessary to conduct its businesses as presently conducted, except those the absence of which would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect. The businesses of Verizon and its Subsidiaries are not being conducted in violation of any applicable Law, except for violations that have not had, and would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

(b) As of the date of this Agreement, to the Knowledge of Verizon, no event or condition has occurred or exists which would result in a violation of, breach, default or loss of a benefit under, or acceleration of an obligation of Verizon or any of its Subsidiaries under, any Licenses or has caused (or would cause) an applicable Governmental Entity to fail or refuse to issue, renew or extend any License (in each case, with or without notice or lapse of time or both), except for violations, breaches, defaults, losses, accelerations or failures that would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

4.9 Tax Matters. Except as would not, individually or in the aggregate, have and would not reasonably be expected to have, a Verizon Material Adverse Effect:

(a) Verizon and its Subsidiaries (i) have timely filed or caused to be filed (taking into account any extension of time to file granted or obtained) all Tax Returns required to be filed by or on behalf of them and all such filed Tax Returns are true, correct and complete; and (ii) have timely paid all Taxes due and payable except, in each case, to the extent that such Taxes are being contested in good faith or are adequately reserved, in accordance with GAAP. There are no liens with respect to Taxes upon any asset of Verizon or its Subsidiaries, other than liens for current Taxes not yet due and payable.

(b) No deficiencies for any Taxes have been proposed in writing or assessed against or with respect to any Taxes due by or Tax Returns of Verizon or its Subsidiaries, and there is no outstanding audit, assessment, dispute or claim pending or threatened in writing concerning any Tax liability of Verizon or its Subsidiaries.

(c) All Taxes required to be withheld, collected or deposited by or with respect to Verizon and its Subsidiaries have been timely withheld, collected or deposited, as the case may be, and to the extent required, have been paid to the relevant Tax Authority.

4.10 Verizon Employee Benefits.

(a) Except for such claims which would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, no action, dispute, suit, claim, arbitration, or legal, administrative or other proceeding or governmental action is pending or, to the Knowledge of Verizon, threatened (x) with respect to any Verizon Benefit Plan (other than a “multiemployer plan” (within the meaning of Section 4001(a)(3) of ERISA) (a “Multiemployer Plan”)), other than claims for benefits in the ordinary course, (y) alleging any breach of the material terms of any Verizon Benefit Plan (other than a Multiemployer Plan) or any fiduciary duties with respect thereto or (z) with respect to any violation of any applicable Law with respect to such Verizon Benefit Plan (other than a Multiemployer Plan).

(b) Each Verizon Benefit Plan has been maintained, funded and administered in compliance with its terms and with applicable Law, including ERISA and the Code, except for such non-compliance which would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect. Except, in each case, as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, (i) any Verizon Benefit Plan intended to be qualified under Section 401 of the Code has received a favorable determination letter from the IRS that has not been revoked and, (ii) to the Knowledge of Verizon, no fact or event has occurred since the date of such determination letter or letters from the IRS that would reasonably be expected to adversely affect the qualified status of any such Verizon Benefit Plan.

(c) With respect to each Verizon Benefit Plan that is subject to Title IV or Section 302 of ERISA or Section 412 or 4971 of the Code, (i) Verizon, its Subsidiaries and their respective ERISA Affiliates have complied with the minimum funding requirements under Sections 412, 430 and 431 of the Code and Sections 302, 303 and 304 of ERISA, whether or not waived, (ii) no reportable event within the meaning of Section 4043 of ERISA for which the 30-day notice requirement has not been waived has occurred, (iii) all premiums to the Pension Benefit Guaranty Corporation (the “PBGC”) have been timely paid in full, (iv) no current or contingent Liability under Title IV of ERISA has been or is expected to be incurred by Verizon, its Subsidiaries or any of their respective ERISA Affiliates (other than for premiums to the PBGC) and (v) the PBGC has not instituted proceedings to terminate any such Verizon Benefit Plan, except, in each case of (i) – (v), as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect. Except for such matters as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, with respect to any Verizon Benefit Plan, all contributions, premiums and other payments due from any of Verizon or its Subsidiaries required by Law or any Verizon Benefit Plan have been made under any such plan to any fund, trust or account established thereunder or in connection therewith by the due date thereof.

4.11 Labor Matters. Except for such matters which would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, (i) there are no (and have not been during the two-year period preceding the date of this Agreement any) strikes or lockouts with respect to any employees of Verizon or any of its Subsidiaries, (ii) to the

Knowledge of Verizon, there is no (and has not been during the two-year period preceding the date of this Agreement any) union organizing effort pending or threatened against Verizon or any of its Subsidiaries, and (iii) there is no (and has not been during the two-year period preceding the date of this Agreement any) slowdown, or work stoppage in effect or, to the Knowledge of Verizon, threatened with respect to any employees of Verizon or any of its Subsidiaries.

4.12 Contracts.

(a) Except for this Agreement or as filed with the SEC prior to the date of this Agreement, neither Verizon nor any of its Subsidiaries is a party to or bound by, as of the date of this Agreement, any Contract (whether written or oral) which is a “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC) to Verizon (all such Contracts, “Verizon Material Contracts”).

(b) (i) Each Verizon Material Contract is valid and binding on Verizon and its Subsidiaries, as applicable, and is in full force and effect, except where such failure to be valid, binding and in full force and effect would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, (ii) Verizon and each of its Subsidiaries has in all material respects performed all obligations required to be performed by it to date under each Verizon Material Contract, except where such noncompliance would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, and (iii) neither Verizon nor any of its Subsidiaries has, to the Knowledge of Verizon, received written notice of any event or condition which constitutes, or, after notice or lapse of time or both, will constitute, a material default on the part of Verizon or any of its Subsidiaries under any such Verizon Material Contract, except for such defaults as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect.

4.13 Intellectual Property. Except for such matters as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, either Verizon or a Subsidiary of Verizon owns, or is licensed or otherwise possesses adequate rights to use, all material trademarks, trade names, service marks, service names, mark registrations, logos, assumed names, domain names, registered and unregistered copyrights, patents or applications and registrations, and trade secrets (collectively, the “Verizon Intellectual Property”) used in their respective businesses as currently conducted. Except for such matters as would not reasonably be expected to have, individually or in the aggregate, a Verizon Material Adverse Effect, (i) there are no pending or, to the Knowledge of Verizon, threatened claims by any Person alleging infringement or misappropriation by Verizon or any of its Subsidiaries of such Person’s intellectual property, (ii) to the Knowledge of Verizon, the conduct of the businesses of Verizon and its Subsidiaries does not infringe or misappropriate any intellectual property rights of any Person, (iii) neither Verizon nor any of its Subsidiaries has made any claim of a violation or infringement, or misappropriation by others of its rights to or in connection with the owned Verizon Intellectual Property, and (iv) to the Knowledge of Verizon, no Person is infringing or misappropriating any Verizon Intellectual Property.

4.14 Financing.

(a) The net proceeds of the loans under the Bridge Credit Agreement, dated as of the date hereof, by and among the lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent (including any of their respective successors under such facility, the “Financing Sources”) and Verizon (the “Loan Facility”), when funded in accordance with its terms and together with cash on hand (whether from debt issuances, equity issuances, operations or other sources) of Verizon and/or the net proceeds of any Replacement Financing, will, in the aggregate, be sufficient for the payment of the Cash Consideration and any other amounts required to be paid in connection with the consummation of the transactions contemplated hereby, including the payment of all related fees and expenses.

(b) Verizon has delivered to Vodafone true, correct and complete fully executed copies of the Loan Facility, including all exhibits, schedules, annexes and amendments to such Loan Facility in effect as of the date of this Agreement (the Loan Facility, and all exhibits, schedules, annexes and amendments thereto are collectively referred to as the “Financing Documents”), pursuant to which the lenders party thereto have severally agreed, subject to the conditions set forth therein, to lend the amounts set forth therein (the provision of such funds as set forth therein, the “Financing”) for the purposes set forth in such Loan Facility. No Financing Document has been amended, restated or otherwise modified or waived prior to the date of this Agreement, and the respective commitments contained in the Loan Facility have not been withdrawn, modified or rescinded in any respect prior to the date of this Agreement. As of the date hereof, the Financing Documents are in full force and effect and constitute the legal, valid and binding obligation of each of Verizon and, to the Knowledge of Verizon, the other parties thereto, except as enforceability may be limited by applicable bankruptcy, reorganization, insolvency and similar federal and state Laws generally affecting the rights and remedies of creditors and general principles of equity, whether considered in a proceeding at law or in equity. There are no conditions precedent (including pursuant to any “flex” provisions) to the funding of the full amount of the Financing or the Replacement Financing, other than the satisfaction of the conditions contained in Sections 3.01 and 3.02 of the Loan Facility (or, in respect of certainty of funding, such substantially equivalent conditions (or conditions that are more favorable to Verizon) as may appear in any Replacement Financing Document). As of the date hereof, there are no side letters or other contracts or arrangements related to the Financing that could adversely affect the availability of the Financing. As of the date hereof, no event has occurred which would constitute a breach or default (or an event which with notice or lapse of time or both would constitute a breach or default), in each case, on the part of Verizon under the Financing Documents or, to the Knowledge of Verizon, any other party to the Financing Documents. As of the date hereof, subject to the satisfaction of the conditions contained in Section 3.01 and 3.02 of the Loan Facility (or, in respect of certainty of funding, such substantially equivalent conditions (or conditions that are more favorable to Verizon) as may appear in any Replacement Financing Document), Verizon does not have any reason to believe that the funds necessary for the payment of the Cash Consideration, and any other amounts required to be paid in connection with the consummation of the transactions contemplated hereby, including the payment of all related fees and expenses, will not be available to Verizon on the Closing Date. Verizon has fully paid all

commitment fees or other fees required to be paid prior to the date of this Agreement pursuant to the Financing Documents.

4.15 Verizon Shares.

(a) Upon issuance, the Verizon Shares will be duly authorized, validly issued, fully paid and nonassessable, and will not be subject to any option, call, preemptive, subscription or similar rights under any provision of applicable Law or the Verizon Charter Documents.

(b) At the Closing, Verizon will have sufficient authorized but unissued shares or treasury shares of Verizon Common Stock for Verizon to meet its obligation to deliver the Verizon Shares under this Agreement. Upon consummation of the transactions contemplated hereby, Verizon will deliver the Vodafone Shareholders good and valid title to the Verizon Shares to which they are entitled pursuant to the Transaction and the issuance of such shares will have been registered under the Securities Act.

4.16 Brokers and Finders. Other than Guggenheim Securities, LLC, PJT Capital LLC, J.P. Morgan Securities LLC, Morgan Stanley and Co. LLC, Barclays Capital Inc. and Merrill Lynch, Pierce, Fenner & Smith Inc., the fees and expenses of which will be paid by Verizon, neither Verizon nor any of its controlled Affiliates has engaged any broker or finder or incurred any liability for any brokerage fees, commissions or finder's fees in connection with the transactions contemplated by this Agreement and the Ancillary Documents for which any cost or liability could be imposed on Vodafone or any of its Affiliates or, until after the Closing, the Partnership or any of its Subsidiaries.

4.17 Opinions of Verizon Financial Advisors. The Board of Directors of Verizon has received the opinion of each of J.P. Morgan Securities LLC and Morgan Stanley and Co. LLC (collectively, the "Verizon Financial Advisors"), dated the date of this Agreement, to the effect that, as of such date, and subject to the various assumptions and qualifications set forth therein, the Purchase Price to be paid by Verizon is fair, from a financial point of view, to Verizon (the "Verizon Fairness Opinions").

4.18 Lack of Ownership of Vodafone Ordinary Shares. Except as held by any Verizon Benefit Plan, none of Verizon or any of its Subsidiaries beneficially owns directly or indirectly, any ordinary shares of Vodafone or other securities convertible into, exchangeable for or exercisable for Vodafone Ordinary Shares, and neither Verizon nor any of its Subsidiaries has any rights to acquire any Vodafone Ordinary Shares. There are no voting trusts or other agreements or understandings to which Verizon or any of its Subsidiaries is a party with respect to the voting of the capital stock or other equity interest of Vodafone.

ARTICLE V

COVENANTS

Each of the parties hereby covenants and agrees as follows:

5.1 Reorganization. Prior to the Closing, Vodafone shall, and shall cause its controlled Affiliates to, take all actions and to do, or cause its controlled Affiliates to do, all things necessary, proper or advisable under Law to effect a pre-closing reorganization consisting of the transactions set forth on Schedule 5.1 in all material respects in the manner set forth therein (such transactions, together with any modifications made pursuant to the following sentence of this Section 5.1, collectively, the “Reorganization”), such that (a) at and following the Closing, the only shares or other equity or partnership interests held (directly or indirectly) by Vodafone Finance 1 shall be shares of, or equity or partnership interests in, a Sold Entity or in the Partnership, (b) Verizon shall not acquire, directly or indirectly, any assets of the Sold Entities, other than those assets set forth in clauses (i) – (iii) of the first sentence of Section 3.4(b) (all such assets, other than those assets of the Sold Entities set forth in clauses (i) – (iii) of Section 3.4(b), the “Excluded Assets”), and (c) Verizon shall not assume or be responsible, directly or indirectly (including by virtue of the acquisition of any entity), for any Liabilities of the Sold Entities other than those Liabilities of the Sold Entities set forth in clauses (i) – (iii) of Section 3.4(a) (all such Liabilities, other than those Liabilities set forth in clauses (i) – (iii) of Section 3.4(a), the “Excluded Liabilities”). Vodafone may modify the transactions set forth on Schedule 5.1 hereto; provided, that no such modifications shall (i) other than in any *de minimis* respect, impair or delay consummation of the transactions contemplated by this Agreement and the Ancillary Documents, (ii) cause a breach of any representation or warranty of Vodafone made in this Agreement or (iii) other than in any *de minimis* respect, increase the risk of any Liability of Verizon or any of its Subsidiaries or any of the Sold Entities or otherwise affect costs (including Taxes), in each case for which Vodafone is not responsible. Vodafone shall notify Verizon in writing of any changes to the Reorganization reasonably in advance of effecting any modified step of the Reorganization and shall consider in good faith any comments received from Verizon.

5.2 Proxy Statement, Verizon Registration Statement and Verizon UK Prospectus.

(a) As soon as reasonably practicable following the date of this Agreement but subject to Section 5.4(a), Verizon shall prepare and file the Proxy Statement with the SEC. Verizon and Vodafone will cooperate with each other in the preparation of the Proxy Statement. Without limiting the generality of the foregoing, Vodafone will furnish to Verizon in writing the information relating to it required by the Exchange Act and the rules and regulations promulgated thereunder to be set forth in the Proxy Statement. Verizon shall use its commercially reasonable efforts to resolve all SEC comments with respect to the Proxy Statement as promptly as reasonably practicable after receipt thereof and to have the Proxy Statement cleared by the staff of the SEC as promptly as reasonably practicable after such filing. Verizon shall as soon as reasonably practicable notify Vodafone of the receipt of any comments from the SEC with respect to the Proxy Statement and any request by the SEC for any amendment to the Proxy Statement or for additional information and shall provide Vodafone with copies of all such comments and correspondence. Prior to filing or mailing the Proxy Statement (or any amendment or

supplement thereto) or responding to any comments of the SEC (or the staff of the SEC) with respect thereto, Verizon shall provide Vodafone a reasonable opportunity to review and to propose comments on such document or response. Each of Vodafone and Verizon agrees to promptly correct any information provided by it in writing for use in the Proxy Statement which such party shall have become aware is false or misleading. For the avoidance of doubt, Vodafone shall not, and nothing in this Agreement shall require Vodafone to, be responsible for the Proxy Statement other than with respect to the information provided in writing by Vodafone specifically for inclusion in the Proxy Statement.

(b) Verizon, acting through the Verizon Board of Directors (or a committee thereof), shall (i) whether or not there shall have been a Verizon Change of Recommendation, as soon as reasonably practicable after the date hereof, subject to Section 5.4(a), take all action necessary to set a record date for, duly call, give notice of, convene and hold a meeting of its stockholders for the purpose of approving the Share Issuance (the “Verizon Stockholders Meeting”), (ii) unless there has been a Verizon Change of Recommendation, include in the Proxy Statement the Verizon Recommendation and (iii) use its commercially reasonable efforts to obtain the Verizon Requisite Vote.

(c) As soon as reasonably practicable following the date of this Agreement but subject to Section 5.4(a), Verizon shall prepare and file with the SEC a registration statement on Form S-4 in connection with the issuance, and, as appropriate, the distribution to Vodafone Shareholders, of the Verizon Shares (the “Verizon Registration Statement”). Verizon and Vodafone will cooperate with each other in the preparation of the Verizon Registration Statement. Without limiting the generality of the foregoing, Vodafone will furnish to Verizon in writing the information relating to it required by the Securities Act and the rules and regulations promulgated thereunder to be set forth in the Verizon Registration Statement. Verizon shall use its commercially reasonable efforts to resolve all SEC comments with respect to the Verizon Registration Statement as promptly as reasonably practicable after receipt thereof and to have the Verizon Registration Statement declared effective by the staff of the SEC as promptly as reasonably practicable after such filing and keep the Verizon Registration Statement effective for so long as necessary to consummate the Transaction. Verizon shall as soon as reasonably practicable notify Vodafone of the receipt of any comments from the SEC with respect to the Verizon Registration Statement and any request by the SEC for any amendment to the Verizon Registration Statement or for additional information and shall provide Vodafone with copies of all such comments and correspondence. Prior to filing the Verizon Registration Statement or mailing the Verizon US Prospectus (or any amendment or supplement thereto) or responding to any comments of the SEC (or the staff of the SEC) with respect thereto, Verizon shall provide Vodafone a reasonable opportunity to review and to propose comments on such document or response. Each of Vodafone and Verizon agrees to promptly correct any information provided by it in writing for use in the Verizon Registration Statement which such party shall have become aware is false or misleading. Following its filing and/or mailing, Verizon undertakes that it shall not (and shall not seek to) withdraw the Verizon Registration Statement on the grounds that there is an exemption from a requirement to register the issuance of the

Verizon Shares pursuant to the Securities Act. For the avoidance of doubt, Vodafone shall not, and nothing in this Agreement shall require Vodafone to, be responsible for the Verizon Registration Statement other than with respect to the information provided in writing by Vodafone specifically for inclusion in the Verizon Registration Statement.

(d) As soon as reasonably practicable following the date of this Agreement but subject to Section 5.4(a), Verizon shall prepare a prospectus as required by FSMA (the “Verizon UK Prospectus”) in connection with the admission of the Verizon Shares to listing on the Official List in accordance with the Listing Rules and to trading on the LSE in accordance with paragraph 3 of the LSE’s admission and disclosure standards (the “Verizon UK Admission”). Verizon and Vodafone will cooperate with each other in the preparation of the Verizon UK Prospectus. Without limiting the generality of the foregoing, Vodafone will furnish to Verizon in writing the information relating to it required by the FSMA and the rules and regulations promulgated thereunder to be set forth in the Verizon UK Prospectus. Verizon shall use its commercially reasonable efforts to resolve all UKLA comments with respect to the Verizon UK Prospectus as promptly as reasonably practicable after receipt thereof and to have the Verizon UK Prospectus cleared by the UKLA as promptly as reasonably practicable after such filing. Verizon shall as soon as reasonably practicable notify Vodafone of the receipt of any comments from the UKLA with respect to the Verizon UK Prospectus and any request by the UKLA for any amendment to the Verizon UK Prospectus or for additional information and shall provide Vodafone with copies of all such comments and correspondence. Prior to posting and publishing (as applicable) the Verizon UK Prospectus (or any amendment or supplement thereto), Verizon shall provide Vodafone a reasonable opportunity to review and to propose comments on such document. Each of Vodafone and Verizon agrees to promptly correct any information provided by it in writing for use in the Verizon UK Prospectus which such party shall have become aware is false or misleading. For the avoidance of doubt, Vodafone shall not, and nothing in this Agreement shall require Vodafone to, be responsible for the Verizon UK Prospectus other than with respect to the information provided in writing by Vodafone specifically for inclusion in the Verizon UK Prospectus. For the avoidance of doubt, if Verizon so elects, it may combine the prospectus forming a part of the Verizon Registration Statement (the “Verizon US Prospectus”) together with the Verizon UK Prospectus into a joint document intended to satisfy the rules and regulations applicable to both documents.

(e) Verizon and Vodafone shall, following the execution of this Agreement and prior to the Closing, discuss in good faith the possibility of offering a “mix and match” facility through appropriate service providers to enable Vodafone Shareholders (other than Vodafone Shareholders located in certain restricted jurisdictions) to elect to vary the proportion in which such Vodafone Shareholders receive Verizon Shares and cash in respect of their entitlements pursuant to the Vodafone Scheme. Verizon shall also (i) implement a free share dealing facility through one or more appropriate service providers, to enable Vodafone Shareholders (other than Vodafone Shareholders located in certain restricted jurisdictions to be set out in more detail in the Vodafone Circular) holding fewer than 50,000 Vodafone Ordinary Shares in Vodafone to elect to sell the Verizon Shares to which they are entitled pursuant to the terms of the Vodafone Scheme and receive the proceeds of such sale in cash and in such manner as enables such

Vodafone Shareholders, without charge, to elect to receive such proceeds either in USD, GBP or EUR, such free share dealing facility to be provided for a period of six weeks from the Closing Date; provided, that Vodafone shall pay on demand to Verizon fifty percent (50%) of all costs and expenses incurred by Verizon in connection with the implementation of the free share dealing pursuant to this clause (i), and (ii) implement such arrangements with one or more appropriate service providers (A) as may be reasonably necessary to enable Vodafone Shareholders to hold Crest Depository Instruments representing underlying Verizon Shares (“Verizon CDIs”) and (B) pursuant to which such appropriate service provider(s) will act as corporate sponsored nominee and hold Verizon CDIs for the benefit of certificated Vodafone Shareholders. Verizon will consult with Vodafone (each acting reasonably and in good faith) with a view to providing that the terms on which the Verizon CDIs, corporate sponsored nominee service and dealing facilities are provided are consistent with market practice for similar facilities in the UK-listed market, such terms to be detailed in the Vodafone Circular and the Verizon UK Prospectus.

(f) Except as set forth below in this Section 5.2(f), neither the Board of Directors of Verizon nor any committee thereof shall withhold or withdraw (or qualify or modify in any manner adverse to Vodafone), the approval, recommendation or declaration of advisability by the Board of Directors of Verizon or any such committee thereof with respect to the Share Issuance (such approval, recommendation or declaration, the “Verizon Recommendation” and any such withholding, withdrawal, qualification or modification, a “Verizon Change of Recommendation”). Notwithstanding the foregoing, at any time prior to obtaining the Verizon Requisite Vote, the Board of Directors of Verizon may make a Verizon Change of Recommendation in response to an Intervening Event if the Verizon Board determines in good faith (after consultation with outside counsel and a financial advisor, each of nationally recognized reputation) that the exercise of its fiduciary duties under applicable Law requires such Verizon Change of Recommendation; provided, however, that (i) Verizon shall not be entitled to exercise its right to make a Verizon Change of Recommendation until after the fourth (4th) Business Day following Vodafone’s receipt of written notice (a “Verizon Change Notice”) from Verizon advising Vodafone that the Verizon Board intends to take such action and (ii) Verizon shall, throughout such four- (4-) Business Day period, negotiate in good faith with Vodafone with respect to any revisions to the terms of the Transaction proposed by Vodafone in response to an Intervening Event. In determining whether to make a Verizon Change of Recommendation, the Verizon Board shall take into account any changes to the terms of this Agreement proposed by Vodafone in response to a Verizon Change Notice or otherwise.

5.3 Vodafone Shareholder Approval, Circular and Reduction of Capital.

(a) As soon as reasonably practicable following execution of this Agreement but subject to Section 5.4(a), Vodafone shall:

- (i) instruct counsel for the purposes of the Vodafone Scheme;

(ii) prepare a circular (the “Vodafone Circular”) to its shareholders in relation to (inter alia) the transactions contemplated by this Agreement and the Vodafone Scheme, and, whether or not there shall have been a Vodafone Change of Recommendation, convene the Vodafone Shareholders Meeting (subject to Section 5.4(a)) and, unless Vodafone has withdrawn the Vodafone Scheme, the Court Meeting to consider and, if thought fit, approve the Vodafone Resolutions, and, unless there has been a Vodafone Change of Recommendation, containing the Vodafone Recommendation (whether or not Vodafone has withdrawn the Vodafone Scheme, provided that in such event such Vodafone Recommendation shall be in respect of the Vodafone Sale Resolutions only);

(iii) apply to the Court for leave to convene the Court Meeting and to post or publish the Vodafone Circular, and use commercially reasonable efforts to resolve all comments from the Court as promptly as reasonably practicable;

(iv) supply all documents as may reasonably be required by the UKLA to approve the Vodafone Circular;

(v) correct any information in the Vodafone Circular which shall have become false or misleading and, as soon as reasonably practicable, notify Verizon of any comments from the UKLA with respect to the Vodafone Circular or any request for amendments or additional information, and provide Verizon with copies of all such comments and correspondence;

(vi) post or publish the Vodafone Circular;

(vii) whether or not there shall have been a Vodafone Change of Recommendation and, with respect to subclauses (A) and (B), below, whether or not the Vodafone Scheme shall have been approved by the requisite majority at the Court Meeting, as soon as reasonably practicable after the date hereof, subject to Section 5.4(a), convene the Vodafone Shareholders Meeting to:

- (A) approve the disposal of all the shares in Vodafone Finance 1 pursuant to the terms of this Agreement and the Transaction as a “Class 1 transaction” under chapter 10 of the Listing Rules;
- (B) approve as a “related party transaction” under Chapter 11 of the Listing Rules (x) the disposal of all the shares in Vodafone Finance 1 pursuant to the terms of this Agreement and the Transaction and (y) the acquisition by Vodafone Europe of Verizon’s indirect ownership interest in Omnitel pursuant to the terms of the Omnitel Purchase Agreement (if such approval is required for such acquisition);

- (C) approve the Vodafone Scheme and authorize the implementation thereof;
- (D) approve the issue of the Vodafone Class B Shares and Vodafone Class C Shares to Vodafone Shareholders in accordance with the terms of the Vodafone Scheme;
- (E) approve the Vodafone Reduction of Capital and authorize the implementation thereof;
- (F) approve the Vodafone Share Consolidation and authorize the implementation thereof;
- (G) amend the articles of association of Vodafone to the extent necessary in connection with the Vodafone Scheme, the issue of the Vodafone Class B Shares and Vodafone Class C Shares, the Vodafone Reduction of Capital and/or the Vodafone Share Consolidation; and
- (H) do, approve or authorize any other matter or thing which the directors of Vodafone consider necessary or appropriate in connection with the aforementioned,

(collectively, the “Vodafone Resolutions” and clauses (A) and (B) thereof, the “Vodafone Sale Resolutions”); provided, that Vodafone shall use its commercially reasonable efforts to reach a position whereby the Vodafone Sale Resolutions are proposed for approval at the Vodafone Shareholders Meeting as a single, composite resolution or failing which, the related party transaction approvals referred to in (B) above are proposed as a single, composite resolution;

(viii) unless there has been a Vodafone Change of Recommendation, use its commercially reasonable efforts to obtain the Vodafone Requisite Scheme Vote and the Vodafone Requisite Share Purchase Vote;

(ix) apply to the Court for the sanction of the Vodafone Scheme and the confirmation of the Court of the Vodafone Reduction of Capital; provided, that the parties agree to use their respective commercially reasonable efforts to minimize the period between the two hearings of the Court and, subject to the approval of the Court, have both hearings occur on the same day; provided, further, that without limiting any other provision of this Agreement, the hearing in respect of the confirmation by the Court of the Vodafone Reduction of Capital shall (A) not be held on a Friday and (B) be held in the same calendar week as the Court Hearing; and

(x) give such reasonable undertakings as may be required by the Court as a condition to obtaining the Court's sanction of the Vodafone Scheme and confirmation of the Vodafone Reduction of Capital.

(b) Prior to posting or publishing the Vodafone Circular or responding to comments of the UKLA, Vodafone shall provide Verizon a reasonable opportunity to review and to propose comments on such document or response and give reasonable consideration to all comments proposed by Verizon in connection therewith. Vodafone shall also provide Verizon a reasonable advance opportunity to review and to propose comments on all documents to be filed with the Court in connection with the Vodafone Scheme and give reasonable consideration to all comments proposed by Verizon in connection therewith.

(c) Verizon shall take all such steps as are reasonably necessary to implement the Vodafone Scheme and in particular shall (subject to the satisfaction of the conditions to the Vodafone Scheme):

(i) unless not required by the terms of the Vodafone Scheme, through counsel, consent at the Court Hearing to be bound by the Vodafone Scheme;

(ii) execute or procure the execution of all such documents, and do or procure the carrying out of all such actions, as may be reasonably necessary or desirable to implement the Vodafone Scheme;

(iii) give such reasonable undertakings as may be required by the Court as a condition to obtaining the Court's sanction for the Vodafone Scheme; and

(iv) provide such other assistance (and shall use its commercially reasonable efforts to procure that its Affiliates provide such assistance) as Vodafone may reasonably request in connection with the preparation of the Vodafone Circular, the implementation of the Vodafone Scheme or Vodafone Reduction of Capital and in preparing and obtaining UKLA approval of, and posting or publishing (as appropriate), any other document in connection with the matters set out in this Section 5.3(c), including by, subject to applicable Law, providing information in writing in relation to Verizon, any of its Affiliates and any of its or their directors or officers;

provided, that Verizon and Vodafone shall, in relation to clauses (i) and (iii), cooperate with each other to explain fully to the Court the terms of this Agreement and, in particular, Sections 8.1(j) and 10.6(b), with a view to assuring the Court that, in the event of a Financing Failure, Verizon should not be regarded as being in breach of any consent or undertaking that Verizon is required to give to the Court.

(d) Except as set forth below in this Section 5.3(d), neither the Board of Directors of Vodafone nor any committee thereof shall withhold or withdraw (or qualify or modify in any manner adverse to Verizon) the recommendation by the Board of Directors of

Vodafone or any such committee thereof to the Vodafone Shareholders to vote in favor of each of the Vodafone Resolutions (such recommendation, the “Vodafone Recommendation” and any such withholding, withdrawal, qualification or modification, a “Vodafone Change of Recommendation”). Notwithstanding the foregoing, the Board of Directors of Vodafone may at any time prior to obtaining the Vodafone Requisite Share Purchase Vote make a Vodafone Change of Recommendation if the Board of Directors of Vodafone determines in good faith (in its sole discretion but after consultation with outside counsel and a financial advisor of nationally recognized reputation) that the exercise of its fiduciary duties as the board of directors of an English public limited company requires such Vodafone Change of Recommendation; provided, however, that Vodafone shall, to the extent reasonably practicable and legally permissible (taking into account the date of the Vodafone Shareholders Meeting) seek to consult with Verizon prior to exercising its right to make a Vodafone Change of Recommendation. In determining whether to make a Vodafone Change of Recommendation, the Vodafone Board shall take into account any changes to the terms of this Agreement proposed by Verizon during any such consultation. In the event of a Vodafone Change of Recommendation following the posting of the Vodafone Circular, Vodafone shall, upon request by Verizon, promptly withdraw the Vodafone Scheme from the Court.

(e) Notwithstanding the provisions of the Vodafone Scheme, Vodafone shall not reduce the amount of the Cash Entitlement if and to the extent that such reduction would delay the date on which the Court Hearing would otherwise take place.

5.4 Cooperation with Respect to Filings and Meetings of Shareholders.

(a) Vodafone and Verizon shall cooperate and consult with each other to co-ordinate the timing of the preparation, posting or publication of the relevant documents, convening of the relevant meetings, or the taking of the other steps required pursuant to Sections 5.2 and 5.3, and in particular shall cooperate to ensure that (i) the Proxy Statement is mailed to Verizon Shareholders, and the Verizon UK Prospectus, the Verizon Registration Statement (and the prospectus contained therein) and the Vodafone Circular are mailed or posted to the Vodafone Shareholders and/or, as applicable, published, on the same date and (ii) the Vodafone Shareholders Meeting, the Court Meeting and the Verizon Stockholders Meeting are held on the same date and at substantially the same time.

(b) Vodafone agrees that it shall not, without Verizon’s consent (such consent not to be unreasonably withheld, conditioned or delayed), except as required by Law, make any amendments to the terms of the Vodafone Scheme which may adversely affect the rights and obligations of Verizon. Vodafone may, at its sole discretion, withdraw the Vodafone Scheme at any time prior to or during the Court Hearing but shall, prior to withdrawing the Vodafone Scheme, consult with Verizon.

(c) Verizon will procure that Verizon and the directors of Verizon accept responsibility for all of the information set out in the Verizon UK Prospectus (but not, for avoidance of doubt, in the Vodafone Circular).

(d) Vodafone will procure that the directors of Vodafone accept responsibility for all of the information set out in the Vodafone Circular (but not, for the avoidance of doubt, in the Verizon UK Prospectus, the Verizon Registration Statement or any other Verizon Disclosure Document).

(e) If there shall occur any event (including discovery of any fact, circumstance or event) that is required by applicable Law to be set forth in an amendment or supplement to the Vodafone Circular, the Proxy Statement, the Verizon Registration Statement, the Verizon US Prospectus or the Verizon UK Prospectus, Vodafone or Verizon (as applicable) shall prepare and post or publish (as applicable) such an amendment or supplement or issue a press release or take other corrective action, in each case to the extent required by applicable Law, and in each case after, to the extent reasonably practicable: (i) providing the other party with a reasonable opportunity to review such amendment or supplement; and (ii) in good faith giving reasonable consideration to all comments proposed by that other party.

(f) Vodafone and Verizon shall cooperate and consult with each other to determine a mutually satisfactory approach to the treatment of Overseas Scheme Shareholders. Without limitation of the foregoing, (i) Vodafone shall not make a determination under paragraphs 11.1(A) or (B) of the Vodafone Scheme, and Verizon shall not give notice requiring such a determination pursuant to Section 5.4(g), without prior consultation with the other party and (ii) Vodafone and Verizon shall attempt to reach an agreement with respect to the treatment of Overseas Scheme Shareholders prior to the Vodafone Circular Posting Date.

(g) Without prejudice to Section 5.4(f), Vodafone shall not make the B Share Election available to Overseas Scheme Shareholders in any jurisdiction, nor shall Verizon be obliged to issue and deliver Verizon Shares (or procure the delivery of Verizon CDIs or statements of ownership in respect of Verizon CDIs) to Overseas Scheme Shareholders in any jurisdiction, if Verizon has notified Vodafone at least five (5) Business Days before the Court Hearing that it has determined that doing so is (A) prohibited by applicable Law or (B) permitted only subject to compliance by Verizon with requirements of applicable Law (including any requirement to make any registration or filing with, or obtain any consent or approval from, any Governmental Authority) which Verizon, in its absolute discretion, considers to be unduly onerous. If Verizon makes such a notification with respect to a jurisdiction, then Vodafone shall make such determination under paragraph 11.1(A) or (B) of the Scheme as is notified by Verizon to Vodafone for these purposes. For the avoidance of doubt, it shall not be unduly onerous for Verizon to “passport” the Verizon UK Prospectus from the United Kingdom into any other Member State in accordance with the applicable requirements of the Prospectus Directive and the Laws of such Member State.

5.5 Press Releases. The forms of the initial press releases regarding the transactions contemplated hereby, to be released as promptly as practicable following the execution of this Agreement and at substantially the same time, are attached hereto as Exhibit H (the “Initial Verizon Press Release”) and Exhibit I (the “Initial Vodafone Press Release” and, together with the Initial Vodafone Press Release, the “Initial Press Releases”). Each of Verizon and Vodafone

agrees that, prior to Closing, it will consult with the other prior to making, or permitting any of their Subsidiaries to make, any public statement or release concerning this Agreement, the Ancillary Documents or the transactions contemplated hereby or thereby, except to the extent otherwise required by Law or the obligations pursuant to any applicable listing agreement with or rules of any securities exchange (including, for avoidance of doubt, the NYSE, the NASDAQ and the LSE); provided, that (a) to the extent such consultation obligation has been discharged with respect to the contents of any such public statement or release, no separate consultation obligation shall apply in respect of such content to the extent replicated in whole or in part in any subsequent public statement or release and (b) Verizon and Vodafone may make public statements in response to questions by the press, analysts, investors or those attending industry conferences or financial analysts conference calls, so long as any such statements are consistent with the Initial Press Releases and other prior press releases, public disclosures or public statements made jointly by Verizon and Vodafone or made by one party in accordance with this Section 5.5 or in the Current Report on Form 8-K filed by Verizon with respect to this Agreement and the transactions contemplated hereby and do not reveal material nonpublic information regarding this Agreement, the Ancillary Documents or the transactions contemplated hereby or thereby.

5.6 Securityholder Litigation. Verizon and Vodafone shall, in connection with the defense or settlement by such party of any actual or threatened securityholder litigation, complaints or challenges against it or its directors or officers relating to the transactions contemplated by this Agreement or the Ancillary Documents (including, for avoidance of doubt, any actual or threatened litigation, complaints or challenges that may be brought in the Court or any other court of England and Wales in connection with the Vodafone Scheme or that otherwise relates to the transactions contemplated by this Agreement or the Ancillary Documents), (a) consult and cooperate with the other party and (b) keep the other party reasonably and timely informed of developments, changes or occurrences with respect to any such litigation.

5.7 Confidentiality. Except as mutually agreed by each of the parties hereto, each of the parties agrees that, during the term of this Agreement and at all times thereafter, it will not disclose to any person (other than any financial advisers, accountants, attorneys, and other Representatives who are required to know such information) any information that has been made available to such party in connection with the negotiation, execution or performance of this Agreement, except as required by Law, regulation or legal process (including necessary disclosure in connection with any legal process relating to establishing or enforcing any rights under this Agreement) or in connection with obtaining the approval of any Governmental Entity, and except that Verizon may disclose this Agreement and the Omnitel Purchase Agreement to Financing Sources.

5.8 Approvals, Consents and Regulatory Filings.

(a) Subject to the terms and conditions set forth in this Agreement, each of the parties shall, and shall cause their respective Subsidiaries to, use its commercially reasonable efforts to take or cause to be taken all actions, and do or cause to be done all things necessary, proper or advisable on its part under this Agreement and the Ancillary Documents to satisfy all legal conditions to the consummation of the transactions contemplated by this Agreement and the Ancillary Documents, and to obtain all consents,

orders and approvals of Governmental Entities and non-governmental third parties that may be or become necessary for the consummation of any of the transactions contemplated by this Agreement and the Ancillary Documents, in each case as soon as reasonably practicable following the execution of this Agreement, and each of the parties will cooperate fully with the other parties in taking or causing to be taken all actions, or doing or causing to be done all things necessary, proper or advisable on its part under this Agreement and the Ancillary Documents and promptly seeking to obtain all such authorizations, consents, orders and approvals. Without limiting the generality of the foregoing, as soon as practicable after the date hereof (and in any event within fifteen (15) Business Days from the date hereof with respect to clause (i) below), Verizon shall file or cause the Partnership to file (i) applications or notices with the FCC necessary for the consummation of the transactions contemplated by this Agreement and the Ancillary Documents, if any, which applications will comply in all material respects with the requirements of the Communications Act of 1934 as amended and the rules and regulations of the FCC, (ii) applications or notices with each applicable state public service utility commission or other state or local regulatory entity necessary for the consummation of the transactions contemplated by this Agreement and the Ancillary Documents, if any, and (iii) any other regulatory consents and approvals necessary for the consummation of the transactions contemplated by this Agreement and the Ancillary Documents. Verizon shall diligently prosecute and cause its Subsidiaries to diligently prosecute all such applications and take all such actions and give all such notices as may be required or requested by the FCC or any other regulatory agency or as may be appropriate in an effort to expedite the grant of any necessary consent by the FCC or such regulatory agency. For purposes of this Section 5.8, “commercially reasonable efforts” shall not include nor require any party or any of its Subsidiaries to (A) sell, or agree to sell, hold or agree to hold separate, or otherwise dispose or agree to dispose of any asset, in each case if such sale, separation or disposition or agreement with respect thereto would, individually or in the aggregate, reasonably be expected to have a Verizon Material Adverse Effect, or (B) conduct or agree to conduct its business in any particular manner, or agree to any other condition, requirement, restriction or action, if such conduct or agreement with respect thereto, or such other condition, requirement, restriction or action, would, individually or in the aggregate, reasonably be expected to have a Verizon Material Adverse Effect (each of the foregoing effects, a “Burdensome Effect”). None of Vodafone or any of its Affiliates shall, without the prior written consent of Verizon, agree to become subject to, or consent to or otherwise take any action with respect to, any requirement, condition, understanding, agreement or order of a Governmental Entity in connection with any of the transactions contemplated by this Agreement to the extent such requirement, condition, understanding, agreement or order would be binding on any Sold Entity or any of its Affiliates upon or following the Closing.

(b) Except to the extent prohibited by Law and without limiting the generality of the foregoing, each of the parties shall, and shall cause their respective Subsidiaries to, (i) cooperate in all respects with each other in connection with any investigation or other inquiry before a Governmental Entity and in connection with the transactions contemplated by this Agreement and the Ancillary Documents, including any proceeding initiated by a Governmental Entity or a private party; (ii) furnish all information required

or reasonably requested for any application or other filing to be made pursuant to any applicable Laws in connection with the transactions contemplated by this Agreement and the Ancillary Documents; (iii) keep the other parties informed in all material respects of any material communication received by such party from, or given by such party to, any Governmental Entities, and of any material communication received or given in connection with any proceeding by a private party, in each case relating to the transactions contemplated by this Agreement and the Ancillary Documents; (iv) except for filings made by Vodafone and its Affiliates in connection with the Reorganization, give the other parties a reasonable opportunity to review in advance and propose comments with respect to any filing made with, or written materials submitted to, any third party and/or any Governmental Entity in connection with the transactions contemplated by this Agreement and the Ancillary Documents; and (v) except for filings made by Vodafone and its Affiliates in connection with the Reorganization, provide to the other parties hereto copies of all filings and material correspondence with all Governmental Entities with respect to the filings and consents in connection with the transactions contemplated by this Agreement and the Ancillary Documents. In exercising the foregoing rights, each of the parties shall act reasonably and as promptly as practicable; provided, however, that materials provided to the other parties may be redacted (A) to remove references to valuation, (B) as necessary to comply with contractual arrangements, (C) as necessary to address reasonable attorney-client or other privilege or confidentiality concerns and (D) to protect competitively sensitive information.

(c) In furtherance and not in limitation of the covenants of each of the parties contained in Sections 5.8(a) and (b), if any administrative or judicial action or proceeding, including any proceeding by a private party, is instituted (or threatened to be instituted) challenging any transaction contemplated by this Agreement or the Ancillary Documents as violative of any Law, or if any statute, rule, regulation, executive order, decree, injunction or administrative order is enacted, entered or promulgated or enforced by a Governmental Entity which would make the transactions contemplated by this Agreement or the Ancillary Documents illegal or otherwise prohibit or materially impair or delay consummation of the transactions contemplated by this Agreement and the Ancillary Documents, each of the parties shall cooperate in all respects with each of the other parties and use its commercially reasonable efforts to contest and resist any such action or proceeding, to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of any of the transactions contemplated by this Agreement and the Ancillary Documents and to have such statute, rule, regulation, executive order, decree, injunction or administrative order repealed, rescinded or made inapplicable; provided, that the parties shall not be obligated to seek to overturn a final order by the FCC disapproving the transactions contemplated by this Agreement and the Ancillary Documents.

(d) If any objections are asserted with respect to the transactions contemplated by this Agreement or any Ancillary Document under any Law or if any suit is instituted by any Governmental Entity or any private party challenging any of the transactions contemplated by this Agreement or the Ancillary Documents as violative of any Law,

each of the parties shall use its commercially reasonable efforts to resolve any such objections or challenges as such Governmental Entity or private party may have to such transactions under such Law so as to permit consummation of the transactions contemplated by this Agreement and the Ancillary Documents.

5.9 Financing.

(a) Verizon shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable to consummate and obtain the proceeds of, the Financing and, if applicable, the Replacement Financing on the terms and conditions described in the Financing Documents and Replacement Financing Documents, including using commercially reasonable efforts to (i) comply with its obligations and satisfy the conditions precedent to funding under the Financing Documents and, if applicable, Replacement Financing Documents; (ii) upon satisfaction of the conditions set forth in Section 3.02 of the Loan Facility (and/or, in respect of certainty of funding, such substantially equivalent conditions (or conditions that are more favorable to Verizon) as may appear in any Replacement Financing Document), consummate the Financing and, if applicable, the Replacement Financing at or prior to Closing; and (iii) cause the Financing Sources and, if applicable, Replacement Financing Sources to fund on the Closing Date the Financing and, if applicable, the Replacement Financing to the extent required to consummate the Transaction in accordance with the terms thereof (including, to the extent commercially reasonable, by promptly taking enforcement action under the Financing Documents and, if applicable, the Replacement Financing Documents in the event of a breach by any Financing Sources or Replacement Financing Sources).

(b) Verizon shall have the right to substitute the proceeds of consummated debt (including unsecured notes) or equity offerings for all or any portion of the Financing or, if applicable, Replacement Financing by reducing commitments under the Financing and, if applicable, any Replacement Financing; provided, that to the extent any consummated debt has a scheduled special or mandatory redemption right, such right is not exercisable prior to the Termination Date. Further, Verizon shall have the right to substitute commitments in respect of other debt or equity financing for all or any portion of the Financing from the same and/or alternative bona fide third-party financing sources (“Replacement Financing Sources”) so long as (i) all conditions precedent to effectiveness of definitive documentation for such debt or equity financing have been satisfied and the conditions precedent to funding under the debt financing or issuance of the equity financing are, in respect of certainty of funding, substantially equivalent to (or conditions that are more favorable to Verizon than) the conditions set forth in Section 3.02 of the Loan Facility, and (ii) in respect of any debt financing, prior to funding of the loans thereunder, the commitments in respect of such debt financing are subject to restrictions on assignment which are substantially equivalent to or more favorable to the Verizon than the restrictions set forth in Section 8.07 of the Loan Facility (any such debt or equity financing which satisfies the foregoing clauses (i) and (ii), the “Replacement Financing”; the definitive documentation for any such Replacement Financing, the “Replacement Financing Documents”).

(c) Verizon shall have the right from time to time to amend, replace, supplement or otherwise modify, or waive any provision or remedy under, the Financing Documents or Replacement Financing Documents; provided, that Verizon shall not, without the prior written consent of Vodafone, at any time prior to the Closing: (i) permit any amendment, replacement, supplement or modification to, or any waiver of any material provision or remedy under, any Financing Document or Replacement Financing Document if such amendment, replacement, supplement, modification or waiver (A) adds any new (or modifies, in a manner materially adverse to Verizon, any existing) conditions to the consummation of the Financing or Replacement Financing (as applicable), (B) reduces the aggregate amount of the Financing and the Replacement Financing other than to the extent that (1) such reduction is required by the terms of the Loan Facility or (2) Verizon has available to it Replacement Financing or cash on hand in an amount equal to such reduction, (C) materially adversely impacts the ability of Verizon to enforce its rights against other parties to any Financing Document as so amended, replaced, supplemented, modified or waived, relative to the ability of Verizon to enforce its rights against such other parties to any Financing Document as in effect on the date hereof or Replacement Financing Document as in effect on the date of execution thereof, or (D) prevents, impedes or materially delays the consummation of the transactions contemplated by this Agreement; provided, further, that notwithstanding the foregoing, Verizon may amend the Financing Documents and/or Replacement Financing Documents to add lenders, lead arrangers, syndication agents, documentation agents or similar entities who had not executed any Financing Document and/or Replacement Financing Document; or (ii) terminate the Loan Facility other than to the extent that (A) the commitments under the Loan Facility have been reduced to zero in accordance with its terms or (B) Verizon has obtained Replacement Financing in an aggregate amount equal to the commitment under the Loan Facility at the time of such termination of the Loan Facility. Verizon shall promptly following execution deliver to Vodafone copies of any such amendment, replacement (including any Replacement Financing Document), supplement, modification or waiver (which may be redacted to delete any compensation information). Notwithstanding anything to the contrary in this Agreement, Verizon agrees that it shall not reduce the aggregate amount of all unfunded commitments in respect of the Financing and, if applicable, Replacement Financing (whether as a result of a disposition of assets, debt issuance or equity issuance but, for the avoidance of doubt, not as a result of the funding of the loans thereunder) to an amount less than Twenty Billion Dollars (\$20,000,000,000) without Vodafone's consent, which shall not be unreasonably withheld, conditioned or delayed.

(d) Verizon acknowledges and agrees that Vodafone and its Affiliates (including, prior to the Closing, the Sold Entities), their respective Representatives and, prior to the Closing, the Partnership or any of its Subsidiaries and their respective Representatives, shall not have any responsibility for, or incur any liability to, any Person under or pursuant to the Financing or Replacement Financing pursuant to the Financing Documents or Replacement Financing Documents, if any, and that Verizon shall indemnify and hold harmless Vodafone and its Affiliates (including, prior to the Closing, the Sold Entities), their respective Representatives and, prior to the Closing, the Partnership and its Subsidiaries and their respective Representatives from and against any and all losses, damages, claims, costs or expenses suffered or incurred by any of them in

connection with the Financing or the Replacement Financing pursuant to the Financing Documents or Replacement Financing Documents, if any, except to the extent resulting from any breaches of the representations, warranties or covenants of Vodafone under this Agreement. Verizon shall keep Vodafone reasonably informed with respect to all material activity concerning the status of the financing contemplated by the Financing Documents and Replacement Financing Documents (if any), it being understood, for the avoidance of doubt, that nothing in this Section 5.9(d) shall relieve Vodafone of any liability pursuant to Section 8.3 or require Verizon to provide indemnification in respect of any such liability.

5.10 Voting Rights; Purchases of Securities.

(a) Prior to the Closing, Verizon shall not, and shall cause its controlled Affiliates not to, purchase any ordinary shares of Vodafone or other securities convertible into, exchangeable for or exercisable for ordinary shares of Vodafone, and none of Verizon or any of its Subsidiaries shall purchase any rights to acquire any ordinary shares of Vodafone.

(b) Prior to the Closing, Vodafone shall not, and shall cause its controlled Affiliates not to, purchase any shares of Verizon Common Stock or other securities convertible into, exchangeable for or exercisable for Verizon Common Stock, and neither Vodafone nor any of its Subsidiaries shall purchase any rights to acquire any Verizon Common Stock.

5.11 Name Changes. As promptly as reasonably practicable following the Closing Date but not later than thirty (30) days after the Closing Date, Verizon shall cause the organizational documents of the Sold Entities to be amended so as not to include any of "Vodafone" or any word, phrase or acronym confusingly similar thereto and take all such other steps required under applicable law to change and register the name of the Sold Entities accordingly.

5.12 Further Assurances. Subject to the terms and provisions of this Agreement, each party hereto shall at any time and from time to time after the Closing, upon the request of another party hereto, do, execute, acknowledge and deliver, and cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney or assurances as may be required for (a) the better transferring, assigning and conveying the equity interests of the Sold Entities to Verizon, or (b) the transfer, assignation, conveyance and assumption of any Excluded Assets owned by or Excluded Liabilities of the Sold Entities to Vodafone or its designated Affiliates following the Closing. Except with respect to a Verizon Change of Recommendation or a Vodafone Change of Recommendation, no party hereto shall take any actions that would be reasonably be expected to prevent, impair or materially delay the consummation of the transactions contemplated by this Agreement or the Ancillary Documents. In the event that Seller fails to perform any covenant, agreement or obligation that it is obligated to perform pursuant to this Agreement, Vodafone shall cause Seller to perform such covenant, agreement or obligation.

5.13 Access. Except as determined in good faith to be necessary to comply with applicable Law, or preserve any applicable privilege (including the attorney-client privilege), Verizon will cause the Sold Entities and the Partnership and its Subsidiaries, until the date that is six (6) years after the Closing Date, and Vodafone will cause the Sold Entities, prior to the Closing Date, to afford promptly to Vodafone and its Representatives or Verizon and its Representatives, as applicable, reasonable access to their books of account, financial, tax and other records, information, employees and auditors to the extent necessary (a) with respect to Vodafone and its Representatives, in determining any matter in connection with any audit relating to the Sold Entities or their Affiliates and the Partnership with respect to any period ending on or before the Closing Date for purposes of financial statements of Vodafone or its Affiliates or for the preparation of any Tax Returns of Vodafone or its Affiliates and (b) with respect to Verizon and its Representatives, in determining the Tax consequences of the Transaction; provided, that any such access shall not unreasonably interfere with the conduct of the business of Verizon, the Sold Entities, the Partnership or their respective Affiliates or Vodafone, the Sold Entities and their Affiliates, as applicable. The party seeking access to information shall bear all of the out-of-pocket costs and expenses (including attorneys' fees, but excluding reimbursement for general overhead, salaries and employee benefits) incurred in connection with obtaining such access. Each party will hold, and will use its commercially reasonable efforts to cause its Representatives to hold (and will be responsible for any failure by any of its Representatives to hold), in confidence all confidential information concerning the Sold Entities or their Affiliates and the Partnership or its Affiliates.

5.14 Change in Ownership; ELPI Contribution.

- (a) The parties agree that entry into this Agreement and consummation of the transactions pursuant hereto do not and will not constitute a "Change in Ownership" for purposes of the Partnership Agreement until the Closing shall have occurred.
- (b) Prior to the Closing, Verizon shall not, and shall cause its Affiliates not to, exercise the ELPI Contribution referred to in the ELPI Contribution Agreement, dated as of December 2001, among the Partnership, Verizon, Vodafone and certain other Persons.

5.15 Indemnification and Insurance; Mutual Release.

- (a) Vodafone and Verizon agree that all rights to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the Closing, whether asserted or claimed prior to, at or after the Closing, now existing in favor of the current or former directors, officers, employees and other representatives of the Sold Entities, the Partnership and its Subsidiaries as provided in their respective organizational documents and which, in the case of the Sold Entities, has prior to the date hereof been made available to Verizon shall survive the Closing and shall continue in full force and effect to the extent provided in the following sentence. Verizon shall cause the Sold Entities and the Partnership and its Subsidiaries to maintain in effect until the sixth (6th) anniversary of the Closing any and all exculpation, indemnification and advancement of expenses provisions of such entity's organizational documents, in each case in effect as of the date hereof and which, in the case of the Sold Entities, has been provided to

Verizon prior to the date hereof, for acts or omissions occurring on or prior to the Closing.

(b) In the event any of the Sold Entities, the Partnership or its Subsidiaries or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity in such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in either such case, proper provision shall be made so that the successors and assigns of the applicable Sold Entity, the Partnership or the applicable Subsidiary of the Partnership shall assume all of the obligations of such Person contemplated to be maintained pursuant to Section 5.15(a).

(c) As of the Closing, Verizon, for and on behalf of itself, its Affiliates and their respective successors and assigns (the “Verizon Releasing Persons”), hereby voluntarily, knowingly, fully, unconditionally and irrevocably acquires, releases and forever discharges each Vodafone Related Party from any and all Claims that such Verizon Releasing Person has or has ever had or may have or that have been or could have been or could be asserted against any Vodafone Related Party, which arise out of or in any way relate to events, circumstances, actions or omissions occurring, existing or taken on or prior to the Closing in connection with or on behalf of the Partnership, its Subsidiaries or the Sold Entities, other than Claims arising out of or permitted under the express terms set forth in this Agreement or the Ancillary Documents or any agreement, other than the Partnership Agreement, that is not terminated pursuant to the last sentence of this Section 5.15. As of the Closing, Vodafone, for and on behalf of itself, its Affiliates and their respective successors and assigns (the “Vodafone Releasing Persons”), hereby voluntarily, knowingly, fully, unconditionally and irrevocably acquires, releases and forever discharges each Verizon Related Party from any and all Claims that such Vodafone Releasing Person has or has ever had or may have or that have been or could have been or could be asserted against any Verizon Related Party, which arise out of or in any way relate to events, circumstances, actions or omissions occurring, existing or taken on or prior to the Closing in connection with or on behalf of the Partnership, its Subsidiaries or the Sold Entities, other than Claims arising out of or permitted under the express terms set forth in this Agreement or the Ancillary Documents or any agreement, other than the Partnership Agreement, that is not terminated pursuant to the last sentence of this Section 5.15. Additionally, as of the Closing, the parties hereto agree to take the actions specified on Schedule 5.15 hereto.

5.16 Listing of Verizon Shares. Verizon shall use its commercially reasonable efforts to cause the Verizon Shares to be approved for listing (a) on the NYSE and NASDAQ, subject only to official notice of issuance, prior to the Closing and (b) on the Official List and to trading on the LSE on the first (1st) Business Day following the Closing. Verizon shall maintain its standard listing of Verizon Shares on the LSE for a period of at least two (2) years following the Closing.

5.17 Additional Covenants of Verizon. Except as required by applicable Law, as expressly contemplated by this Agreement, as Vodafone may approve in writing (such approval not to be unreasonably withheld, conditioned or delayed) or as set forth in Section 5.17 of the

Verizon Disclosure Letter, Verizon covenants and agrees as to itself and its Subsidiaries that, after the date of this Agreement and prior to the Closing, the business of it and its Subsidiaries shall be conducted in all material respects in the ordinary course of business; provided, however, that no action by Verizon or any of its Subsidiaries with respect to matters specifically addressed by any provision of subsections (a) through (g) of this Section 5.17 shall be deemed to be a breach of this sentence unless such action would constitute a breach of such subsection. Without limiting the generality of, and in furtherance of, the foregoing, from the date of this Agreement until the Closing, except as otherwise expressly contemplated by this Agreement, as required by Law or as Vodafone may approve in writing (such approval not to be unreasonably withheld, conditioned or delayed) or as set forth in Section 5.17 of the Verizon Disclosure Letter, Verizon will not and will not permit its Subsidiaries to, directly or indirectly:

- (a) other than a Verizon Certificate Amendment, adopt or propose any change in Verizon's or the Partnership's certificate of incorporation, certificate of formation, by-laws, operating agreement or other applicable governing instruments, as applicable;
- (b) (i) merge or consolidate Verizon with any other Person, (ii) other than in the ordinary course of business with respect to the Significant Subsidiaries of Verizon (other than the Partnership), restructure or reorganize or (iii) completely or partially liquidate;
- (c) acquire, directly or indirectly, whether by purchase, merger, consolidation or acquisition of stock or assets or otherwise, an equity interest in or a substantial portion of the assets of any Person or any business or division thereof, in each case that would reasonably be expected to prevent or materially delay the consummation of the Transaction;
- (d) issue, sell, pledge, dispose of, grant, transfer, encumber, or authorize the issuance, sale, pledge, disposition, grant, transfer, lease, license, guarantee or encumbrance of, any shares of capital stock of Verizon, or securities convertible or exchangeable into or exercisable for any shares of such capital stock, or any options, warrants or other rights of any kind to acquire any shares of such capital stock or such convertible or exchangeable securities, in each case, except (i) for grants made pursuant to the Verizon Stock Plans or the exercise, vesting or settlement of any award outstanding thereunder at any time on or following the date of this Agreement, (ii) in connection with the acquisition, directly or indirectly, of an equity interest in or assets of any Person or any business or division thereof, whether by purchase, merger, consolidation or acquisition of stock or assets or otherwise and (iii) other than at a price below fair market value (as determined by the Verizon Board of Directors), for issuances of shares of capital stock of Verizon, or securities convertible or exchangeable into or exercisable for any shares of such capital stock, or any options, warrants or other rights of any kind to acquire any shares of such capital stock or such convertible or exchangeable securities, the proceeds of which are used to fund any portion of the Cash Consideration; provided, that following the issuance of any shares of Verizon Common Stock pursuant to clauses (ii) or (iii) above, Verizon shall have a sufficient number of authorized but unissued shares under the certificate of incorporation of Verizon to allow it to issue the maximum number of Verizon Shares issuable pursuant to Section 2.2(a)(ii);

(e) declare, set aside, make or pay any dividend or other distribution, payable in cash, stock, property or otherwise, with respect to any of its capital stock (except for (i) distributions made by the Partnership, (ii) dividends paid by any Subsidiary to Verizon or to any other Subsidiary or (iii) regular quarterly dividends in cash on the Verizon Common Stock, declared and paid consistent with prior timing and in the ordinary course of business, including increases to such regular quarterly cash dividends in the ordinary course of business);

(f) reclassify, split, combine, subdivide or redeem, purchase or otherwise acquire, directly or indirectly, any Verizon capital stock or securities convertible or exchangeable into or exercisable for any shares of Verizon capital stock, other than in the ordinary course of business pursuant to the Verizon Stock Plans or any award outstanding thereunder at any time on or following the date of this Agreement; or

(g) authorize any of, or commit, resolve or agree to take any of the foregoing actions.

5.18 Additional Covenants of Vodafone with Respect to the Sold Entities. From the date of this Agreement until the Closing, except as otherwise expressly contemplated by this Agreement (including as required to implement the Reorganization in accordance with Section 5.1), as Verizon may approve in writing, as required by applicable Law or as set forth in Section 5.18 of the Vodafone Disclosure Letter, from the date of this Agreement to the Closing, Vodafone shall cause each Sold Entity to not do any of the following, directly or indirectly:

(a) (i) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property or any combination thereof) in respect of, the capital stock of any Sold Entity other than dividends with respect to the VAI Preferred Shares (which Vodafone shall pay, or cause Vodafone Americas to pay, on a quarterly basis consistent with past practice and consistent with the provisions of the VAI Preferred Shares) or any distributions made to another Sold Entity, (ii) split, combine, subdivide or reclassify any capital stock of any Sold Entity, or securities convertible into or exchangeable or exercisable for such capital stock or other equity interests or voting securities or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for such capital stock, or (iii) repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any capital stock of any Sold Entity or voting securities of, or equity interests in, any Sold Entity or any securities convertible into or exchangeable or exercisable for capital stock or voting securities of, or equity interests in, any Sold Entity, or any warrants, calls, options or other rights to acquire any such capital stock, securities or interests;

(b) issue, deliver, sell, grant, pledge or otherwise encumber or subject to any Lien (i) any shares of capital stock of any Sold Entity, (ii) any other equity interests or voting securities of any Sold Entity, (iii) any securities convertible into or exchangeable or exercisable for capital stock of any Sold Entity or voting securities of, or other equity interests in, any Sold Entity, or (iv) any warrants, calls, options or other rights to acquire any capital stock or voting securities of, or other equity interests in, any Sold Entity;

- (c) amend the certificate of incorporation, bylaws or other organizational documents of any Sold Entity;
- (d) make any material change in financial accounting methods, principles or practices, except insofar as may have been required by a change in GAAP or IFRS (after the date of this Agreement);
- (e) directly or indirectly acquire in any transaction (i) any equity interest in or business of any firm, corporation, partnership, company, limited liability company, trust, joint venture, association or other entity or division thereof or (ii) any material properties or assets;
- (f) make, change or rescind any Tax election, adopt (other than in the ordinary course of business) or change any method of Tax accounting, or, other than in a manner consistent with past practice, file any amended Tax Return, enter into a closing agreement, settle or compromise any Tax proceeding or surrender any right to claim a refund of Taxes, in each case, if such action is reasonably likely to have an adverse effect on Verizon or any of its Subsidiaries (including any Sold Entity) after the Closing;
- (g) merge, consolidate, restructure, reorganize or liquidate, in whole or in part, any of the Sold Entities; provided, that, notwithstanding anything in Section 5.1 or this Section 5.18 to the contrary, none of the Sold Entities shall transfer, directly or indirectly, any interest in the Partnership; or
- (h) authorize any of, or commit, resolve or agree to take any of, the foregoing actions.

5.19 Settlement Note Actions. At the Closing and immediately following the consummation of the sale of the Transferred Shares, Verizon and Vodafone shall take, and shall cause their controlled Affiliates to take, all actions and do, and cause their controlled Affiliates to do, all things necessary and proper to effect the transactions substantially as set forth on Schedule 5.19 hereto.

5.20 Vodafone B.V. Inc.

- (a) Verizon shall maintain the corporate existence of Vodafone B.V. Inc. for at least the two-year period beginning on the Closing Date and during such period shall cause Vodafone B.V. Inc. to (i) employ at least one individual to manage its finance operations, (ii) not prepay the principal balance of the notes that it holds at the completion of the Reorganization (which Verizon shall cause to be serviced in accordance with their terms) other than any prepayments permitted pursuant to the terms thereof, and (iii) maintain a balance of at least Two Hundred Fifty Million Dollars (\$250,000,000) in cash, cash equivalents or third-party investments.
- (b) At the Closing and pursuant to the Reorganization, Vodafone shall cause at least Two Hundred Fifty Million Dollars (\$250,000,000) of cash to be on deposit in a U.S. account of Vodafone B.V. Inc.

5.21 Post-Closing Partnership Tax Distribution Payments. Notwithstanding anything to the contrary contained herein, following the Closing, Verizon shall pay to Vodafone, in cash, by wire transfer or intrabank transfer of immediately available funds to an account designated by Vodafone, an amount equal to all Tax Distributions (as defined in the Partnership Agreement and calculated in a manner consistent with past practice of the Partnership) and Supplemental Tax Distributions that would be required to be paid to the Vodafone Partners if the Transaction had not occurred in respect of any Pre-Closing Tax Period or portion thereof (determined, on a basis consistent with Section 6.1(d), as if the Closing Date was the end of the quarterly period of the Partnership) for which the Partnership has not yet paid any such distributions as of the Closing Date, which payment shall be made no later than the time such distribution would have been required to be made under the Partnership Agreement and other arrangements as in effect on the date hereof. The amount of any payment required to be made pursuant to this Section 5.21 shall not be adjusted to take into account any adjustment to items of Partnership income, gain, loss, deduction or credit (or other items reported to its partners on Schedule K-1 (IRS Form 1065)), whether by reason of audit assessment, amended return or otherwise, in each case, occurring after the date of such payment, and with respect to which clause (A)(i) of the penultimate sentence of Section 9.2(c) applies.

ARTICLE VI

TAX MATTERS

6.1 Tax Returns.

(a) Vodafone shall prepare, or cause to be prepared (in a manner consistent with past practices, except as otherwise required by applicable Law), all Tax Returns of the Sold Entities required to be filed for any Pre-Closing Tax Period of a Sold Entity (the “Seller Returns”). In the case of any Seller Return that is required to be filed on or prior to the Closing Date, Vodafone shall cause each such Seller Return to be timely filed and shall cause the amount of Taxes shown as due on such Seller Return to be timely paid. With respect to any Seller Return filed after the Closing Date, Vodafone shall (i) provide Verizon with a copy of each such Seller Return at least twenty (20) days prior to the due date for filing such Seller Return and (ii) consider in good faith any written comments promptly received from Verizon with respect to such Seller Return (and, if applicable, revise such Seller Return to reflect such comments). In the case of any Seller Return that is required to be filed after the Closing Date, Verizon shall cause the Sold Entities to timely file such Seller Return received from Vodafone; provided, however, that Verizon shall not be required to cause such filing if (i) such Seller Return is not prepared in accordance with this Agreement or (ii) Verizon reasonably believes that there may not be “substantial authority” (or such higher standard as may be required under applicable Law to avoid the imposition of penalties) supporting each material position reflected on such Seller Return, unless Vodafone provides an opinion reasonably acceptable to Verizon from a recognized tax advisor to the effect that there is “substantial authority” (or such higher standard as may be required under applicable Law to avoid the imposition of penalties) for such position; and provided, further, that the signing and filing of a Seller Return in accordance with the foregoing provision shall not be considered an acknowledgement that such Seller Return complies with the requirements of this

Agreement. Verizon shall pay, or cause the Sold Entities to pay, any Taxes due with respect to Seller Returns filed in accordance with the preceding sentence, subject to the other provisions of this Agreement, including the next sentence and any indemnity obligation of Vodafone pursuant to Section 9.2(c). Vodafone shall pay to Verizon by wire transfer of immediately available funds no later than three (3) Business Days prior to the due date for filing any Seller Return required to be filed after the Closing Date the amount of Taxes shown as due and unpaid on such Seller Return for which Vodafone is responsible under this Agreement.

(b) Verizon shall prepare, or cause to be prepared, and file, or cause to be filed, when due all Tax Returns (other than Seller Returns) that are required to be filed by or with respect to the Sold Entities for Straddle Periods of such entities (the “Verizon Returns”). Verizon shall pay, or cause the Sold Entities to pay, any Taxes due with respect to any Verizon Returns, subject to any indemnity obligation of Vodafone pursuant to Section 9.2(c). If any Verizon Return includes any amounts for which Vodafone is liable under this Agreement (including any indemnity obligation of Vodafone pursuant to Section 9.2(c)), Verizon shall, at least twenty (20) days prior to the due date of any such Verizon Return, deliver such Verizon Return to Vodafone for Vodafone’s approval (not to be unreasonably withheld, provided, however, that Vodafone may control and direct the manner in which the Reorganization is reported on such Verizon Return; provided, further, that Verizon shall not be required to reflect any material position on such Verizon Return unless, either (i) Verizon reasonably determines that there is at least “substantial authority” (or such higher standard as may be required under applicable Law to avoid the imposition of penalties) for such position, or (ii) Vodafone provides an opinion reasonably acceptable to Verizon from a recognized tax advisor to the effect that there is “substantial authority” (or such higher standard as may be required under applicable Law to avoid the imposition of penalties) for such position; and Vodafone shall pay to Verizon by wire transfer of immediately available funds no later than three (3) Business Days prior to the due date for filing such Verizon Return the amount of Taxes shown as due and unpaid on such Verizon Return for which Vodafone is responsible under this Agreement.

(c) For purposes of Section 9.2(c), in the case of any Taxes that are imposed on a periodic basis and are payable for a Straddle Period, the portion of such Tax related to the portion of such Straddle Period ending on and including the Closing Date shall (A) in the case of any gross receipts, employment, sales or use, value added, Taxes based upon or measured by reference to income or gain, and other similar Taxes, be deemed equal to the amount which would be payable if the relevant Tax period ended on and included the Closing Date, and (B) in the case of any Tax other than a Tax described in clause (A) be deemed to be the amount of such Tax for the entire Straddle Period multiplied by a fraction the numerator of which is the number of days in the Straddle Period ending on and including the Closing Date and the denominator of which is the number of days in the entire Straddle Period.

(d) Each Sold Entity that is classified as a partnership for United States federal income Tax purposes (and, with respect to any Sold Entity that holds an interest in an entity classified as a partnership for United States federal income Tax purposes, including

the Partnership, such other entity) shall be treated for purposes of this Agreement as if its taxable year ended as of the end of the Closing Date. The allocation of any item of income, gain, loss, deduction or credit of the Partnership to the Sold Entities for the period ending on the Closing Date will be determined under the “closing of the books” method; provided, however, if the Closing Date is not on a quarter end, the items of income, gain, loss, deduction or credit of the Partnership, other than extraordinary items, for the portion of the quarter that ends on the Closing Date may be determined by pro ration of the quarter’s results, provided that the Tax Distributions are determined on a basis consistent with such allocation. The taxable year of each Sold Entity that is treated as a corporation for United States federal income Tax purposes shall, for such purposes, end as of the end of the Closing Date, and such Sold Entities will become members of Verizon’s consolidated group on the day after the Closing Date. The allocation of any item of income, gain, loss, deduction or credit of any Sold Entity that is treated as a corporation for United States federal income Tax purposes for the period ending on the Closing Date will be determined under the “closing of the books” method. To the extent permitted or required under applicable Law, Vodafone and Verizon agree to take all actions necessary to treat the Closing Date as the last day of the taxable year or period of the Sold Entities for all Tax purposes.

6.2 Tax Claims. Vodafone shall, solely at its own cost and expense, have the right to control all Tax proceedings (and make all decisions relating to such Tax proceedings) involving a Tax Claim with respect to the Sold Entities for any taxable period ending on or before the Closing Date; provided, that Vodafone must provide Verizon with written notice of its election to control such Tax Claim within twenty (20) days of Verizon (or a Tax Authority) notifying Vodafone of such Tax Claim; and provided, further, that Vodafone shall not settle, compromise or abandon any such Tax proceeding without the prior written consent of Verizon (which consent shall not be unreasonably withheld) if such settlement, compromise or abandonment would reasonably be expected to have an adverse effect on Verizon or any of its Subsidiaries (including, after the Closing, the Sold Entities) that is material. Vodafone shall keep Verizon reasonably informed with respect to the commencement, status and substantive aspects of any such Tax proceeding. If Verizon receives notice of a Tax Claim, Verizon shall give notice to Vodafone in writing of such claim; provided, however, that no failure or delay by Verizon to give notice of a Tax Claim shall reduce or otherwise affect the obligation of Vodafone hereunder except to the extent Vodafone is actually prejudiced thereby. In the case of a Tax proceeding of or with respect to the Sold Entities for any Straddle Period, the Controlling Party (defined below) shall have the right and obligation to conduct, at its own expense, such Tax proceeding; provided, however, that (i) the Controlling Party shall provide the Non-Controlling Party (defined below) with a timely and reasonably detailed account of each stage of such Tax proceeding, (ii) the Controlling Party shall consult with the Non-Controlling Party before taking any significant action in connection with such Tax proceeding, (iii) the Controlling Party shall consult with the Non-Controlling Party and offer the Non-Controlling Party an opportunity to comment before submitting any written materials prepared or furnished in connection with such Tax proceeding, (iv) the Controlling Party shall defend such Tax proceeding diligently and in good faith as if it were the only party in interest in connection with such Tax proceeding, (v) the Non-Controlling Party shall be entitled to participate in such Tax proceeding and attend any meetings or conferences with the relevant Taxing Authority, and (vi) the Controlling Party shall not settle, compromise or abandon any such Tax proceeding without obtaining the prior written

consent of the Non-Controlling Party (which consent shall not be unreasonably withheld). For purposes of this Agreement, “Controlling Party” shall mean Vodafone if Vodafone and its Affiliates are reasonably expected to bear the greater Tax liability in connection with such Tax proceeding, or Verizon if Verizon and its Affiliates are reasonably expected to bear the greater Tax liability in connection with such Tax proceeding (in each case, taking into account the provisions of Section 9.2(c) and Section 9.2(d)); and “Non-Controlling Party” shall mean whichever of Vodafone or Verizon is not the Controlling Party with respect to such Tax proceeding. Anything in this Section 6.2 to the contrary notwithstanding: (i) Verizon shall, at its sole cost and expense, have the sole right to control any issue arising in a Tax proceeding of or with respect to any of the Sold Entities for any taxable period ending on or prior to the Closing Date or a Straddle Period to the extent such issue relates solely to Taxes imposed on a Sold Entity with respect to any such period for which Vodafone is not responsible pursuant to the penultimate sentence of Section 9.2(c), provided that Verizon shall not settle, compromise or abandon any such Tax proceeding without the prior written consent of Vodafone (which consent shall not be unreasonably withheld) if such settlement, compromise or abandonment would reasonably be expected to have an adverse effect on Vodafone or any of its Subsidiaries that is material, including under Section 9.2(c); and (ii) Vodafone shall, at its sole cost and expense, have the sole right to control any issue arising in any Tax proceeding of or with respect to any of the Sold Entities for any taxable period ending on or prior to the Closing Date or a Straddle Period to the extent such issue relates to the Reorganization (and to make all decisions relating thereto) provided, that Vodafone shall not settle, compromise or abandon any such Tax proceeding without the prior written consent of Verizon (which consent shall not be unreasonably withheld) if such settlement, compromise or abandonment would reasonably be expected to have an adverse effect on Verizon or any of its Subsidiaries (including, after the Closing, the Sold Entities) that is material.

6.3 Cooperation.

(a) Vodafone, and Verizon shall reasonably cooperate, and shall cause their respective Affiliates, officers, employees, agents, auditors and other Representatives to reasonably cooperate, in preparing and filing all Tax Returns and in connection with all disputes, audits and other proceedings relating to Taxes, including by maintaining and making available to each other all records reasonably requested in connection with Taxes and making employees available on a mutually convenient basis to provide additional information or explanation of any material provided hereunder. Vodafone and Verizon shall further reasonably cooperate, and make their respective advisors available to each other, with respect to the Tax consequences of the Reorganization. Vodafone shall cause the Sold Entities to be in possession, at the Closing (or as soon as practicable thereafter, but in any event within 30 days following the Closing Date), of all Tax Returns, schedules, work papers and all other material records and documents relating to Tax matters of the Sold Entities for their respective Tax periods ending on or prior to, or including, the Closing Date. At Verizon’s written request, Vodafone shall use commercially reasonable efforts to provide Verizon at or prior to the Closing with a schedule setting forth (i) the material tax attributes of each of the Sold Entities, and (ii) any currently effective waivers of any U.S. federal, state, local or foreign statutes of limitation with respect to, or extensions of the period for assessment, of any material Taxes or Tax Returns of the Sold Entities.

(b) Verizon shall determine, within ninety (90) days of the date hereof, whether or not Verizon will be able to deliver the certification provided for in Section 2.6(b)(vi) of this Agreement, and Verizon shall advise Vodafone as to its determination within such ninety (90) day period. Upon Vodafone's request, Verizon shall provide Vodafone with any information relating to the Partnership and any of its Subsidiaries reasonably requested by Vodafone to deliver the certification provided for in Section 2.6(a)(vi) of this Agreement.

(c) If Vodafone determines between the date hereof and the Closing Date that there exist items that could give rise to an indemnification obligation pursuant to Section 9.2(c)(vi), Vodafone shall notify Verizon in writing on or prior to the Closing Date and shall provide Verizon with reasonable detail regarding such items. Prior to taking any action or consummating any transaction that would reasonably be expected to trigger any Taxes with respect to items identified by Vodafone pursuant to the preceding sentence, Verizon shall notify Vodafone and shall consider in good faith any comments or alternative proposals received from Vodafone within a reasonable period of time with respect to the taking of such action or structure of such transaction.

6.4 Omnitel Entity Classification. Vodafone shall take, or cause its controlled Affiliates to take, all actions and to do, or cause its controlled Affiliates to do, all things necessary, including calling board and shareholder meetings and taking other corporate actions, to (a) (i) convert (the “Omnitel Conversion”) Omnitel under the Laws of the Kingdom of the Netherlands from a *naamloze vennootschap* to a *besloten vennootschap* and (ii) to have the Omnitel Conversion comply with the applicable Laws of the Republic of Italy including through registration of the Omnitel Conversion with the appropriate Governmental Entities of the Republic of Italy, in each case effective prior to the earlier of (i) December 27, 2013, and (ii) five (5) days preceding the Closing Date, and (b) amend, effective upon the Omnitel Conversion, the organizational documents and shareholders agreement of Omnitel and other agreements among the shareholders of Omnitel relating thereto, and otherwise take all actions necessary, so as to preserve the relative rights and obligations of such shareholders thereunder. At Verizon's written request, Vodafone shall cause Omnitel to elect, pursuant to Treasury Regulations Section 301.7701-3(a), to be classified as a partnership for U.S. federal income tax purposes with an effective date specified in writing by Verizon (the “Check-the-box election”). Vodafone and Verizon agree to treat such entity classification election, for U.S. federal income tax purposes, as a liquidation of Omnitel within the meaning of Sections 331 and 336 of the Code. Vodafone shall not take any action and shall not permit its Subsidiaries to take any action that would cause Omnitel to be classified, for U.S. federal income tax purposes, as other than a partnership during the twelve-month period following the Closing Date. Vodafone agrees to cause Vodafone Finance 1 to elect under Section 904(f)(1)(B) of the Code and Treasury Regulation 1.904(f)-2(c) (2) to treat up to 100% of any foreign source income received by the consolidated U.S. federal income tax return group of which Vodafone Finance 1 is the common parent during the year in which the Reorganization occurs as U.S. source income so as to reduce, to the greatest extent possible, any overall foreign loss. From and after the date hereof, Vodafone and Verizon and their respective advisors shall cooperate to determine the amount of the overall foreign loss, if any, remaining in the Sold Entities after the election described in the preceding sentence. In the event Verizon is not reasonably satisfied, acting in good faith, that the overall foreign loss of the Sold Entities will be eliminated or reduced to no more than a *de minimis* amount at the end of

the taxable year of the Sold Entities that ends on the Closing Date, Verizon may, if Verizon requests that Vodafone cause Omnitel to make a Check-the-box election with an effective date on or prior to December 31, 2013, deliver a written notice to Vodafone to the effect that, in the event the Omnitel Closing does not occur (other than by reason of a breach of Verizon), within ten (10) days of the termination of the Omnitel Agreement (whether in connection with a termination of this Agreement or otherwise), Verizon will request payment of the Verizon Indemnity Amount. Verizon shall, as promptly as reasonably practicable following the delivery of such notice, provide Vodafone with its calculation of the Verizon Indemnity Amount, including supporting detail. The “Verizon Indemnity Amount” shall equal the amount of all U.S. federal, state and local income Taxes payable with respect to the Check-the-box-election, determined on a “with and without” basis, provided, however, that the Verizon Indemnity Amount shall not exceed Three Hundred Million Dollars (\$300,000,000).

6.5 Tax Sharing Agreements. Vodafone shall terminate (or cause to be terminated) on or before the Closing Date all Tax sharing agreements or arrangements (other than this Agreement), if any, to which any of the Sold Entities, on the one hand, and Vodafone or any Affiliate of Vodafone (other than the Sold Entities), on the other hand, are parties, and neither Vodafone nor any Affiliate of Vodafone, on the one hand, or any of the Sold Entities, on the other hand, shall have any rights or obligations thereunder after the Closing.

6.6 No 338 Election. Verizon shall not make an election under Section 338 of the Code with respect to its purchase of the Sold Entities pursuant to this Agreement.

6.7 Purchase and Sale of the Transferred Shares. Vodafone and Verizon agree to treat, for U.S. federal income tax purposes, the purchase and sale of the Transferred Shares pursuant to this Agreement as a sale or exchange transaction subject to Section 1001 of the Code (which also constitutes a qualified stock purchase) and not a “reorganization” under Section 368 of the Code or an “exchange” under Section 351 of the Code. Vodafone and Verizon shall report the purchase and sale of the Transferred Shares in accordance with the prior sentence for U.S. federal income tax purposes. Neither Vodafone nor Verizon shall take any action that would reasonably be expected to result in the transfer of the Transferred Shares by Seller pursuant to this Agreement being treated as an “exchange” under Section 351 of the Code, and for the two-year period beginning on the Closing Date, Verizon not shall cause Vodafone Americas Finance 1 to liquidate or to merge with any other entity (unless Vodafone Americas Finance 1 is the surviving corporation in such merger, provided that under no circumstances shall Verizon merge with Vodafone Americas Finance 1 during such two-year period).

6.8 Tax Refunds. Vodafone shall be entitled to any refund of Taxes (whether by way of payment or reduction in Taxes otherwise payable in cash) received by Verizon or any of the Sold Entities that are attributable to any Pre-Closing Tax Period (taking into account the allocation principles in Section 6.1(c)); provided, however, that Vodafone shall not be entitled to any refund of Taxes (i) to the extent that such refund is attributable to either (x) the carryback of a loss or other Tax attribute arising in a Post-Closing Tax Period or (y) an adjustment of any item of Partnership income, gain, loss, deduction or credit (or other items reported to its partners on Schedule K-1 (IRS Form 1065)) with respect to a Pre-Closing Tax Period, or (ii) for which Vodafone is not responsible pursuant to the penultimate sentence of Section 9.2(c). Except as provided in the foregoing sentence, Verizon shall be entitled to any other refund of Taxes with

respect to the Sold Entities. If any party receives a refund to which another party is entitled pursuant to this Section 6.8, such party shall pay over such refund (net of costs or Taxes to the party receiving such refund) to the party entitled to such refund no later than ten (10) Business Days following receipt of such refund.

6.9 Certain VAT Matters.

(a) The Parties intend that any payment of the Financing Failure Termination Fee, the Verizon Reverse Termination Fee, the Verizon Recommendation Change Fee or the Vodafone Termination Fee, being compensatory in nature, shall not be treated, in whole or in part, as consideration for a supply for the purposes of VAT and, accordingly, each of Verizon and Vodafone shall, and shall procure that the representative member of any VAT group of which it is a member will, treat the payment of any such fee as falling outside the scope of VAT and shall pay the full amount of it free and clear of any deduction or adjustment pursuant to Section 6.9(c)(ii) or Section 6.9(d)(iii).

(b) In the event of a Tax proceeding in which a Tax Authority asserts that:

(i) VAT was chargeable with respect to the Vodafone Termination Fee and should have been accounted for by Vodafone under the reverse charge procedure; or

(ii) the Financing Failure Termination Fee, the Verizon Reverse Termination Fee or the Verizon Recommendation Change Fee was, in whole or part, consideration for a supply for the purposes of VAT and that VAT should have been accounted for by Vodafone in respect of that supply;

the provisions of Section 6.2 governing Tax proceedings of the Sold Entities for any Straddle Period shall apply, mutatis *mutandis*, treating Vodafone as the Controlling Party and Verizon as the Non-Controlling Party with respect to such Tax proceeding.

(c) In the event of a final determination with respect to such Tax proceeding to the effect that the Vodafone Termination Fee was, in whole or in part, consideration for a supply for the purposes of VAT and that should have been accounted for by Vodafone under the reverse charge procedure in respect of that supply:

(i) Vodafone shall, and shall procure that the representative member of any VAT group of which Vodafone is a member will, (A) account for, under the reverse charge procedure, and pay to the relevant Tax Authority any VAT chargeable thereon, and (B) use its reasonable best efforts to recover (by refund, credit or otherwise) any such VAT; and

(ii) the amount of the Vodafone Termination Fee payable by Vodafone shall be reduced by an amount such that the sum payable by Vodafone, when aggregated with any irrecoverable VAT thereon, is equal to the amount of the Vodafone Termination Fee that would be payable but for this Section 6.9(c)(ii).

(d) In the event of a final determination with respect to any such Tax proceeding to the effect that the Financing Failure Termination Fee, the Verizon Reverse Termination Fee or the Verizon Recommendation Change Fee was, in whole or in part, consideration for a supply for the purposes of VAT and that VAT should have been accounted for by Vodafone in respect of that supply:

(i) Vodafone shall, and shall procure that the representative member of any VAT group of which Vodafone is a member will, (A) account for and pay to the relevant Tax Authority such VAT, and (B) issue a valid VAT invoice to Verizon;

(ii) Verizon shall, and shall procure that each of its Affiliates will, use its reasonable best efforts to recover (by refund, credit or otherwise) any amounts in respect of such VAT; and

(iii) the amount of the Financing Failure Termination Fee, the Verizon Reverse Termination Fee or the Verizon Recommendation Change Fee (as the case may be) payable by Verizon (inclusive of amounts in respect of VAT) shall be increased by an amount such that the amount payable by Verizon less any VAT that is actually recovered by Verizon or its Affiliates (net of costs or Taxes to Verizon or its Affiliates) is equal to the amount of such fees that would be payable by Verizon but for this Section 6.9(d)(iii).

(e) Any adjustment payment in respect of any reduction made pursuant to Section 6.9(c)(ii) shall be made on the date which is ten (10) Business Days following the date on which Vodafone (or the representative member of any VAT group of which Vodafone is a member) is required to account to any Tax Authority for any such irrecoverable VAT.

(f) Any payment in respect of any adjustment made pursuant to Section 6.9(d)(iii) shall be made on the date which is ten (10) Business Days following the date on which Verizon (or any of its Affiliates) recovers (by refund, credit or otherwise) any amounts in respect of such VAT.

(g) For the avoidance of doubt all payments of the Vodafone Termination Fee, the Financing Failure Termination Fee, the Verizon Reverse Termination Fee and the

Verizon Recommendation Change Fee shall be inclusive of any applicable VAT save as otherwise provided by this Section 6.9.

6.10 Post-Closing Restrictions. Verizon and its Affiliates (including the Sold Entities) shall not, on or after the Closing Date, (i) make or change any Tax election or accounting method of the Sold Entities with an effective date in any Pre-Closing Tax Period, (ii) file or cause to be filed any amended Tax Return for the Sold Entities (other than a state tax return reflecting changes necessitated by an agreed Federal tax adjustment or amended U.S. federal income tax return) for any Pre-Closing Tax Period, or (iii) extend or waive, or cause to be extended or waived, any statute of limitations or other period for the assessment of any Tax or deficiency with respect to any Sold Entity for any Pre-Closing Tax Period, in each case without Vodafone's prior written consent (not to be unreasonably withheld).

ARTICLE VII

CONDITIONS TO CLOSING

The obligations of the parties to consummate the Transaction shall be subject to the fulfillment or satisfaction, at or prior to the Measurement Time, of each of the following conditions precedent (or, to the extent permitted by applicable Law, the waiver thereof in a writing signed by the party for whose benefit the condition exists); provided, however, that if the Transaction is to be implemented by way of the Vodafone Scheme, the conditions set forth in Sections 7.1(b)(ii) and 7.1(b)(iii) shall be satisfied on or prior to the Scheme Effective Date:

7.1 Mutual Conditions.

(a) Vodafone Shareholder Approval. The Vodafone Resolutions shall have been passed at the Vodafone Shareholders Meeting by the requisite majority in accordance with the articles of association of Vodafone and applicable Law; provided, that the condition set forth in this Section 7.1(a) shall be deemed satisfied for purposes of the Share Purchase Closing if the Vodafone Sale Resolutions shall have been passed at the Vodafone Shareholders Meeting by the requisite majority in accordance with the articles of association of Vodafone and applicable Law.

(b) Vodafone Scheme. Only with respect to the obligation to consummate the Vodafone Scheme:

(i) The Vodafone Scheme shall have been approved by the requisite majority at a court meeting of the shareholders of Vodafone convened in accordance with Part 26 of the Companies Act 2006 to consider, and, if thought fit, approve, the Vodafone Scheme (the "Court Meeting").

(ii) (x) The Vodafone Scheme shall have been sanctioned by the Court (the date of such sanction, the "Sanction Date"), and (y) the Vodafone Reduction of Capital confirmed by the Court.

(iii) (x) The relevant order of the Court sanctioning the Vodafone Scheme shall have been delivered to the UK Registrar of Companies in

accordance with applicable Law, and (y) the relevant order of the Court relating to the Vodafone Reduction of Capital shall have been delivered to, or, where the Court so orders, registered with, the UK Registrar of Companies in accordance with applicable Law.

(c) Admission of New Vodafone Shares. Only with respect to the obligation to consummate the Vodafone Scheme:

(i) All necessary documents in relation to the admission of the New Vodafone Shares to the Official List and to trading on the LSE's Main Market for listed securities ("New Vodafone Shares Admission") shall have been supplied to the UKLA and LSE and the admission hearing with the UKLA shall have been held.

(ii) The UKLA shall have acknowledged to Vodafone or its agent (and such acknowledgement shall not have been withdrawn) that the application for the New Vodafone Shares Admission has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as a dealing notice has been issued by the FCA, and any such listing conditions shall have been satisfied.

(iii) The LSE shall have acknowledged to Vodafone or its agent (and such acknowledgement shall not have been withdrawn) that the New Vodafone Shares will be admitted to trading at the same time as the admission of the New Vodafone Shares to the Official List.

(d) Verizon Requisite Vote. The Verizon Requisite Vote shall have been obtained at the Verizon Stockholders Meeting.

(e) Reorganization. The Reorganization shall have been completed in accordance with Section 5.1.

(f) Legality. No Governmental Entity shall have enacted, issued, promulgated, or enforced any Law, statute, rule or regulation or entered or issued any order, writ, injunction or decree (whether temporary, preliminary or permanent) which is then in effect, in each case which has the effect of making the Transaction illegal, or otherwise preventing or prohibiting the Transaction.

(g) Regulatory and Other Approvals. All authorizations, consents, orders, permits or approvals of, or declarations or filings with, and all expirations of waiting periods imposed by, any Governmental Entity (all of the foregoing, "Consents") which are set forth on Schedule 7.1(g) hereto, shall have been filed, have occurred or have been obtained (all such Consents being referred to as the "Requisite Regulatory Approvals") and all such Requisite Regulatory Approvals shall be in full force and effect; provided, however, that a Requisite Regulatory Approval shall not be deemed to have been obtained if in connection with the grant thereof there shall have been an imposition by any Governmental Entity of any condition, requirement, restriction or change of

regulation, or any other action directly or indirectly related to such grant taken by such Governmental Entity which would reasonably be expected to have a Burdensome Effect.

(h) Listing of Verizon Shares. The Verizon Shares shall have been approved for listing on the NYSE and NASDAQ, subject only to official notice of issuance.

(i) Verizon UK Admission.

(i) All necessary documents in relation to the Verizon UK Admission shall have been supplied to the UKLA and LSE and the Verizon UK Admission hearing with the UKLA shall have been held.

(ii) The UKLA shall have acknowledged to Verizon or its agent (and such acknowledgement shall not have been withdrawn) that the application for the Verizon UK Admission has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as a dealing notice has been issued by the FCA, and any such listing conditions shall have been satisfied.

(iii) The LSE shall have acknowledged to Verizon or its agent (and such acknowledgement shall not have been withdrawn) that the Verizon Shares will be admitted to trading at the same time as the admission of the Verizon Shares to the Official List.

(j) U.S. Registration Requirements. (i) The Verizon Registration Statement shall have become effective under the Securities Act and (ii) the Verizon Registration Statement shall not be subject to any stop order or proceeding seeking a stop order and no proceedings for that purpose shall have been initiated by the SEC that have not been withdrawn.

7.2 Additional Conditions to Obligations of Vodafone.

(a) Representations and Warranties True. (i) The representations and warranties of Verizon contained in the second sentence of Section 4.6 shall be true and correct on the date hereof and on the Measurement Time and (ii) the other representations and warranties of Verizon contained in this Agreement shall be true and correct in all respects on the date hereof and on the Measurement Time (except to the extent any such representation and warranty expressly relates to an earlier date (in which case it will be true and correct on and as of such earlier date)) except, in the case of this clause (ii), where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to "materiality" or "Verizon Material Adverse Effect" set forth therein), individually or in the aggregate, does not have, and would not reasonably be expected to have, a Verizon Material Adverse Effect.

(b) Compliance with this Agreement. Verizon shall have performed in all material respects all of its obligations required to be performed under this Agreement and the Omnitel Purchase Agreement prior to or on the Measurement Time.

(c) Certificate. Vodafone shall have received a certificate as of the Measurement Time signed on behalf of Verizon by an executive officer of Verizon certifying that the conditions in clauses (a) and (b) above have been satisfied.

7.3 Additional Conditions to Obligations of Verizon.

(a) Representations and Warranties True. (i) The representations and warranties of Vodafone contained in Section 3.7(b) shall be true and correct in all respects on the date hereof and on the Measurement Time and (ii) the other representations of Vodafone contained in this Agreement shall be true and correct in all respects on the date hereof and on the Measurement Time (except to the extent any such representation and warranty expressly relates to an earlier date (in which case it will be true and correct on and as of such earlier date)), except, in the case of this clause (ii), where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to "materiality", "Verizon Material Adverse Effect" or "Vodafone Material Adverse Effect" set forth therein), individually or in the aggregate, does not have, and would not reasonably be expected to have, a Verizon Material Adverse Effect (disregarding, for purposes of this Section 7.3(a), clause (i) of the definition of "Verizon Material Adverse Effect").

(b) Compliance with this Agreement. Vodafone shall have performed in all material respects all of its obligations required to be performed under this Agreement and the Omnitel Purchase Agreement prior to or on the Measurement Time.

(c) Certificate. Verizon shall have received a certificate as of the Measurement Time signed on behalf of Vodafone by an executive officer of Vodafone certifying that the conditions in clauses (a) and (b) above have been satisfied.

7.4 Frustration of the Closing Conditions. Neither Verizon nor Vodafone may rely, either as a basis for not consummating the Transaction or for terminating this Agreement and abandoning the Transaction on the failure of any condition set forth in Sections 7.1, 7.2 or 7.3, as the case may be, to be satisfied if such failure was caused by such party's breach of any provision of this Agreement.

ARTICLE VIII

TERMINATION

8.1 Grounds for Termination. This Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written agreement of Vodafone and Verizon;
- (b) by either Vodafone or Verizon if the Closing shall not have been consummated on or before the date that is twelve (12) months after the date hereof (the "Termination Date"); provided, that the right to terminate this Agreement pursuant to this

Section 8.1(b) shall not be available to any party whose breach of any provision of this Agreement results in the failure of the Closing to be consummated by such time;

(c) by Vodafone, if there has been a material violation or breach by Verizon of any covenant, representation or warranty contained in this Agreement or the Omnitel Purchase Agreement which has caused, or would cause, any condition set forth in Sections 7.1 or 7.2 not to be satisfied and such violation or breach is incapable of being cured by Verizon, or, if capable of being cured by Verizon, has not been cured by Verizon within sixty (60) days after written notice thereof from Vodafone; provided, that Vodafone is not then in breach of this Agreement so as to cause any of the conditions in Section 7.3 not to be satisfied;

(d) by Verizon, if there has been a material violation or breach by Vodafone of any covenant, representation or warranty contained in this Agreement or the Omnitel Purchase Agreement which has caused, or would cause, any condition set forth in Sections 7.1 or 7.3 not to be satisfied and such violation or breach is incapable of being cured by Vodafone, or, if capable of being cured by Vodafone, has not been cured by Vodafone within sixty (60) days after written notice thereof from Verizon; provided, that Verizon is not then in breach of this Agreement so as to cause any of the conditions in Section 7.2 not to be satisfied;

(e) by Vodafone, if a Vodafone Material Adverse Financial Effect has occurred and is continuing as of the date that would otherwise have been the Sanction Date, if the Transaction is to be implemented by way of the Vodafone Scheme, or the date that would otherwise have been the Closing Date, if the Transaction is to be implemented by way of the Share Purchase;

(f) by either Vodafone or Verizon if (i) the Verizon Stockholders Meeting has concluded and the Verizon Requisite Vote has not been obtained or (ii) the Vodafone Shareholders Meeting has concluded and the Vodafone Requisite Share Purchase Vote has not been obtained;

(g) by either Vodafone or Verizon, if (i) a court of competent jurisdiction or other Governmental Entity shall have enacted, entered or promulgated or enforced any statute, rule, regulation, executive order, decree, injunction or administrative order or issued a non-appealable final order, decree or ruling or taken any other non-appealable final action, in each case, having the effect of permanently restraining, enjoining or otherwise prohibiting the Closing and the transactions contemplated hereby or (ii) the FCC shall have issued a final order disapproving the Transaction; provided, that the right to terminate this Agreement pursuant to this Section 8.1(g) shall not be available to any party whose breach of any provision of this Agreement results in such order, decree or ruling or other final action;

(h) by Vodafone, in the event of a Verizon Change of Recommendation; provided, that Vodafone's right to terminate this Agreement pursuant to this Section 8.1(h) shall expire at 5:00 p.m. (New York City time) on the thirtieth (30th) calendar day following the date on which such Verizon Change of Recommendation occurs;

(i) by Verizon, in the event of a Vodafone Change of Recommendation; provided, that Verizon's right to terminate this Agreement pursuant to this Section 8.1(i) shall expire at 5:00 p.m. (New York City time) on the thirtieth (30th) calendar day following the date on which such Vodafone Change of Recommendation occurs; and

(j) by Vodafone, in the event that:

(i) all of the conditions to the implementation of the Vodafone Scheme or the Share Purchase, as applicable, set forth in Sections 7.1 and 7.3 were satisfied (other than (1) if the Transaction is to be implemented by way of the Vodafone Scheme, (A) if the condition set forth in Section 7.1(b)(ii)(x) was not yet satisfied, any condition that by its nature would not have been satisfied until the Sanction Date (but each of which was capable of being satisfied on the date the Sanction Date should have occurred) and (B) any Post-Sanction Conditions that had not yet been satisfied or (2) if the Transaction is to be implemented by way of the Share Purchase, any condition thereto that by its nature would not have been satisfied until the Share Purchase Closing Date, but each of which was capable of being satisfied on the date the Share Purchase Closing Date should have occurred) and, if the Transaction is to be implemented by way of the Vodafone Scheme and the condition set forth in Section 7.1(b)(ii)(x) has not yet been satisfied, such condition was capable of being satisfied if the Court Hearing were held on the date of determination and Verizon gave the undertakings necessary to implement the Scheme that it is required to give pursuant to this Agreement;

(ii) the full proceeds to be provided to Verizon by the Financing or the Replacement Financing are not available (other than as a result of conditions to the funding of such Financing or Replacement Financing not yet having been satisfied, but which are capable of being satisfied by the date by which the Closing should occur) to Verizon on the terms thereof to consummate the Closing (this clause (ii) with clause (i) above, together, a "Financing Failure");

(iii) Vodafone has irrevocably confirmed in writing (x) that all of the conditions set forth in Section 7.2 have been satisfied (other than (1) if the Transaction is to be implemented by way of the Vodafone Scheme, (A) if the condition set forth in Section 7.1(b)(ii)(x) was not yet satisfied, any condition that by its nature would not have been satisfied until the Sanction Date (but each of which was capable of being satisfied on the date the Sanction Date should have occurred) and (B) any Post-Sanction Conditions that have not yet been satisfied or (2) if the Transaction is to be implemented by way of the Share Purchase, any condition thereto that by its nature would not have been satisfied until the Share Purchase Closing Date, but each of which was capable of being satisfied on the date the Share Purchase Closing Date should have occurred) or (y) that it is willing to waive any unsatisfied conditions in Section 7.2, and, in either case, it is ready, willing and able to effect the Closing;

(iv) Verizon either fails to (1) appear at the Court Hearing or the hearing in respect of the confirmation by the Court of the Vodafone Reduction of Capital when required to do so pursuant to this Agreement or to give the undertakings necessary to implement the Vodafone Scheme that it is required to give pursuant to this Agreement or (2) effect the Closing pursuant to Section 2.3 or 2.5, as applicable, within three (3) Business Days after such appearance or undertakings were required or such Closing was required to have been consummated pursuant to Section 2.3 or 2.5, as applicable; and

(v) Vodafone was ready, willing and able to effect the Closing throughout such three Business Day period.

For purposes of this Agreement, “Vodafone Material Adverse Financial Effect” means either:

- (i) the enactment after the date hereof of any change in the law of the United Kingdom, the United States or the Netherlands that is effective on or before the Closing Date;
- (ii) the making of any public statement or announcement (including the publication of any document and, in the case of an oral statement or announcement, which is accompanied by a written statement or press release) after the date of this Agreement and before the Closing Date, by (A) a United Kingdom government minister, H.M. Treasury or H.M. Revenue & Customs, in each case acting with the authority of the government of the United Kingdom, that contains a proposal to change the law of the United Kingdom with respect to Taxes or implements the same, which change of law, were it to be enacted in accordance with that statement or announcement after the Closing Date, would take effect on or before the Closing Date, or (B) a Dutch minister or junior minister (*Staatssecretaris*), the Dutch Ministry of Finance (*Ministerie van Financien*) or senior officials of the Dutch Revenue Service (*Belastingdienst*) based at the Ministry of Finance, in each case under the authority of the government of the Netherlands, that contains a proposal to change the law of the Netherlands with respect to Taxes or implements the same, which change of law, were it to be enacted in accordance with that statement or announcement after the Closing Date, would take effect on or before the Closing Date;
- (iii) either (x) draft legislation reported, after the date hereof, out of the Committee on Ways and Means of the U.S. House of Representatives, or passage by one house of the U.S. Congress of legislation or (y) legislation proposed by the U.S. Executive Branch, or draft legislation reported, after the date hereof, out of the Finance Committee of the U.S. Senate, which, in the case of either clause (x) or (y), were such legislation to be enacted after the Closing Date, would take effect on or before the Closing Date, and with respect to which, in the case of a proposal or legislation referred to in clause (y) above, a determination has been made by a panel of three experts with experience in the executive and legislative process relating to the enactment of tax legislation in the US that it is reasonably likely that such legislation will become Law; where one expert is selected by each party and the third is selected by the two other experts, and the majority of the experts make their

determination in writing; the experts shall determine the rules for the proceedings and shall make their determination as promptly as practicable, and the parties shall share the costs of the experts equally; and/or

- (iv) the receipt by Seller of an Adverse Ruling or Statement;

and with respect to which Vodafone's board of directors has made a reasonable good faith determination that (A) in the case of the events described in clauses (ii) and (iii)(x), such announcement or bill is reasonably likely to result in a change of law (which determination shall be made by Vodafone's board of directors after considering advice as to the likelihood of enactment from nationally recognized experts in the relevant jurisdiction) and (B) in each case, would result in a liability for UK, U.S., or Netherlands Taxes on Vodafone or any of its Subsidiaries (or the Sold Entities for which Vodafone is responsible pursuant to Section 9.2(c)) with respect to the transactions specifically contemplated by this Agreement (including the Reorganization) that would, individually or in the aggregate, impose an additional cost on Vodafone and/or any of its Subsidiaries (and/or the Sold Entities for which Vodafone is responsible pursuant to Section 9.2(c)), that the parties considered material in this context; provided, that no enactment, announcement, statement or passage of legislation that would effect an increase in generally applicable Tax rates in any of the United Kingdom, the United States or the Netherlands shall be taken into account.

8.2 Effect of Termination. If this Agreement is terminated as permitted by Section 8.1, this Agreement shall forthwith become null and void and there shall be no Liability of any party to this Agreement or their respective Affiliates; provided, that, except as set forth in Section 8.3, no party hereto shall be relieved of any Liability for any willful and material failure to perform a covenant of this Agreement occurring prior to such termination. Notwithstanding anything to the contrary in this Agreement, nothing herein shall relieve any party from any Liability for fraud by such party. The provisions of this Section 8.2 and Sections 8.3 and Article X (other than Sections 10.6 and 10.7) shall survive any termination hereof pursuant to Section 8.1.

8.3 Termination Fees.

- (a) In the event that:

- (i) this Agreement is terminated pursuant to Section 8.1(f)(i), then Verizon shall, by way of compensation, pay to Vodafone the Verizon Reverse Termination Fee by wire transfer (to an account designated by Vodafone) of immediately available funds no later than the fifth (5th) Business Day following such termination;

- (ii) this Agreement is terminated pursuant to Section 8.1(h), then Verizon shall, by way of compensation, pay to Vodafone the Verizon Recommendation Change Fee by wire transfer (to an account designated by Vodafone) of immediately available funds no later than the fifth (5th) Business Day following such termination; or

- (iii) this Agreement is terminated pursuant to Section 8.1(j), then Verizon shall, by way of compensation, pay to Vodafone the Financing Failure

Termination Fee by wire transfer (to an account designated by Vodafone) of immediately available funds no later than the fifth (5th) Business Day following such termination.

In no event shall Verizon be required to pay more than one of the foregoing fees or to pay any such fees on more than one occasion (each of the fees set forth in this Section 8.3(a), a “Verizon Termination Fee”).

(b) In the event that this Agreement is terminated pursuant to Section 8.1(f)(ii) or 8.1(i), then Vodafone shall, by way of compensation, pay to Verizon the Vodafone Termination Fee by wire transfer (to an account designated by Verizon) of immediately available funds no later than the fifth (5th) Business Day following such termination. In no event shall Vodafone be required to pay the Vodafone Termination Fee on more than one occasion.

(c) In the event that this Agreement is terminated pursuant to Section 8.1(e), then Vodafone shall, by way of compensation, pay to Verizon the Vodafone Termination Fee by wire transfer (to an account designated by Verizon) of immediately available funds no later than the fifth (5th) Business Day following such termination. In no event shall Vodafone be required to pay the Vodafone Termination Fee on more than one occasion.

(d) In the event that this Agreement is terminated pursuant to Section 8.1(d), then Vodafone shall pay to Verizon within five (5) Business Days following the date of such termination, the documented, out of pocket expenses (including expenses related to the Financing) of Verizon, not to exceed One Billion Five Hundred Fifty Million Dollars (\$1,550,000,000) in the aggregate, payable by wire transfer of same day funds to an account designated in writing by Verizon.

(e) In the event that this Agreement is terminated pursuant to Section 8.1(c), then Verizon shall pay to Vodafone within five (5) Business Days following the date of such termination, the documented, out of pocket expenses of Vodafone, not to exceed One Billion Five Hundred Fifty Million Dollars (\$1,550,000,000) in the aggregate, payable by wire transfer of same day funds to an account designated in writing by Vodafone.

(f) If either party fails to timely pay an amount due pursuant to this Section 8.3, the defaulting party shall pay the non-defaulting party interest on such amount at the prime rate as published in the *WALL STREET JOURNAL* in effect on the date such payment was required to be made through the date such payment is actually received.

(g) In the event of a Financing Failure that does not result from the willful and material breach by Verizon of any of its covenants in Section 5.9, the sole and exclusive remedy (whether at law, in equity, in contract, in tort or otherwise) of Vodafone or any of its Affiliates against the Financing Sources, the Replacement Financing Sources, if any, and the respective Affiliates, assignees, directors and officers of such Financing Sources and, if any, Replacement Financing Sources (collectively, the “Financing Related Parties”) and the Verizon Related Parties, in respect of this Agreement (including Section 4.14), the Ancillary Documents and the transactions contemplated hereby and thereby

shall be to terminate this Agreement in accordance with Section 8.1(j) (if such termination is permitted pursuant thereto) and collect the Financing Failure Termination Fee, if due, and any interest payable thereon pursuant to Section 8.3(f), and upon payment of such amounts in full, no Verizon Related Party or Financing Related Party shall have any further Liability or obligation relating to or arising out of this Agreement, the Ancillary Documents or any of the transactions contemplated hereby or thereby.

(h) Without limiting the obligations of the Financing Sources or the Replacement Financing Sources pursuant to the Financing Documents or the Replacement Financing Documents, respectively, Vodafone acknowledges and agrees that no Financing Related Party shall have any liability or obligation to Vodafone or any of its Affiliates in connection with this Agreement if such Financing Related Party breaches or fails to perform (whether willfully, intentionally, unintentionally or otherwise) any of its obligations under the Financing Documents or the Replacement Financing Documents, as applicable.

ARTICLE IX

SURVIVAL; INDEMNIFICATION

9.1 Survival; Effect of Materiality Qualifiers.

(a) The representations and warranties of Vodafone under this Agreement shall terminate on the Closing Date, except that (x) the representations and warranties in Sections 3.1, 3.2 and 3.12 shall survive the Closing until the date that is twelve (12) months after the Closing Date, at which time they will terminate and (y) the representations and warranties in Sections 3.7(b), 3.8 and 3.9 shall survive the Closing until thirty (30) days after the expiration of the applicable statute of limitations, at which time they will terminate. The representations and warranties of Verizon under this Agreement shall terminate on the Closing Date, except that the representations and warranties in Sections 4.1, 4.3 and 4.16 shall survive the Closing until the date that is twelve (12) months after the Closing Date, at which time they will terminate. The covenants and other agreements of the parties under this Agreement or in any instrument delivered pursuant to this Agreement that specify performance prior to the Closing Date (other than Sections 5.1, 5.17 and 5.18, which shall terminate on the Closing Date, provided, that the covenants contained in Section 5.1 and 5.18(f) shall, for purposes of indemnification pursuant to Section 9.2(c), survive until thirty (30) days after the expiration of the applicable statute of limitations) shall survive the Closing until the expiration of twelve (12) months after the Closing Date, at which time they will terminate. The covenants and other agreements of the parties under this Agreement or in any instrument delivered pursuant to this Agreement that specify performance following the Closing Date shall survive the Closing in accordance with their terms. Notwithstanding the preceding sentences, any breach or inaccuracy of any representation or warranty or any breach of any covenant or agreement in respect of which indemnity may be sought under this Agreement shall survive the time at which it would otherwise terminate pursuant to the preceding sentences, if written notice of the inaccuracy or breach thereof giving rise to

such right of indemnity shall have been given to the party against whom such indemnity may be sought prior to such time.

(b) Following the Closing, in determining whether any representation or warranty in this Agreement was true and correct as of any particular date and the amount of any Damages in respect of the failure of any such representation or warranty to be true and correct as of any particular date, any qualification or limitation as to materiality (whether by reference to “Vodafone Material Adverse Effect”, “Verizon Material Adverse Effect” or otherwise) or knowledge contained in such representation or warranty shall be disregarded.

9.2 Indemnification.

(a) Effective after the Closing, subject to the terms and conditions of this Article IX, Vodafone shall indemnify Verizon, its Affiliates (including, following the Closing, the Sold Entities) and their respective Representatives (collectively, the “Verizon Indemnitees”) against and shall hold each of them harmless from any claims, losses, costs, Taxes, Liabilities, obligations, and expenses (whether or not arising out of third-party claims), including interest, penalties, attorneys’ fees and all amounts paid in investigation, defense or settlement of any of the foregoing (“Damages”) actually incurred or suffered by any such Verizon Indemnitee in connection with, arising out of or resulting from (i) any breach of any of the representations and warranties of Vodafone contained in this Agreement which survive the Closing, (ii) any breach of a covenant or agreement made or to be performed by Vodafone pursuant to this Agreement (other than (x) a covenant or agreement made or to be performed pursuant to Article VI, which shall be governed by Section 9.2(c) and (y) a covenant or agreement made or to be performed pursuant to Sections 5.1 and 5.18, for which there will be no indemnification pursuant to this Section 9.2(a)(ii)), (iii) the Excluded Assets, (iv) the Excluded Liabilities, (v) the Reorganization (except to the extent governed by Section 9.2(c)), or (vi) any litigation which is commenced or threatened against such Verizon Indemnitee asserting claims (A) regarding any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to (x) information contained in the Vodafone Circular, which information was not provided in writing by Verizon or any of its Affiliates or any of their respective Representatives specifically for inclusion in the Vodafone Circular and (y) information contained in any Verizon Disclosure Document, which information was provided in writing by Vodafone or any of its Affiliates or any of their respective Representatives in connection with this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby specifically for inclusion in such Verizon Disclosure Document or (B) otherwise alleging that the Vodafone Circular did not comply with any applicable legal or regulatory requirement.

(b) Effective after the Closing, subject to the terms and conditions of this Article IX, Verizon shall indemnify Vodafone, its Affiliates and their respective Representatives (collectively, the “Vodafone Indemnitees”) against and shall hold each of them harmless from any Damages actually incurred or suffered by any such Vodafone Indemnitee in connection with, arising out of or resulting from (i) any breach of any of

the representations and warranties of Verizon contained in this Agreement which survive the Closing, (ii) any breach of any covenant or agreement made or to be performed by Verizon pursuant to this Agreement (other than (x) a covenant or agreement made or to be performed pursuant to Section 5.17, for which there will be no indemnification pursuant to this Section 9.2(b)(ii) or (y) a covenant or agreement to be performed pursuant to Section 5.20(a) or Article VI which shall be governed by Section 9.2(d)), (iii) any litigation which is commenced or threatened against such Vodafone Indemnitee asserting claims (A) regarding any untrue statement or alleged untrue statement of a material fact or omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, with respect to (x) information contained in any Verizon Disclosure Document, which information was not provided in writing by Vodafone or any of its Affiliates or any of their respective Representatives in connection with this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby specifically for inclusion in such Verizon Disclosure Document and (y) information contained in the Vodafone Circular, which information was provided in writing by Verizon or any of its Affiliates or any of their respective Representatives specifically for inclusion in the Vodafone Circular or (B) otherwise alleging that any Verizon Disclosure Document did not comply with any applicable legal or regulatory requirement, or (iv) except as otherwise provided in Section 9.2(c), the Partnership and its Subsidiaries and the business, assets and liabilities thereof to the extent incurred or suffered at any time following the Closing in respect of any period prior to or following the Closing.

(c) Effective after the Closing, notwithstanding any provision of this Agreement to the contrary, Vodafone shall indemnify and hold harmless the Verizon Indemnitees from any and all liability for: (i) Taxes imposed on or payable by any Sold Entity for any Pre-Closing Tax Period; (ii) Taxes incurred with respect to, or arising from, the Reorganization for any Pre-Closing Tax Period; (iii) amounts payable by a Sold Entity pursuant to any Tax sharing, allocation or indemnification agreement entered into before the Closing to indemnify any other Person in respect of or relating to Taxes of such other Person to the extent such amount relates to or arises from a Pre-Closing Tax Period; (iv) transfer, recording, documentary, sales, use, stamp, registration and similar Taxes (including any real estate transfer or similar Tax arising from any indirect transfer of property as a result of the transactions contemplated by this Agreement) and related fees incurred with respect to or arising from (A) the purchase and sale of the Transferred Shares pursuant to this Agreement, (B) the indirect transfer of the shares in and assets of the Sold Entities, or (C) the Reorganization; (v) Taxes for which any Sold Entity is liable (or that may be collected from any Sold Entity by way of offset against a refund of Tax otherwise due to the Sold Entities) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or foreign Law), as a successor or transferee or as a result of having been a member of any group (other than a group consisting solely of one or more of the Sold Entities) prior to Closing; (vi) Taxes attributable to the inclusion of any item of income in taxable income for any Post-Closing Tax Period as a result of any (x) adjustment required with respect to a Sold Entity by reason of a change in method of accounting for a Pre-Closing Tax Period under Section 481(c) of the Code (or any corresponding or similar provision of state, local or foreign Tax Law), (y) “closing agreement” as described in Section 7121 of the Code (or any corresponding or similar

provision of state, local or foreign Tax Law) entered into by a Sold Entity prior to the Closing, or (z) installment sale by, or intercompany transaction (within the meaning of Treasury Regulation Section 1.1502-13) involving, a Sold Entity, in each case prior to the Closing (excluding, for the avoidance of doubt, Taxes attributable to any excess loss account (within the meaning of Treasury Regulation Section 1.1502-19) and California State income Taxes attributable to any Deferred Intercompany Stock Account of a Sold Entity), except, in each case of clauses (x) through (z), for any such items arising from any such change in method of accounting, closing agreement, installment sale or intercompany transaction by the Partnership; (vii) Taxes of Vodafone and its Affiliates (other than the Sold Entities) for any period; (viii) Taxes arising out of or resulting from any breach of a covenant or agreement made or to be performed by Vodafone pursuant to Sections 5.1 or 5.18(f) or Article VI; (ix) provided Verizon has provided notice thereof in accordance with Section 6.4, the Verizon Indemnity Amount; and (x) any out-of-pocket costs and expenses, including legal fees and expenses, attributable to any item described in clauses (i) to (ix). Notwithstanding the foregoing, Vodafone shall not be liable for, and shall have no obligation to indemnify the Verizon Indemnitees for: (A) any Taxes that are attributable to (i) any adjustments made after the Closing (determined on a “with and without” basis) to items of Partnership income, gain, loss, deduction or credit (or other items reported to its partners on Schedule K-1 (IRS Form 1065)), whether by reason of audit, assessment, amended return or otherwise, for a Pre-Closing Tax Period, (ii) actions not in the ordinary course of business and not contemplated by this Agreement taken by Verizon or any of its Affiliates (including any of the Sold Entities) on the Closing Date after the Closing, (iii) an election made by Verizon under Section 338 of the Code with respect to the Sold Entities, or (iv) items described in clause (vi) of the preceding sentence, which Taxes, in the aggregate, do not exceed Five Million Dollars (\$5,000,000); and (B) the excess, if any, of (i) the amount of Taxes imposed on the Sold Entities’ distributive share of items of Partnership income, gain, loss, deduction or credit (or other items reported to its partners on Schedule K-1 (IRS Form 1065)) for the taxable periods of the Sold Entities beginning on or after April 1, 2013 and ending on the Closing Date, taking into account Section 6.1(d), (determined on a hypothetical basis without regard to any other item of income, gain, loss, deduction or credit of the Sold Entities), over (ii) the sum of (x) the Tax Distributions received by the Sold Entities from the Partnership with respect to such taxable periods and (y) any payments made by Verizon pursuant to Section 5.21 that are measured by reference to Tax Distributions (other than Supplemental Tax Distributions). Any indemnity payment required to be made pursuant to this Section 9.2(c) shall be made by wire transfer or intrabank transfer of immediately available funds to an account designated by Verizon within ten (10) days after any of the Verizon Indemnitees makes written demand upon Vodafone, but in no case earlier than five (5) days prior to the date on which the relevant Taxes or other amounts are required to be paid to the applicable Taxing Authority.

(d) Verizon shall indemnify and hold harmless the Vodafone Indemnitees from any and all liability for: (i) Taxes imposed on or payable by any Sold Entity for any Post-Closing Tax Period except to the extent that Vodafone is responsible for such Taxes pursuant to Section 9.2(c), (ii) Taxes for which Verizon is responsible under Section 9.2(c), and (iii) Taxes arising out of or resulting from any breach of a covenant or agreement made or to be performed by Verizon pursuant to Section 5.20(a) or Article VI.

Any indemnity payment required to be made pursuant to this Section 9.2(c) shall be made by wire transfer or intrabank transfer of immediately available funds to an account designated by Vodafone within ten (10) days after any of the Vodafone Indemnitees makes written demand upon Verizon, but in no case earlier than five (5) days prior to the date on which the relevant Taxes or other amounts are required to be paid to the applicable Taxing Authority.

(e) Vodafone shall indemnify the Verizon Indemnitees against any Liabilities which are incurred by the Verizon Indemnitees (such Liabilities being determined to have the same economic effect as if they had been incurred directly by Verizon) in relation to any Vodafone UK Pension Plan pursuant to the exercise by the UK Pension Regulator of any of its powers under the UK Pensions Act 2004. Vodafone shall further indemnify the Verizon Indemnitees against any Liabilities incurred after the Closing by or in respect of any of the Sold Entities, which Liabilities are in respect of any (i) persons who were employed by the Sold Entities on or prior to the Closing, (ii) Employee Benefit Plans that were sponsored, maintained, contributed to or required to be contributed to by the Sold Entities on or prior to the Closing, and (iii) Employee Benefit Plans with respect to which the Sold Entities had any current, future or contingent Liability on or prior to the Closing.

(f) The parties to this Agreement agree that any indemnification payment made pursuant to this Agreement shall be treated for Tax purposes as an adjustment to the aggregate consideration being delivered to Seller pursuant to Section 2.2 in the form of the Cash Consideration, the Verizon Shares, the Verizon Notes and the Settlement Note, except to the extent otherwise required by applicable Law.

9.3 Third-Party Claim Procedures.

(a) The Person seeking indemnification under Section 9.2 (the “Indemnified Party”) agrees to give prompt notice in writing to the party against whom indemnity is to be sought (the “Indemnifying Party”) of the assertion of any claim or the commencement of any suit, action or proceeding by any third party (“Third-Party Claim”) in respect of which indemnity may be sought under Section 9.2. Such notice shall set forth in reasonable detail such Third-Party Claim and the basis for indemnification (taking into account the information then available to the Indemnified Party). The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations or Liability hereunder, except to the extent such failure shall have actually prejudiced the Indemnifying Party.

(b) The Indemnifying Party shall be entitled to participate in the defense of any Third-Party Claim and, subject to the limitations set forth in this Section 9.3, shall be entitled to assume the defense thereof at its sole expense with lead counsel appointed by the Indemnifying Party and reasonably acceptable to the Indemnified Party; provided, that if the Indemnified Party has concluded that there may be one or more legal defenses or defense strategies available to such Indemnified Party that are different from or additional to those available to the Indemnifying Party or that there exists or is reasonably likely to exist a conflict of interest, such Indemnified Party shall be entitled, at the

Indemnifying Party's reasonable expense, to separate counsel (provided, that such counsel is reasonably acceptable to the Indemnifying Party).

(c) If the Indemnifying Party elects to assume the defense of any such Third-Party Claim, all the parties hereto will cooperate in the defense or prosecution of such Third-Party Claim. Such cooperation will include the provision of reasonable access during business hours to the Indemnifying Party of records and information which are reasonably relevant to such Third-Party Claim, and making employees and other Representatives and advisors available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. If the Indemnifying Party assumes the control of the defense of any Third-Party Claim in accordance with the provisions of this Section 9.3, (i) the Indemnifying Party shall obtain the prior written consent of the Indemnified Party (which shall not be unreasonably withheld, conditioned or delayed) before entering into any settlement or compromise of such Third-Party Claim, if (A) the settlement or compromise does not release the Indemnified Party and its Affiliates from all Liabilities and obligations with respect to such Third-Party Claim or (B) the settlement or compromise imposes injunctive or other equitable relief against the Indemnified Party or any of its Affiliates, and (ii) the Indemnified Party shall be entitled to participate in the defense of any such Third-Party Claim and to employ, at its expense, separate counsel of its choice for such purpose.

(d) The provisions of this Section 9.3 shall not apply with respect to Tax Claims, which shall be governed by Article VI.

9.4 Direct Claim Procedures. If the Indemnified Party has a claim for indemnity under Section 9.2 against the Indemnifying Party that does not involve a Third-Party Claim, the Indemnified Party agrees to give prompt notice in writing of such claim to the Indemnifying Party. Such notice shall set forth in reasonable detail such claim and the basis for indemnification (taking into account the information then available to the Indemnified Party). The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have prejudiced the Indemnifying Party.

9.5 Limitations on Indemnification.

(a) Vodafone shall have no Liability for any claim for indemnification pursuant to Section 9.2(a) if the Damages for which the Indemnifying Party would be responsible for such claim and all related claims are less than the Applicable De Minimis Amount.

(b) Verizon shall have no Liability for any claim for indemnification pursuant to Section 9.2(b) if the Damages for which the Indemnifying Party would be responsible for such claim and all related claims are less than the Applicable De Minimis Amount.

9.6 Calculation of Damages.

(a) The amount of any Damages or Taxes payable under Section 9.2 by the Indemnifying Party shall be reduced by any amounts recovered by the Indemnified Party under applicable insurance policies or from any other Person alleged to be responsible

therefor, and shall be (i) net of any Tax benefits actually realized by the Indemnified Party and (ii) increased by any Tax costs incurred by the Indemnified Party (in each case, determined on a “with and without basis”). If the Indemnified Party receives any amounts under applicable insurance policies, or from any other Person alleged to be responsible for any Damages, subsequent to an indemnification payment by the Indemnifying Party, then the Indemnified Party shall promptly reimburse the Indemnifying Party for any payment made or expense incurred by the Indemnifying Party in connection with providing such indemnification payment up to the amount actually received by the Indemnified Party, net of any expenses incurred by the Indemnified Party in collecting such amount. The Indemnified Party shall use commercially reasonable efforts to collect any amounts available under insurance coverage, or from any other Person alleged to be responsible, for any Damages payable under Section 9.2.

(b) The Indemnifying Party shall not be liable under Section 9.2 for any punitive, exemplary or special Damages, or any other Damages that are not reasonably foreseeable; provided, that nothing herein shall prevent any Indemnified Party from recovering for all components of awards against them in Third-Party Claims for which recovery is provided under this Article IX.

9.7 Exclusive Remedy. From and after the Closing and except for the continuing availability of specific performance pursuant to Section 10.6 with respect to covenants that specify performance following the Closing Date, Section 9.2 will (in the absence of fraud) provide the sole and exclusive remedy for each of the parties hereto for any misrepresentation or inaccuracy or breach of any representation and warranty or any breach of covenant or other agreement occurring at or prior to the Closing or other claim arising directly or indirectly out of this Agreement or the transactions contemplated hereby with respect to matters occurring or circumstances existing at or prior to the Closing (other than procedures for the conduct of proceedings relating to Tax Claims, which shall be governed by Section 6.2).

ARTICLE X

MISCELLANEOUS

10.1 Notices. Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be effective (a) when personally delivered or transmitted by telecopier on a business day during normal business hours where such notice is to be received at the address or number designated below or (b) on the business day following the date of mailing by overnight courier, fully prepaid, addressed to such address, whichever shall first occur. The addresses for such communications shall be:

If to Vodafone, to:

Vodafone Group Plc
Vodafone House
The Connection
Newbury
Berkshire
RG14 2FN
Telecopier: +44 1635 238080
Attention: Company Secretary

If to Seller, to:

Vodafone 4 Limited
Rivium Quadrant 173
2909 LC Capelle aan den IJssel
The Netherlands
Telecopier +31 10 498 77 22
Attention: Erik de Rijk, Managing Director

And, in each case, with copies, which shall not constitute notice, to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Telecopier: (212) 455-2502
Attention: William E. Curbow and Eric M. Swedenburg

and

Slaughter and May
One Bunhill Row
London EC1Y 8YY
Telecopier: +44 (0)20 7090 5000
Attention: Craig Cleaver and Roland Turnill

If to Verizon, to:

Verizon Communications Inc.
One Verizon Way
Basking Ridge, NJ 07928
Telecopier: (908) 766-3813
Attention: William L. Horton, Jr., Senior Vice President, Deputy
General Counsel and Corporate Secretary

With copies, which shall not constitute notice, to:

Wachtell, Lipton, Rosen & Katz
51 West 52nd Street
New York, NY 10019
Telecopier: (212) 403-2000
Attention: Daniel A. Neff and Steven A. Rosenblum

and

Macfarlanes LLP
20 Cursitor Street
London EC4A 1LT
Telecopier: +44 (0)20 7831 9607
Attention: Charles Martin and Graham Gibb

10.2 Interpretation. When a reference is made in this Agreement to Sections, Schedules or Exhibits, such reference shall be to a Section of, Schedule to or Exhibit to this Agreement unless otherwise indicated. The table of contents, glossary of defined terms and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The term "parties" shall mean Vodafone, Seller and Verizon, and the term "party" shall be deemed to refer to either Vodafone, Seller or Verizon, as the case may be. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation." The phrases "the date of this Agreement" and "the date hereof" shall be deemed to refer to September 2, 2013. No provision of this Agreement shall be construed to require Vodafone, Seller, Verizon or any of their respective Affiliates to take any action that would violate any Law, rule or regulation.

10.3 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto, in whole or in part (whether by operation of Law or otherwise), without the prior written consent of (i) Vodafone and Seller, if the assigning party is Verizon or (ii) Verizon, if the assigning party is Vodafone or Seller, and any attempt to make any such assignment without such consent shall be null and void. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

10.4 Entire Agreement; Amendments. Except to the extent that other agreements are specifically referred to herein, this Agreement among Vodafone, Seller and Verizon contains the entire understanding of the parties with respect to the matters covered hereby and, except as specifically set forth herein, none of Vodafone, Seller or Verizon makes any representation, warranty, covenant or undertaking with respect to such matters. This Agreement may be amended only by an agreement in writing executed by the parties hereto. The parties hereto may amend this Agreement without notice to or the consent of any third party; provided, however, that after receipt of the Verizon Requisite Vote or the Vodafone Requisite Share Purchase Vote, there shall not be made any amendment that by Law requires further approval by the holders of

the Verizon Common Stock or the Vodafone Ordinary Shares without the further approval of such shareholders.

10.5 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

10.6 Specific Enforcement.

(a) The parties hereto acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that unless this Agreement has been terminated in accordance with Article VIII, the parties shall be entitled to an injunction or injunctions to prevent or cure breaches of the provisions of this Agreement and to enforce specifically the terms and provisions of this Agreement, this being in addition to any other remedy to which they may be entitled at law or in equity.

(b) Notwithstanding anything in this Agreement to the contrary, including Section 10.6(a), the parties hereby acknowledge and agree that, in the event of a Financing Failure, Vodafone shall not be entitled to specific performance (i) if the Transaction is to be implemented by way of the Vodafone Scheme, to cause Verizon to appear at the Court Hearing or the hearing in respect of the confirmation by the Court of the Vodafone Reduction of Capital, to give any undertakings in connection with the Vodafone Scheme, or to effect the Scheme Closing in accordance with Section 2.3 or (ii) if the Transaction is to be implemented by way of the Share Purchase, to effect the Share Purchase Closing in accordance with Section 2.5. Nothing in this Section 10.6(b) is intended to limit the right and entitlement of Vodafone to specific performance in accordance with Section 10.6(a) with respect to any failure to perform or breach by Verizon of any covenant in this Agreement other than the failure of Verizon, in the event of a Financing Failure, to (x) appear at the Court Hearing or the hearing in respect of the confirmation by the Court of the Vodafone Reduction of Capital, to give any undertakings in connection with the Vodafone Scheme, or to effect the Scheme Closing in accordance with Section 2.3, or (y) effect the Share Purchase Closing in accordance with Section 2.5, if the Transaction is to be implemented by way of the Share Purchase.

(c) Each party further agrees that, subject to Section 10.6(b), (i) such party will not oppose the granting of an injunction, specific performance and other equitable relief as provided herein on the basis that the other party has an adequate remedy at law or an award of specific performance is not an appropriate remedy for any reason at law or equity and (ii) no other party or any other Person shall be required to obtain, furnish or

post any bond or similar instrument in connection with or as a condition to obtaining any remedy referred to in this Section 10.6, and each party irrevocably waives any right it may have to require the obtaining, furnishing or posting of any such bond or similar instrument.

10.7 Further Assurances. Subject to the terms and provisions of this Agreement, each party hereto shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments, and documents as any other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the Ancillary Documents and the consummation of the transactions contemplated hereby and thereby.

10.8 Waiver of Jury Trial. Each of the parties hereto irrevocably and unconditionally waives trial by jury in any legal action or proceeding relating to this Agreement or the transactions contemplated hereby and for any counterclaim therein.

10.9 Submission to Jurisdiction; Waivers.

(a) Each of Vodafone, Seller and Verizon irrevocably agrees that any legal action or proceeding with respect to this Agreement or for recognition and enforcement of any judgment in respect hereof brought by another party hereto or its successors or assigns shall be brought and determined in the United States District Court for the Southern District of New York (or, to the extent such court does not have subject matter jurisdiction, the Supreme Court of the State of New York in New York County), and each of Vodafone, Seller and Verizon hereby irrevocably submits with regard to any such action or proceeding for itself and in respect to its property, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts. Each of Vodafone, Seller and Verizon hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any action or proceeding with respect to this Agreement, (a) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to serve process in accordance with this Section 10.9, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise), and (c) to the fullest extent permitted by Law, that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper and (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

(b) Notwithstanding anything herein to the contrary, each of the parties hereto expressly agrees (i) that it will not bring or support any lawsuit, claim, complaint, action, formal investigation or proceeding before any Governmental Entity (each, an "Action"), whether in law or in equity, whether in contract or in tort or otherwise, against any Financing Related Party arising out of or relating to the transactions contemplated hereby in any forum other than any state or federal court sitting in the borough of Manhattan, New York, New York, and any appellate court thereof, (ii) to waive and hereby waives any right to trial by jury in respect of any such Action and (iii) that any such Action shall

be governed by, and construed in accordance with, the Laws of the State of New York, without regard to the conflicts of Law rules of such state that would result in the application of the Laws of any other jurisdiction.

10.10 No Third Party Beneficiaries. Except as set forth in (i) Article IX and Sections 5.15, 8.2 and 8.3(f) and, with respect to the Financing Related Parties (in their capacities as such), Sections 8.3(g), 8.3(h) and 10.9(b), this Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and is not for the benefit of, nor may any provision of this Agreement be enforced by, any other person. For the avoidance of doubt, no provision of this Agreement is intended to provide any Vodafone Shareholder (or any party acting on its behalf) the ability to assert or enforce any right (whether in its capacity as a Vodafone Shareholder or derivatively or otherwise on behalf of Vodafone) or seek any remedies pursuant to this Agreement. For the avoidance of doubt, the Financing Related Parties are express third party beneficiaries of Sections 8.3(g), 8.3(h) and 10.9(b).

10.11 Governing Law. This Agreement shall be governed and construed in accordance with the Laws of the State of New York, without regard to the conflicts of Law rules of such state that would result in the application of the Laws of any other jurisdiction.

10.12 Expenses. Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the party incurring such cost or expense.

10.13 Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts shall together constitute one and the same instrument. Each of the parties hereto (i) has agreed to permit the use, from time to time, of faxed or otherwise electronically transmitted signatures in order to expedite the consummation of the transactions contemplated hereby, (ii) intends to be bound by its respective faxed or otherwise electronically transmitted signature, (iii) is aware that the other parties hereto will rely on the faxed or otherwise electronically transmitted signature, and (iv) acknowledges such reliance and waives any defenses to the enforcement of the documents effecting the transaction contemplated by this Agreement based on the fact that a signature was sent by fax or otherwise electronically transmitted.

10.14 Extension; Waivers. At any time prior to the Closing, Verizon and Vodafone by action taken or authorized by or on behalf of their respective boards of directors may, to the extent legally allowed, (i) extend the time for or waive the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (iii) waive compliance with any of the agreements or conditions contained here; provided, however, that after receipt of the Verizon Requisite Vote or the Vodafone Requisite Share Purchase Vote, there shall not be made any waiver that by Law requires further approval by the holders of the Verizon Common Stock or the Vodafone Ordinary Shares without the further approval of such shareholders. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the date hereof.

VODAFONE GROUP PLC

By /s/ Vittorio Colao
Name: Vittorio Colao
Title: Chief Executive

VODAFONE 4 LIMITED

By /s/ Erik Antonius Jacobus de Rijk
Name: Erik Antonius Jacobus de Rijk
Title: Director

By /s/ Lamberdina Regina Maria Kraan
Name: Lamberdina Regina Maria Kraan
Title: Company Secretary

[Signature Page – Stock Purchase Agreement]

VERIZON COMMUNICATIONS INC.

By /s/ Lowell C. McAdam

Name: Lowell C. McAdam

Title: Chairman and Chief Executive Officer

[Signature Page – Stock Purchase Agreement]

BRIDGE CREDIT AGREEMENT

Dated as of September 2, 2013

Among

VERIZON COMMUNICATIONS INC.
as Borrower,

THE LENDERS NAMED HEREIN
as Lenders,

and
JPMORGAN CHASE BANK, N.A.
as Administrative Agent

J.P. MORGAN SECURITIES LLC
MORGAN STANLEY SENIOR FUNDING, INC.
as Global Coordinators,

MORGAN STANLEY SENIOR FUNDING, INC.
as Syndication Agent,

BANK OF AMERICA, N.A.
BARCLAYS BANK PLC
as Documentation Agents,

J.P. MORGAN SECURITIES LLC
MORGAN STANLEY SENIOR FUNDING, INC.
BARCLAYS BANK PLC
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
as Joint Lead Arrangers and Joint Bookrunners

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BRIDGE CREDIT AGREEMENT

This Bridge Credit Agreement, dated as of September 2, 2013, is among Verizon Communications Inc., a Delaware corporation (the “Borrower”), the Lenders from time to time party hereto and JPMorgan Chase Bank, N.A. (“JPMCB”), as administrative agent (in such capacity, the “Administrative Agent”).

ARTICLE 1 DEFINITIONS AND ACCOUNTING TERMS

Section 1.01. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Act” has the meaning specified in Section 8.12.

“Additional Margin” means, with respect to any Eurodollar Rate Loan or Base Rate Loan, (a) prior to the date 90 days after the Funding Date, 0.00% per annum, (b) thereafter and prior to the date 180 days after the Funding Date, 0.25% per annum, (c) thereafter and prior to the date 270 days after the Funding Date, 0.50% per annum, (d) thereafter and prior to the date 365 days after the Funding Date, 0.75% per annum, (e) thereafter and prior to the date 450 days after the Funding Date, 1.00% per annum, (f) thereafter and prior to the date 540 days after the Funding Date, 1.25% per annum, (g) thereafter and prior to the date that is 630 days after the Funding Date, 1.75% per annum and (h) thereafter, 2.25% per annum.

“Administrative Agent” has the meaning specified in the preamble hereto.

“Administrative Agent’s Account” means the account of the Administrative Agent specified by the Administrative Agent in writing on or prior to the date hereof or another account of the Administrative Agent acceptable to the Borrower and the Administrative Agent.

“Administrative Questionnaire” means an administrative questionnaire in a form supplied by the Administrative Agent.

“Affiliate” means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition, the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) of a Person means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Stock, by contract or otherwise.

“Agency Fee Letter” means the Administrative Agency Fee Letter dated as of September 2, 2013 between the Borrower and the Administrative Agent, as amended, restated, waived, supplemented or otherwise modified from time to time.

“Agreement” means this Bridge Credit Agreement as it may be amended, restated, supplemented or otherwise modified from time to time.

“Aggregate Commitment” means, with respect to any Lender, such Lender’s aggregate Tranche A Commitment and Tranche B Commitment as of the Funding Date.

“Applicable Duration Fee Rate” means, for each Duration Fee Payment Date, the applicable rate set forth on Annex I hereto, based upon the aggregate principal amount of the Loans outstanding on such Duration Fee Payment Date.

“Applicable Lending Office” means, with respect to each Lender, such Lender’s Domestic Lending Office in the case of a Base Rate Loan and such Lender’s Eurodollar Lending Office in the case of a Eurodollar Rate Loan.

“Applicable Rate” means, for any day with respect to any Eurodollar Rate Loan or Base Rate Loan, the applicable rate per annum set forth below under the caption “Eurodollar Rate Margin” or “Base Rate Margin,” respectively, based upon the rating level status that applies on such day:

Rating Level Status	Eurodollar Rate Margin	Base Rate Margin
Level I Status	1.25%	0.25%
Level II Status	1.50%	0.50%
Level III Status	1.75%	0.75%
Level IV Status	2.00%	1.00%

The parties agree that, for purposes of determining whether on any day Level I Status, Level II Status, Level III Status or Level IV Status applies, during any period during which there is no Rating from either Rating Agency, Level IV Status shall apply. If the Rating by either Rating Agency shall be changed (other than as a result of a change in the rating system of such Rating Agency), such change shall be effective as of the date on which it is first announced by such Rating Agency. Each change in the Applicable Rate shall apply during the period commencing on the effective date of such change in Ratings and ending on the date immediately preceding the effective date of the next such change in Ratings. In the event that the Ratings differ by one level, the Applicable Rate shall be at the level corresponding to the higher rating (i.e., towards Level I). In the event that the Ratings differ by more than one level, the level applicable to the Rating shall be one level above (i.e., towards Level I) the lower of the two such differing levels. In the event that there is a Rating from only one Rating Agency, the Applicable Rate shall be at the level which corresponds to such Rating.

“Approved Electronic Communications” means each Communication that the Borrower is obligated to, or otherwise chooses to, provide to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein, including any financial statement, financial and other report, notice, request, certificate and other information material; provided that, solely with respect to delivery of any such Communication by the Borrower to the Administrative Agent and without limiting or otherwise affecting either the Administrative Agent’s right to effect delivery of such Communication by posting such Communication to the

Approved Electronic Platform or the protections afforded hereby to the Administrative Agent in connection with any such posting, “Approved Electronic Communications” shall exclude (i) any notice of borrowing, notice of conversion or continuation, and any other notice, demand, communication, information, document and other material relating to a request for a new, or a conversion of an existing, Borrowing, (ii) any notice pursuant to Section 2.04, Section 2.08 or Section 5.01(i)(iii) and any other notice relating to the payment of any principal or other amount due under any Loan Document or reduction or termination of Commitments prior to the scheduled date therefor, (iii) all notices of any Default or Event of Default, (iv) any service of process and (v) any notice, demand, communication, information, document and other material required to be delivered to satisfy any of the conditions set forth in Article 3 or any other condition to any Borrowing or any condition precedent to the effectiveness of this Agreement.

“Approved Electronic Platform” has the meaning specified in Section 8.02(b)(i).

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, in substantially the form of Exhibit C hereto or any other form approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed) and (i) on or prior to the funding of the Loans on the Funding Date, the Borrower (in its sole discretion) and (ii) following funding of the Loans on the Funding Date, so long as no Event of Default under Section 6.01(a) or (e) has occurred and is continuing, the Borrower (such approval of the Borrower not to be unreasonably withheld or delayed).

“Authorized Officer” means the Chief Executive Officer, the Chief Financial Officer, the Treasurer, the Controller or the General Counsel of the Borrower.

“Availability Period” means the period from and including the Effective Date to and including the earliest of (a) the date immediately following the date the Share Acquisition is consummated with or without the funding of the Loans, (b) September 2, 2014, (c) the date of termination of the Transaction Agreement in accordance with its terms or (d) the date of termination in full of the Commitments pursuant to Section 2.04(b) or 2.08.

“Base Rate” means a fluctuating interest rate per annum which shall at any time be equal to the higher of:

(a) the rate of interest announced publicly by JPMCB (or, in the event that a successor Administrative Agent is appointed pursuant to Section 7.06, a bank of recognized standing selected by such successor Administrative Agent and satisfactory to the Borrower) in New York, New York from time to time as JPMCB’s (or such other bank’s) prime rate (the “Prime Rate”); and

(b) 1/2 of 1% per annum above the Federal Funds Rate;

provided that in no event shall such fluctuating interest rate per annum be less than the rate per annum equal to 1% plus the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to US Dollar deposits in the London interbank market) at approximately 11:00 A.M., London time, on such day (or if such day is not a Business Day, the immediately preceding Business Day), for US Dollar deposits with a term of one month.

Each change in any interest rate provided for herein based upon the Base Rate resulting from a change in the Prime Rate, the Federal Funds Rate or the rate appearing on Reuters Screen LIBOR01 Page (or successor or substitute therefor) as set forth above shall take effect at the time of such change in the Prime Rate, the Federal Funds Rate or such rate appearing on Reuters Screen LIBOR01 Page (or successor or substitute therefor), respectively.

“Base Rate Loan” means a Loan that bears interest as provided in Section 2.05(a)(i).

“Base Verizon Share Amount” has the meaning specified in the Transaction Agreement (as in effect on the date hereof).

“Borrower” has the meaning specified in the preamble hereto.

“Borrowing” means a borrowing consisting of simultaneous Loans of the same Type and, in the case of a borrowing of Eurodollar Rate Loans, having the same Interest Period.

“Business Day” means a day (other than a Saturday or Sunday) on which banks are not required or authorized by law to close in New York City, provided that, if the applicable Business Day relates to any Eurodollar Rate Loans, “Business Day” means a day (other than a Saturday or Sunday) of the year on which banks are not required or authorized by law to close in New York City and on which dealings are carried on in the London interbank market.

“Cash Consideration” has the meaning specified in the Transaction Agreement (as in effect on the date hereof).

“Commercial Paper Rating” means, as of any date, the lowest rating that has been most recently announced by any of S&P and Moody’s, as the case may be, for short-term public unsecured debt issued by the Borrower. For purposes of the foregoing, (a) if any rating established by S&P or Moody’s shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such change; and (b) if S&P or Moody’s shall change the basis on which ratings are established, each reference to the Commercial Paper Rating announced by S&P or Moody’s, as the case may be, shall refer to the then equivalent rating by S&P or Moody’s, as the case may be.

“Commitment” means, with respect to each Lender, the commitment, if any, of such Lender to make a Loan pursuant to Section 2.01, expressed as an amount representing the principal amount of the Loan to be made by such Lender hereunder, as such amount may be reduced from time to time pursuant to Section 2.04 or 2.08 or reduced or increased pursuant to Section 8.07. Such Commitments may be Tranche A Commitments or Tranche B Commitments.

Each reference herein to “Commitments” without specifying a Tranche of Commitments shall be deemed a reference to Commitments of both Tranches.

“Communication” means each notice, demand, communication, information, document and other material provided for hereunder or under any other Loan Document or otherwise transmitted between the parties hereto relating to this Agreement, the other Loan Documents, the Borrower or its Affiliates, or the transactions contemplated by this Agreement or the other Loan Documents including, without limitation, all Approved Electronic Communications.

“Consolidated” refers to the consolidation of accounts in accordance with GAAP.

“Consolidated Debt” means, as of any date of determination, the aggregate amount of indebtedness for borrowed money, including indebtedness for borrowed money represented by notes, bonds, debentures or other similar evidences of indebtedness for borrowed money of the Borrower and its Consolidated Subsidiaries, excluding any such indebtedness to the extent that the Borrower is required to, and has informed the Administrative Agent that it intends to, repay Loans with the Net Cash Proceeds of such indebtedness in accordance with Section 2.08 (including the applicable time periods set forth therein).

“Convert,” “Conversion” and “Converted” each refers to a conversion of Loans of one Type into Loans of the other Type pursuant to Section 2.07.

“Debt” of any Person means, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of such Person’s business for which collection proceedings have not been commenced, provided that trade payables for which collection proceedings have commenced shall not be included in the term “Debt” so long as the payment of such trade payables is being contested in good faith and by proper proceedings and for which appropriate reserves are being maintained), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all obligations of such Person created or arising under any conditional sale or other similar title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all obligations of such Person as lessee under leases that have been, in accordance with GAAP, recorded as capital leases, (f) all obligations of such Person in respect of acceptances, letters of credit or similar extensions of credit, (g) all net obligations of such Person in respect of Hedge Agreements, (h) all Debt of others referred to in clauses (a) through (g) above or clause (i) below guaranteed directly, or indirectly through a Subsidiary, by such Person, or in effect guaranteed directly, or indirectly through a Subsidiary, by such Person through a written agreement either (1) to pay or purchase such Debt or to advance or supply funds for the payment or purchase of such Debt or (2) to purchase, sell or lease (as lessee or lessor) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Debt or to assure the holder of such Debt against loss and (i) all Debt referred to in clauses (a) through (h) above secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien on property (including, without limitation, accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Debt.

“Debt Incurrence” means the incurrence after the date hereof by the Borrower or any of its Subsidiaries of any indebtedness for borrowed money as to which the Borrower or such Subsidiary receives Net Cash Proceeds, excluding (i) indebtedness incurred pursuant to this Agreement, (ii) indebtedness of the Borrower to any Subsidiary, (iii) indebtedness of any Subsidiary to the Borrower or any other Subsidiary, (iv) commercial paper financings in the ordinary course of business of the Borrower and its Subsidiaries or to fund a portion of the Transactions, (v) any trade, vendor or customer finance-related financing in the ordinary course of business of the Borrower and its Subsidiaries, (vi) indebtedness (x) under the Three-Year Credit Agreement dated April 14, 2010 between the Borrower and JPMorgan Chase Bank, N.A., as administrative agent and the other parties thereto as amended by the First Amendment and Restatement dated April 15, 2011 and the Second Amendment and Restatement dated August 13, 2012 (as amended, restated, supplemented or otherwise modified or replaced from time to time, the **“Existing Credit Agreement”**) or (y) under any additional or replacement revolving credit facility; provided that the principal amount of indebtedness referred to under subclauses (x) and (y) does not exceed \$8,200,000,000 outstanding at any time in the aggregate, (vii) any refinancings, renewals or replacements of indebtedness or commitments for indebtedness before or at maturity, to the extent such refinanced indebtedness is (x) existing on the Effective Date (or a refinancing of indebtedness permitted under this clause (vii)), (y) of any Person acquired after the Effective Date by the Borrower or any Subsidiary and existing at the time of such acquisition (and not incurred in contemplation of such acquisition at the request of the Borrower) or (z) assumed by the Borrower or any Subsidiary in connection with an acquisition of assets and existing at the time of such acquisition (and not incurred in contemplation of such acquisition at the request of the Borrower), in each case, that does not increase the aggregate principal or commitment amount thereof (plus accrued unpaid interest and premium thereon and underwriting discounts, fees, commission and expenses), (viii) any indebtedness for borrowed money incurred by any Subsidiary of the Borrower that is organized outside the United States (whether or not guaranteed by the Borrower or any of its Subsidiaries) in an aggregate principal amount not to exceed \$100,000,000 in the aggregate, (ix) indebtedness issued or incurred in the ordinary course of business for working capital purposes, (x) purchase money indebtedness, capital leases or indebtedness issued or incurred to finance the acquisition, construction or improvement of assets, in each case, in the ordinary course of business, (xi) indebtedness issued or incurred for the acquisition or license of wireless spectrum and any deposits related to any such acquisition or license, (xii) any indebtedness the proceeds of which are used to fund pension plan contributions that are required by law (or in the Borrower’s judgment to comply with future funding requirements), (xiii) indebtedness issued pursuant to the Omnitel Note, (xiv) indebtedness issued to Vodafone or any of its Subsidiaries pursuant to the Verizon Notes, the Term Note and the Settlement Note and (xv) other incurrences of indebtedness in an aggregate principal amount of up to \$5,000,000,000.

“Default” means any Event of Default or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

“Defaulting Lender” means any Lender that (a) is a Non-Funding Lender unless its failure to fund has been cured, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute or unless such failure has

been cured or (c) has (or is a Subsidiary of a Person that has) been deemed insolvent or becomes the subject of a bankruptcy or insolvency proceeding.

“Disposition” or “dispose” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith; provided that the term “Disposition” shall not include any loss of or damage to, or any condemnation or other taking of, any property.

“Domestic Lending Office” means, with respect to any Lender, the office of such Lender specified as its “Domestic Lending Office” in the Administrative Questionnaire delivered by such Lender to the Administrative Agent and the Borrower or in the Assignment and Assumption pursuant to which it became a Lender, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

“Duration Fee Payment Date” means each day (or if such day is not a Business Day, the next succeeding Business Day) listed under the heading “Duration Fee Payment Date” on Annex I hereto.

“EBITDA” means, for any period, the Consolidated net income of the Borrower and its Consolidated Subsidiaries for such period plus, to the extent deducted in computing such Consolidated net income for such period, the sum (without duplication) of (a) income and franchise tax expense, (b) Interest Expense, (c) depreciation, amortization and other non-cash charges (except to the extent such non-cash charges represent an accrual of or reserve for cash expenses in any future period or an amortization of a prepaid cash expense paid in a prior period but including, for the avoidance of doubt, any non-cash actuarial losses from pension and post-retirement plans), (d) extraordinary, unusual or otherwise non-recurring losses and charges (including non-recurring restructuring charges), (e) minority interest expense and (f) all fees and expenses in connection with the transactions contemplated by the Transaction Agreement, minus, to the extent added in computing such Consolidated net income for such period (and without duplication), (a) any extraordinary, unusual or otherwise non-recurring gains for such period and (b) other non-cash gains (except (i) in respect of which cash was received in a prior period or will be received in a future period or (ii) which represent the reversal in such period of any accrual of, or cash reserve for, anticipated cash charges in any prior period where such accrual or reserve is no longer required but including, for the avoidance of doubt, any non-cash actuarial gains from pension and post-retirement plans). If the Borrower engages in any Material Asset Acquisition or any Material Asset Sale (each as defined below), during any period in respect of which EBITDA is to be determined hereunder, such EBITDA will be determined on a pro forma basis as if such Material Asset Acquisition or such Material Asset Sale occurred on the first day of the relevant period. For purposes of this definition, (i) “Material Asset Sale” means any Disposition of property or series of related Dispositions of property that involves consideration (including non-cash consideration) with a fair market value in excess of \$2,000,000,000 and (ii) “Material Asset Acquisition” means (x) the Transactions and (y) any acquisition (whether by purchase, merger, consolidation or otherwise) of the assets or property of any other Person that involves consideration (including non-cash consideration) with a fair market value in excess of \$2,000,000,000.

“Effective Date” means the first date on which the conditions set forth in Section 3.01 are satisfied (or waived in accordance with Section 8.01).

“Eligible Assignee” means (i) a Lender; (ii) an Affiliate or an Approved Fund of a Lender; (iii) a commercial bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$5,000,000,000; (iv) a savings and loan association or savings bank organized under the laws of the United States, or any State thereof, and having total assets in excess of \$5,000,000,000; (v) a commercial bank organized under the laws of any other country that is a member of the Organization for Economic Cooperation and Development or has concluded special lending arrangements with the International Monetary Fund associated with its General Arrangements to Borrow or of the Cayman Islands, or a political subdivision of any such country, and having total assets in excess of \$5,000,000,000 so long as such bank is acting through a branch or agency located in the United States or in the country in which it is organized or another country that is described in this clause (v); (vi) the central bank of any country that is a member of the Organization for Economic Cooperation and Development; or (vii) any other Person approved by the Administrative Agent and the Borrower, such approval not to be unreasonably withheld or delayed (and, in the case of approval by the Borrower with respect to any assignment after the funding of the Loans on the Funding Date, such approval (A) to be deemed to have been given if the Borrower shall not have provided a response within ten Business Days of a written request for approval and (B) not to be required if an Event of Default under Section 6.01(a) or Section 6.01(e) has occurred and is continuing); provided, however, that none of the Borrower, any of the Borrower’s Affiliates or any Defaulting Lender shall qualify as an Eligible Assignee.

“Environmental Action” means any action, suit, demand, demand letter, claim, notice of noncompliance or violation, notice of liability or potential liability, investigation, proceeding, consent order or consent agreement relating in any way to any Environmental Law, Environmental Permit or Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment, including, without limitation, (a) by any governmental or regulatory authority for enforcement, cleanup, removal, response, remedial or other actions or damages and (b) by any governmental or regulatory authority or any third party for damages, contribution, indemnification, cost recovery, compensation or injunctive relief.

“Environmental Law” means any Federal, state, local or foreign statute, law, ordinance, rule, regulation, code, order, judgment, decree or judicial or agency interpretation, policy or guidance relating to pollution, protection of the environment or natural resources or the effect of the environment on human health, including, without limitation, those relating to the use, handling, transportation, treatment, storage, disposal, release or discharge of Hazardous Materials.

“Environmental Permit” means any permit, approval, identification number, license or other authorization required under any Environmental Law.

“Equity Issuance” means any issuance or sale by the Borrower after the date hereof of (a) any of its capital stock or equivalent interests, (b) any warrants or options exercisable in respect of its capital stock or equivalent interests or (c) any other security or instrument representing an equity interest (or the right to obtain any equity interest) in the Borrower; provided that “Equity

Issuance" shall not include any such issuance or sale (i) pursuant to employee and other benefit plans established in the ordinary course of business, (ii) pursuant to Verizon Communications Direct Invest and any substantially similar successor thereto or replacement thereof, (iii) as consideration for any acquisition (other than the Transactions), (iv) in connection with the steps taken to consummate the Transactions pursuant to the Transaction Agreement or (v) to third parties to the extent the proceeds thereof are intended to be applied by the Borrower as consideration for the Share Acquisition and the amount of the Cash Consideration contemplated by the Transaction Agreement on the Effective Date is increased by the amount of such proceeds; provided that any proceeds under this clause (v) that are not so applied shall be proceeds of an Equity Issuance.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means, with respect to the Borrower, any Person that for purposes of Title IV of ERISA is a member of the Borrower's controlled group, or under common control with the Borrower, within the meaning of Section 414 of the Internal Revenue Code.

"ERISA Event" means, with respect to the Borrower, (a) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA, with respect to any Plan unless the 30-day notice requirement with respect to such event has been waived by the PBGC; (b) the provision by the administrator of any Plan of a notice of intent to terminate such Plan pursuant to Section 4041(a) (2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (c) the cessation of operations at a facility of the Borrower or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA; (d) the withdrawal by the Borrower or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (e) the imposition of a lien under Section 303(k) of ERISA with respect to any Plan; or (f) the institution by the PBGC of proceedings to terminate a Plan pursuant to Section 4042 of ERISA.

"Eurocurrency Liabilities" has the meaning assigned to that term in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Eurodollar Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Eurodollar Lending Office" in the Administrative Questionnaire delivered by such Lender to the Administrative Agent and the Borrower or in the Assignment and Assumption pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, for any Interest Period for each Eurodollar Rate Loan comprising part of the same Set, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time for purposes of providing quotations of interest rates applicable to US Dollar deposits in the London interbank market) at approximately 11:00 A.M., London time, two Business Days prior to the commencement of such

Interest Period, as the rate for US Dollar deposits with a maturity comparable to such Interest Period (the “Screen Rate”); provided that if the Screen Rate shall not be available at the applicable time for the applicable Interest Period, then the Eurodollar Rate for such Interest Period shall be the Interpolated Rate. Notwithstanding the foregoing, the “Eurodollar Rate” for any such Interest Period shall be the rate per annum obtained by dividing (i) the rate per annum obtained by application of the foregoing provisions of this definition by (ii) a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage for such Interest Period.

“Eurodollar Rate Loan” means a Loan that bears interest as provided in Section 2.05(a)(ii).

“Eurodollar Rate Reserve Percentage” for any Interest Period for all Eurodollar Rate Loans comprising part of the same Set means the reserve percentage applicable two Business Days before the first day of such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City with respect to liabilities or assets consisting of or including Eurocurrency Liabilities (or with respect to any other category of liabilities that includes deposits by reference to which the interest rate on Eurodollar Rate Loans is determined) having a term equal to such Interest Period.

“Event of Default” has the meaning specified in Section 6.01.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder: (a) Taxes imposed on or measured by its overall net income (however denominated), franchise Taxes imposed on it (in lieu of net income Taxes) and branch profits or similar Taxes, in each case, imposed by the jurisdiction (or any political subdivision thereof) (i) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its Applicable Lending Office is located or (ii) where the recipient otherwise has a present or former connection (other than by reason of the activities and transactions specifically contemplated by any Loan Document); (b) any backup withholding Tax that is required by the Code to be withheld from amounts payable to a Lender that has failed to comply with Section 2.12(e); (c) in the case of a Foreign Lender, any U.S. withholding tax that (i) is imposed on amounts payable to such Foreign Lender pursuant to the laws in force at the time such Foreign Lender becomes a party hereto (other than pursuant to an assignment demanded by the Borrower pursuant to Section 8.07(a)) or such Foreign Lender designates a new Applicable Lending Office, except in each case, to the extent that, pursuant to Section 2.12, amounts with respect to such Taxes were payable either to such Foreign Lender’s assignor immediately before such Foreign Lender became a party hereto or to such Foreign Lender immediately before it changed its Applicable Lending Office or (ii) is attributable to such Foreign Lender’s failure to comply with Section 2.12(e); and (d) any U.S. Federal withholding Taxes imposed under FATCA on any amount payable in respect of such recipient as a result of the failure of such recipient to satisfy the applicable conditions for exemption from such withholding as set forth under FATCA.

“Existing Credit Agreement” has the meaning specified in the definition of “Debt Incurrence”.

“Extended Maturity Date” means the date that is three hundred sixty four (364) days after the Maturity Date, provided that, if such date shall not be a Business Day, the Extended Maturity Date shall be the immediately preceding Business Day.

“FATCA” means sections 1471 through 1474 of the Internal Revenue Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any Treasury regulations promulgated thereunder or official interpretations thereof.

“Federal Bankruptcy Code” means The Bankruptcy Reform Act of 1978, as heretofore and hereafter amended, and codified as 11 U.S.C. Section 101 et seq.

“Federal Funds Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Fee Letters” means the Agency Fee Letter and the Syndication and Fee Letter.

“Foreign Lender” means any Lender that is not organized under the laws of the United States, any State thereof or the District of Columbia.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“Funding Date” means the date following the Effective Date on which the conditions set forth in Section 3.02 are satisfied (or waived in accordance with Section 8.01).

“GAAP” has the meaning specified in Section 1.03(a).

“Governmental Authority” means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Hazardous Materials” means (a) petroleum and petroleum products, byproducts or breakdown products, radioactive materials, asbestos containing materials, polychlorinated biphenyls and radon gas and (b) any other chemicals, materials or substances designated,

classified or regulated as hazardous or toxic or as a pollutant or contaminant under any Environmental Law.

Hedge Agreements means interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements.

IFRS means the International Financial Reporting Standards set by the International Accounting Standards Board (or the Financial Accounting Standards Board of the American Institute of Certified Public Accountants or the SEC, as the case may be) or any successor thereto, as in effect from time to time.

Indemnified Party has the meaning specified in Section 8.04(b).

Indemnified Taxes means Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower hereunder.

Information has the meaning specified in Section 8.13.

Initial Lenders means JPMorgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Bank of America, N.A. and Barclays Bank PLC.

Institution has the meaning specified in the definition of “Related Indemnity Person”.

Interest Expense means, for any period, the interest expense of the Borrower and its Consolidated Subsidiaries for such period determined on a Consolidated basis in accordance with GAAP.

Interest Period means, for each Eurodollar Rate Loan comprising part of the same Set, the period commencing on the date of such Eurodollar Rate Loan or the date of the Conversion of any Base Rate Loan into such Eurodollar Rate Loan and ending on the last day of the period selected by the Borrower pursuant to the provisions below and, thereafter, with respect to Eurodollar Rate Loans, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below (or the day provided pursuant to Section 2.06(c)). The duration of each such Interest Period shall be one, two, three or six months (or such other period, in the case of a period shorter than six months, as the Administrative Agent may approve or, in the case of a period longer than six months, as each Lender may approve), as the Borrower may, except as set forth in Section 2.06(c), upon notice received by the Administrative Agent not later than 11:00 A.M. on the third Business Day prior to the first day of such Interest Period, select; provided, however, that:

- (i) no Interest Period shall end after the Maturity Date unless the Maturity Date shall have been extended pursuant to Section 2.16 in which case no Interest Period shall end after the Extended Maturity Date;
- (ii) Interest Periods commencing on the same date for Eurodollar Rate Loans comprising part of the same Set shall be of the same duration;

- (iii) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the next succeeding Business Day; provided, however, that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day; and
- (iv) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“Interpolated Rate” means, at any time, for any Interest Period for which there shall not be a Screen Rate available at the applicable time (each, an **“Impacted Interest Period”**), the rate per annum (rounded to the same number of decimal places as the applicable Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from interpolating on a linear basis between: (a) the applicable Screen Rate (for the longest period for which the applicable Screen Rate is available) that is shorter than the Impacted Interest Period and (b) the applicable Screen Rate for the shortest period (for which such Screen Rate is available) that exceeds the Impacted Interest Period, in each case, for such Interest Period.

“Joint Lead Arrangers” means J.P. Morgan Securities LLC, Morgan Stanley Senior Funding, Inc., Barclays Bank PLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, in their capacities as Joint Lead Arrangers hereunder.

“JPMCB” has the meaning specified in the preamble hereto.

“Lender Appointment Period” has the meaning specified in Section 7.06.

“Lenders” means the lenders party hereto as of the date hereof, and each Person that shall become a party hereto pursuant to Section 8.07, in their capacities as Lenders hereunder.

“Level I Status” applies on any date if on such date the Borrower’s Rating is A- or higher by S&P or A3 or higher by Moody’s, subject to the last paragraph of the definition of “Applicable Rate” hereunder.

“Level II Status” applies on any date if on such date (i) Level I Status does not apply and (ii) the Borrower’s Rating is BBB+ or higher by S&P or Baa1 or higher by Moody’s, subject to the last paragraph of the definition of “Applicable Rate” hereunder.

“Level III Status” applies on any date if on such date (i) neither Level I Status nor Level II Status applies and (ii) the Borrower’s Rating is BBB or higher by S&P or Baa2 or higher by Moody’s, subject to the last paragraph of the definition of “Applicable Rate” hereunder.

“Level IV Status” applies on any date if none of Level I Status, Level II Status or Level III Status applies on such date.

“Leverage Ratio” means, on the last day of any period of four fiscal quarters of the Borrower, the ratio of (a) Consolidated Debt to (b) EBITDA for such period.

“Lien” means any lien, security interest or other charge or encumbrance of any kind.

“Loan” means a loan by a Lender to the Borrower pursuant to this Agreement and refers to a Base Rate Loan or a Eurodollar Rate Loan. Each of a Base Rate Loan and a Eurodollar Rate Loan shall be a “Type” of Loan.

“Loan Documents” means, collectively, this Agreement and the Notes, if any.

“Material Adverse Change” means any material adverse change in the business, financial condition or results of operations of the Borrower and its Subsidiaries taken as a whole.

“Material Adverse Effect” means a material adverse effect on (a) the financial condition or operations of the Borrower and its Subsidiaries, taken as a whole or (b) the ability of the Borrower to perform its obligations under this Agreement or any Note.

“Materially Adverse Modification” has the meaning specified in Section 3.02(a).

“Maturity Date” means the date that is 364 days after the Funding Date, provided that, if such date shall not be a Business Day, the Maturity Date shall be the immediately preceding Business Day.

“Moody’s” means Moody’s Investors Service, Inc.

“Multiemployer Plan” means, with respect to the Borrower, a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

“Multiple Employer Plan” means, with respect to the Borrower, a Single Employer Plan that (a) is maintained for employees of the Borrower or any ERISA Affiliate and at least one Person other than the Borrower and the ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“Net Cash Proceeds” means, (a) with respect to any Specified Asset Sale by the Borrower or any of its Subsidiaries, the aggregate amount of all cash (which term, for the purpose of this definition, shall include cash equivalents) proceeds (including any cash proceeds received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment or otherwise, but only as and when received) actually received by the Borrower or such Subsidiary in respect of such Specified Asset Sale, net of (i) all reasonable attorneys’ fees, accountants’ fees, brokerage, consultant and other customary fees and commissions, title and recording tax expenses and other reasonable fees and expenses incurred by the Borrower or

such Subsidiary in connection therewith, (ii) all taxes paid or reasonably estimated to be payable as a result thereof, (iii) all payments made, and all installment payments required to be made, with respect to any obligation (x) that is secured by any assets subject to such Specified Asset Sale, in accordance with the terms of any Lien upon such assets, or (y) that must by its terms, or in order to obtain a necessary consent to such Specified Asset Sale, or by applicable law, be repaid out of the proceeds from such Specified Asset Sale, (iv) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Specified Asset Sale, or to any other Person (other than the Borrower or any of its Subsidiaries) owning a beneficial interest in the assets disposed of in such Specified Asset Sale, and (v) the amount of any reserves established by the Borrower or any of its Subsidiaries in accordance with GAAP to fund purchase price or similar adjustments, indemnities or liabilities, contingent or otherwise, reasonably estimated to be payable in connection with such Specified Asset Sale (provided that to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds); provided that any proceeds from any Disposition by Verizon Wireless and/or its Subsidiaries on or prior to the fifth Business Day following the Funding Date shall be deemed not to constitute Net Cash Proceeds to the extent any such proceeds are used or intended by the Borrower in good faith to be used to refinance, renew or replace indebtedness, before or at maturity, of Verizon Wireless or any of its Subsidiaries maturing on or prior to February 1, 2014, and any such proceeds that otherwise would constitute Net Cash Proceeds and are not so used shall become Net Cash Proceeds on the fifth Business Day following the Funding Date and (b) with respect to any Equity Issuance or Debt Incurrence, the aggregate amount of all cash proceeds actually received by the Borrower and its Subsidiaries in respect of such Equity Issuance or Debt Incurrence, net of reasonable fees, expenses, costs, underwriting discounts and commissions incurred by the Borrower and its Subsidiaries in connection therewith and net of taxes paid or reasonably estimated to be payable as a result thereof; provided that, except to the extent applied as consideration for the Transactions, any proceeds from any Debt Incurrence by Verizon Wireless and/or its Subsidiaries shall be deemed not to constitute Net Cash Proceeds until the fifth Business Day following the Funding Date and any such proceeds that otherwise would constitute Net Cash Proceeds shall become Net Cash Proceeds on such fifth Business Day following the Funding Date; provided further that if the Borrower or any of its Subsidiaries receives proceeds that would otherwise constitute Net Cash Proceeds from any Specified Asset Sale, then so long as at the time of receipt of such proceeds and at the proposed time of the reinvestment or commitment to reinvest such proceeds, no Default shall be continuing, the Borrower or such Subsidiary may use, or commit to use, any portion of such proceeds (the “Reinvestment Amount”) to acquire, construct, improve, upgrade or repair assets useful in the business of the Borrower or its Subsidiaries or to consummate any business acquisition, and in each case, the Reinvestment Amount shall only constitute Net Cash Proceeds to the extent (A) not so used (or committed to be used pursuant to a bona fide third-party contract) within the 180-day period following receipt of such proceeds or (B) if so committed to be used, not so used within the period specified in such contract.

“Non-Funding Lender” has the meaning specified in Section 2.02(d).

“Note” means a promissory note of the Borrower payable to the order of any Lender, delivered pursuant to a request made under Section 2.14 in substantially the form of Exhibit A

hereto, evidencing the aggregate indebtedness of the Borrower to such Lender resulting from the Loan made to the Borrower by such Lender.

“Notice of a Non-Funding Lender” has the meaning specified in Section 2.02(d).

“Notice of Borrowing” has the meaning specified in Section 2.02(a).

“Omnitel Consideration Amount” has the meaning specified in the Transaction Agreement (as in effect on the date hereof).

“Omnitel Note” has the meaning specified in the Transaction Agreement.

“Other Taxes” means all present or future stamp, documentary, intangible, recording or filing taxes or any similar taxes, charges or levies arising from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or the Notes.

“Participant Register” has the meaning specified in Section 8.07(e).

“PBGC” means the Pension Benefit Guaranty Corporation (or any successor).

“Permitted Liens” means, with respect to any Person, (a) Liens for taxes, assessments and governmental charges and levies to the extent not required to be paid under Section 5.01(b); (b) pledges or deposits to secure obligations under workers’ compensation laws or similar legislation; (c) pledges or deposits to secure performance in connection with bids, tenders, contracts (other than contracts for the payment of money) or leases to which such Person is a party; (d) deposits to secure public or statutory obligations of such Person; (e) materialmen’s, mechanics’, carriers’, workers’, repairmen’s and other like Liens in the ordinary course of business, or deposits to obtain the release of such Liens to the extent such Liens, in the aggregate, would not have a Material Adverse Effect; (f) deposits to secure surety and appeal bonds to which such Person is a party; (g) other pledges or deposits for similar purposes in the ordinary course of business, including pledges and deposits to secure indemnity, performance or other similar bonds and in connection with insurance maintained in accordance with Section 5.01(c); (h) Liens created by or resulting from any litigation or legal proceeding which at the time is currently being contested in good faith by appropriate proceedings; (i) leases made, or existing on property acquired, in the ordinary course of business; (j) landlords’ Liens under leases to which such Person is a party; and (k) zoning restrictions, easements, licenses, and restrictions on the use of real property or minor irregularities in title thereto, which do not materially impair the use of such property in the operation of the business of such Person or the value of such property for the purpose of such business.

“Person” means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

“Plan” means a Single Employer Plan or a Multiple Employer Plan.

“Prime Rate” has the meaning specified in the definition of “Base Rate”.

“Rating” means (i) with respect to a “Rating” by S&P, the rating that has been most recently announced by S&P for the non-credit enhanced long term senior unsecured debt issued by the Borrower, and (ii) with respect to a “Rating” by Moody’s, the rating that has been most recently announced by Moody’s for the non-credit enhanced long term senior unsecured debt issued by the Borrower. For purposes of the foregoing, (a) if any rating established by S&P or Moody’s shall be changed, such change shall be effective as of the date on which such change is first announced publicly by the rating agency making such change; and (b) if S&P or Moody’s shall change the basis on which ratings are established, each reference to the Rating announced by S&P or Moody’s, as the case may be, shall refer to the then equivalent rating by S&P or Moody’s, as the case may be.

“Rating Agency” means each of S&P and Moody’s.

“Register” has the meaning specified in Section 8.07(d).

“Reinvestment Amount” has the meaning specified in the definition of “Net Cash Proceeds.”

“Related Indemnity Person” means, with respect to any Person, any other Person, so long as both Persons are any of an Institution, such Institution’s Affiliates, and such Institution’s and such Affiliates’ respective officers, directors, employees, agents and advisors. For purposes of the foregoing, “Institution” means the Administrative Agent, any Joint Lead Arranger or any Lender.

“Related Party” means, with respect to any Person, any other Person, so long as both Persons are any of an Institution, such Institution’s Affiliates, and such Institution’s and such Affiliates’ respective managers, administrators, trustees, partners, directors, officers, employees, agents, fund managers and advisors. For purposes of the foregoing, “Institution” means the Administrative Agent, any Joint Lead Arranger, or any Lender.

“Required Lenders” means, at any time, Lenders having at least a majority in interest of the sum of the outstanding principal amount of the Loans or Commitments in effect at such time; provided that the portion of the aggregate outstanding principal amount of the Loans or Commitment of any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Requisite Amount” has the meaning specified in Section 6.01(d).

“Restricted Subsidiary” means each Subsidiary of the Borrower listed on Schedule 4.01(j) hereto (as such Schedule may be amended, supplemented or otherwise modified from time to time by the Borrower in accordance with Section 8.01(c)).

“Restricting Information” has the meaning specified in Section 8.02(c)(i).

“S&P” means Standard & Poor’s Ratings Services, LLC, or any successor thereto.

“Screen Rate” has the meaning specified in the definition of Eurodollar Rate.

“SEC” means the U.S. Securities and Exchange Commission.

“Seller” means Vodafone 4 Limited, an indirect wholly owned Subsidiary of Vodafone.

“Set” means the collective reference to Eurodollar Rate Loans for the then current Interest Periods with respect to all of which begin on the same date and end on the same later date (whether or not such Loans shall originally have been made on the same day).

“Settlement Note” has the meaning specified in the Transaction Agreement.

“Share Acquisition” means the direct or indirect acquisition by the Borrower of the Vodafone Interest pursuant to the Transaction Agreement.

“Single Employer Plan” means, with respect to the Borrower, a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of the Borrower or any ERISA Affiliate and no Person other than the Borrower and the ERISA Affiliates or (b) was so maintained and in respect of which the Borrower or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

“Specified Asset Sale” means any Disposition or series of related Dispositions by the Borrower or any of its Subsidiaries after the date hereof not in the ordinary course of business (as determined in good faith by the Borrower) to any Person other than the Borrower or any of its Subsidiaries; provided that no such Disposition or series of related Dispositions shall constitute a Specified Asset Sale if (i) the Net Cash Proceeds from such Disposition or series of related Dispositions does not individually exceed \$100,000,000 or (ii) such Disposition or series of related Dispositions is (a) the sale of inventory or sale, lease (including sublease) or license of other property in the ordinary course of business, (b) the sale or other Disposition of cash or cash equivalents, (c) the sale, exchange or other Disposition of accounts receivable in connection with the compromise, settlement or collection thereof consistent with past practice, (d) the sale of wireless spectrum to AT&T Inc. (and its subsidiaries) (“AT&T”) pursuant to the agreement with AT&T announced by the Borrower prior to the date hereof, (e) any Disposition by Verizon Capital Corp. and (f) any Disposition of an interest in Vodafone Omnitel.

“Specified Representation” means the representations and warranties in Sections 4.01(a), 4.01(b) (but excluding, in the case of Section 4.01(b)(ii), any contractual restriction other than each debt instrument representing debt for borrowed money with a principal outstanding amount of the Requisite Amount or more, and, in relation to such instruments only, disregarding the reference to “Material Adverse Effect” set forth therein), 4.01(d), 4.01(h), 4.01(i) and 4.01(k).

“Subsidiary” of any Person means any corporation, partnership, joint venture, limited liability company, trust or estate of which (or in which) more than 50% of (a) the issued and outstanding capital stock having ordinary voting power to elect a majority of the Board of Directors of such corporation (irrespective of whether at the time capital stock of any other class or classes of such corporation shall or might have voting power upon the occurrence of any contingency), (b) the interest in the capital or profits of such limited liability company, partnership or joint venture or (c) the beneficial interest in such trust or estate, is at the time directly or indirectly owned or controlled by such Person, by such Person and one or more of its other Subsidiaries or by one or more of such Person’s other Subsidiaries.

“Supplemental Borrowing” has the meaning specified in Section 2.02(d).

“Supplemental Loan” has the meaning specified in Section 2.01(c).

“Syndication and Fee Letter” means the Syndication and Fee Letter dated as of September 2, 2013 between the Borrower, the Joint Lead Arrangers and the Initial Lenders as amended, restated, waived, supplemented or otherwise modified from time to time.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Note” has the meaning specified in the Transaction Agreement.

“Tranche” means (a) with respect to Commitments, whether such Commitments are Tranche A Commitments or Tranche B Commitments, (b) with respect to Loans, whether such Loans are Tranche A Loans or Tranche B Loans and (c) with respect to Lenders, whether such Lenders are Tranche A Lenders or Tranche B Lenders.

“Tranche A Commitment” means, with respect to any Lender, the Commitment of such Lender to make Tranche A Loans under this Agreement as set forth in Schedule 2.01, expressed as an amount representing the principal amount of the Tranche A Loan to be made by such Tranche A Lender hereunder, as such amount may be reduced from time to time pursuant to Sections 2.04 or 2.08 or reduced or increased pursuant to Section 8.07. The total Tranche A Commitment on the date hereof shall be \$12,000,000,000.

“Tranche A Lender” means a Lender with a Tranche A Commitment or Tranche A Loan.

“Tranche A Loan” has the meaning set forth in Section 2.01(a) and shall include, for the avoidance of doubt, any Supplemental Loan made by a Lender utilizing its Tranche A Commitment.

“Tranche B Commitment” means, with respect to any Lender, the commitment of such Lender to make Tranche B Loans under this Agreement as set forth in Schedule 2.01, expressed as an amount representing the principal amount of the Tranche B Loan to be made by such Tranche B Lender hereunder, as such amount may be reduced from time to time pursuant to Section 2.04 or 2.08 or reduced or increased pursuant to Section 8.07. The total Tranche B Commitment on the date hereof shall be \$49,000,000,000.

“Tranche B Lender” means a Lender with a Tranche B Commitment or Tranche B Loan.

“Tranche B Loan” has the meaning set forth in Section 2.01(b) and shall include, for the avoidance of doubt, any Supplemental Loan made by a Lender utilizing its Tranche B Commitment.

“Transactions” means, collectively, (i) the Share Acquisition and (ii) the other transactions contemplated by the Transaction Agreement.

“Transaction Agreement” means the Stock Purchase Agreement dated as of the date hereof by and among Vodafone, the Seller and the Borrower (as amended, supplemented or otherwise modified from time to time).

“Transaction Representations” means the representations made by Vodafone in the Transaction Agreement that are material to the interests of the Lenders (but only to the extent that the Borrower has the right not to consummate the Share Acquisition under, or terminate, the Transaction Agreement as a result of a failure of any such representation in the Transaction Agreement to be true and correct).

“Type” has the meaning specified in the definition of “Loan.”

“US Dollars” or “\$” means the lawful money of the United States of America.

“Verizon Capital Corp.” means Verizon Capital Corp, a Delaware corporation.

“Verizon Communications Direct Invest” means the direct stock purchase and share ownership plan of the Borrower existing on the date hereof.

“Verizon Notes” has the meaning specified in the Transaction Agreement.

“Verizon Wireless” means Cellco Partnership, a Delaware general partnership, d/b/a Verizon Wireless.

“Vodafone” means Vodafone Group Plc, an English public limited company.

“Vodafone Interest” means the equity interest in Verizon Wireless held indirectly by Vodafone.

“Vodafone Omnitel” means Vodafone Omnitel N.A., *naamloze vennootschap* organized under the laws of The Netherlands.

“Voting Stock” means capital stock issued by a corporation, or equivalent interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

“Withholding Agent” means the Borrower and the Administrative Agent.

Section 1.02. Computation of Time Periods; Terms Generally. In this Agreement in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding.” Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns and (c) any reference to any law or regulation herein shall, unless

otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

Section 1.03. Accounting Terms.

(a) All terms of an accounting or financial nature shall be construed in accordance with generally accepted accounting principles in the United States of America (“GAAP”), as in effect from time to time, except as otherwise specifically prescribed in clause (b) below.

(b) If at any time the SEC permits or requires United States reporting companies to use IFRS in lieu of GAAP for reporting purposes, the Borrower may notify the Administrative Agent that it has elected to so use IFRS in lieu of GAAP and, upon any such notice, references herein to GAAP shall thereafter be construed to mean IFRS as in effect from time to time; provided that, to the extent that such election would affect any financial ratio set forth in this Agreement or the requirement set forth in Section 5.01(i), (i) the Borrower shall provide to the Administrative Agent financial statements and other documents reasonably requested by the Administrative Agent or any Lender setting forth a reconciliation with respect to such ratio or requirement made before and after giving effect to such election and (ii) if the Borrower, the Administrative Agent or the Required Lenders shall so request, the Administrative Agent, the Required Lenders and the Borrower shall negotiate in good faith to amend such ratio to preserve the original intent thereof in light of such change.

Section 1.04. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to U.S. Eastern time (daylight or standard, as applicable).

ARTICLE 2
AMOUNTS AND TERMS OF THE LOANS

Section 2.01. The Loans. Each Lender severally agrees, on the terms and conditions hereinafter set forth,

(a) to make a loan (each, a “Tranche A Loan”) on the Funding Date (which shall be no later than the last day of the Availability Period), in US Dollars, to the Borrower in an aggregate principal amount specified by the Borrower not exceeding such Lender’s Tranche A Commitment,

(b) to make a loan (each, a “Tranche B Loan”) on the Funding Date (which shall be no later than the last day of the Availability Period), in US Dollars, to the Borrower in an aggregate principal amount specified by the Borrower not exceeding such Lender’s Tranche B Commitment, and

(c) in the event that any Lender shall have become a Non-Funding Lender, to make a supplemental loan (each, a “Supplemental Loan”) on the Funding Date (which shall be no later than the last day of the Availability Period), in US Dollars, to the Borrower in an aggregate principal amount deemed to be requested by the Borrower under Section 2.02(d) not exceeding such Lender’s remaining Aggregate Commitment (after giving effect to all Tranche A Loans and Tranche B Loans made by such Lender pursuant to paragraphs (a) and (b) above). For the

avoidance of doubt, each Supplemental Loan made by a Lender in respect of its Commitment under a particular Tranche shall be a Loan of the same Tranche.

Amounts repaid or prepaid in respect of the Loans may not be reborrowed. The Borrowing of Loans shall be in an aggregate principal amount of at least \$100,000,000 or an integral multiple of \$1,000,000 in excess thereof and shall be made by the Lenders ratably according to their respective Aggregate Commitments (excluding, in the case of a Supplemental Borrowing, the Commitments of the Non-Funding Lenders). For the avoidance of doubt, the Borrowing of Loans shall be allocated pro rata to the Tranche A Loans and the Tranche B Loans based on the Commitments of each Tranche on the Funding Date.

Section 2.02. Making the Loans.

(a) The Borrowing of Loans shall be made on notice, given not later than 11:00 A.M. (i) on the third Business Day prior to the date of the proposed Borrowing in the case of a Borrowing consisting of Eurodollar Rate Loans or (ii) on the first Business Day prior to the date of the proposed Borrowing in the case of a Borrowing consisting of Base Rate Loans (other than a Supplemental Borrowing), and the Administrative Agent shall give each Lender prompt notice thereof by telecopier or other electronic means. Each such notice (a "Notice of Borrowing") shall be in writing in substantially the form of Exhibit B hereto, specifying therein (i) the requested Type of Loans comprising the Borrowing, (ii) the aggregate principal amount of such Borrowing and the amount of such Borrowing that represents a Tranche A Loan and a Tranche B Loan (which shall be determined in accordance with the last paragraph of Section 2.01), (iii) in the case of a Borrowing consisting of Eurodollar Rate Loans, the initial Interest Period for each such Loan, (iv) the location and number of the account to which funds are to be disbursed, (v) the date of such Borrowing, (vi) whether such notice is conditioned on the occurrence of any event and (vii) if such notice is conditioned on the occurrence of an event, a description of the event (it being understood that, both the Administrative Agent and the Lenders shall be entitled to assume that the Loans contemplated by such Notice of Borrowing are to be made unless the Administrative Agent shall have received a written notice of revocation in accordance with Section 2.02(b) prior to the funding of such Borrowing). Each Lender shall, before 12:00 noon (or such other time agreed upon by the Borrower and the Administrative Agent) on the date of the applicable Borrowing (or, in the case of any Supplemental Borrowing, as promptly as practical following receipt of the Notice of a Non-Funding Lender), make available for the account of its Applicable Lending Office to the Administrative Agent at the Administrative Agent's Account, in same day funds, such Lender's ratable portion of such Borrowing. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article 3, the Administrative Agent will make such funds available to the Borrower at the Administrative Agent's address referred to in Section 8.02.

(b) A Notice of Borrowing shall be binding on the Borrower unless revoked in writing prior to the Borrowing of the Loans. In the case of a Borrowing that the Notice of Borrowing specifies is to be comprised of Eurodollar Rate Loans, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any revocation of a Notice of Borrowing pursuant to the immediately preceding sentence or any failure to fulfill on or before the date of Borrowing the applicable conditions set forth in Article 3, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by

reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Loan to be made by such Lender as part of such Borrowing when such Loan, as a result of such failure, is not made on such date.

(c) Anything in subsection (a) above to the contrary notwithstanding, the Borrower may not select Eurodollar Rate Loans for any Borrowing if the aggregate obligation of the Lenders to make Eurodollar Rate Loans shall be suspended pursuant to Section 2.06 or 2.10.

(d) Notwithstanding anything to the contrary in this Section 2.02, in the event any Lender shall have failed to make any Loan required to be made by it under Section 2.01(a) or (b) (any such Lender, a "Non-Funding Lender"), the Borrower shall be deemed to have requested a Borrowing (a "Supplemental Borrowing") of Loans to be made under Section 2.01(c) in an aggregate principal amount equal to the lesser of (A) the aggregate principal amount of the Loans so failed to have been made by all the Non-Funding Lenders and (B) the Aggregate Commitments of all Lenders (other than the Non-Funding Lenders) then remaining in effect. The Supplemental Borrowing shall be deemed to be requested to be made on the Funding Date as a Base Rate Loan, and the location and number of the account to which funds are deemed to be requested to be disbursed in respect of the Supplemental Borrowing shall be identical to those specified by the Borrower in the Notice of Borrowing delivered in respect of the initial Borrowing. Promptly after obtaining knowledge thereof, the Administrative Agent shall advise the Borrower and each Lender of any Lender having become a Non-Funding Lender (such notice being referred to as a "Notice of a Non-Funding Lender") and shall advise each Lender of the amount of such Lender's Supplemental Loan to be made under Section 2.01(c) as part of the Supplemental Borrowing.

(e) Unless the Administrative Agent shall have received notice from a Lender prior to the date of a Borrowing that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the date of Borrowing in accordance with subsection (a) above and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at the time to Loans comprising such Borrowing and (ii) in the case of such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan as part of such Borrowing for purposes of this Agreement and the Borrower shall be relieved of its obligations to repay such amount under this subsection (e). Any payment by

the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(f) If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article 2, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the making of such Loan set forth in Article 3 are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall promptly return such funds (in like funds as received from such Lender) to such Lender, without interest.

(g) The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 8.04(c) are several and not joint. The failure of any Lender to make any Loan or to make any payment under Section 8.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or to make its payment under Section 8.04(c); provided, for the avoidance of doubt, that the Lenders shall be required to make a Supplemental Loan pursuant to Section 2.01(c) if any Lender is a Non-Funding Lender.

(h) Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

Section 2.03. Repayment of Loans. The Borrower shall repay the aggregate outstanding principal amount of the Loans the maturity of which has not been extended pursuant to Section 2.16 to the Administrative Agent for the account of the Lenders on the Maturity Date. The Borrower shall repay the aggregate outstanding principal amount of the Loans the maturity date of which has been extended pursuant to Section 2.16 to the Administrative Agent for the account of the Lenders on the Extended Maturity Date.

Section 2.04. Termination or Reduction of the Commitments.

(a) Unless previously terminated, (i) each Lender's Commitment shall automatically reduce by the amount of each Loan made by such Lender, such reduction to be effective immediately following the making of such Loan by such Lender, and (ii) each Lender's Commitments shall terminate on the earlier of (A) the funding of the Loans (including, if applicable, Loans comprising the Supplemental Borrowing) on the Funding Date in accordance with Section 2.01 and (B) 11:59 P.M. on the last day of the Availability Period; provided that the foregoing shall not excuse a Non-Funding Lender or a Defaulting Lender from liability for a failure to fund its Commitment.

(b) The Borrower shall have the right, upon same day notice to the Administrative Agent delivered prior to 11:00 A.M. on any Business Day, to terminate in whole or reduce ratably in part the unused portions of the Commitments of the Lenders. A notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned on the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by written notice to the Administrative Agent on or prior to the specified effective date) if such

condition is not satisfied. Each partial reduction of the Commitments shall be in the aggregate amount of \$25,000,000 or an integral multiple of \$1,000,000 in excess thereof and, once terminated, a Commitment may not be reinstated. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Commitments under this Section 2.04. Each voluntary reduction of the Commitments pursuant to this Section 2.04(b) shall be applied ratably to the Tranche A Commitments and the Tranche B Commitments and will be applied pro rata to the outstanding Commitments of each Lender under the applicable Tranche. All fees in respect of the Commitments accrued until the effective date of any termination of the Commitments shall be paid on the effective date of such termination.

Section 2.05. Interest.

(a) Scheduled Interest. The Borrower shall pay interest on the unpaid principal amount of each Loan owing to each Lender from the Funding Date until such principal amount of such Loan shall be paid in full, at the following rates per annum:

(i) Base Rate Loans. During such periods as such Loan is a Base Rate Loan, a rate per annum equal at all times to the sum of (x) the Base Rate in effect from time to time plus (y) the Applicable Rate in effect from time to time plus (z) the Additional Margin in effect from time to time, payable, in the case of such Loan, in arrears quarterly on the last day of each March, June, September and December during such periods and on the date such Base Rate Loan shall be Converted or paid in full.

(ii) Eurodollar Rate Loans. During such periods as such Loan is a Eurodollar Rate Loan, a rate per annum equal at all times during each Interest Period for such Loan to the sum of (x) the Eurodollar Rate for such Interest Period for such Loan plus (y) the Applicable Rate in effect from time to time plus (z) the Additional Margin in effect from time to time, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Eurodollar Rate Loan shall be Converted or paid in full.

(b) Default Interest. Upon the occurrence and during the continuance of an Event of Default under Section 6.01(a), the Borrower shall pay interest on the overdue amount of principal, interest, fees or other amounts, as the case may be, at a rate per annum which is (x) in the case of overdue principal, the rate that would be otherwise applicable thereto pursuant to clause (a)(i) or (a)(ii) of this Section 2.05 plus 2%, (y) in the case of overdue interest, the rate that would be otherwise applicable to the principal of the related Loan pursuant to clause (a)(i) or (a)(ii) of this Section 2.05 (and not pursuant to subclause (x) of this clause (b)) plus 2% and (z) in the case of fees and other amounts, the rate described in clause (a)(i) of this Section 2.05 plus 2%.

Section 2.06. Interest Rate Determination.

(a) The Administrative Agent shall give prompt notice to the Borrower and the Lenders of the applicable interest rate determined by the Administrative Agent for purposes of Section 2.05(a)(i) or (ii).

(b) If, with respect to any Eurodollar Rate Loans, (i) the Required Lenders notify the Administrative Agent that the Eurodollar Rate for any Interest Period for such Loans will not adequately reflect the cost to such Required Lenders of making, funding or maintaining their respective Eurodollar Rate Loans for such Interest Period, or (ii) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that adequate and reasonable means do not exist for ascertaining the Eurodollar Rate for the applicable Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders. Thereafter, (A) each Eurodollar Rate Loan will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Loan, and (B) the obligation of the Lenders to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

(c) If the Borrower shall fail to select the duration of any Interest Period for any Eurodollar Rate Loans in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Administrative Agent will forthwith so notify the Borrower and the Lenders and such Loans will automatically, on the last day of the then existing Interest Period therefor, Convert into (or continue as) Eurodollar Rate Loans with an Interest Period of one month (subject to the provisions set forth in the definition of "Interest Period").

(d) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Loans comprising any Borrowing or Set shall be reduced, by payment or prepayment or otherwise, to less than \$25,000,000, such Loans shall automatically Convert into Base Rate Loans.

(e) Upon the occurrence and during the continuance of any Event of Default under Section 6.01(a), (i) each Eurodollar Rate Loan will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Loan and (ii) the obligation of the Lenders to make, or to Convert Loans into, Eurodollar Rate Loans shall be suspended.

Section 2.07. Optional Conversion of Loans. The Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 11:00 A.M. on the third Business Day prior to the date of the proposed Conversion and subject to the provisions of Sections 2.06 and 2.10, Convert Loans of one Type into Loans of the other Type; provided, however, that any Conversion of Eurodollar Rate Loans into Base Rate Loans shall be made only on the last day of an Interest Period for such Eurodollar Rate Loans and any Conversion of Base Rate Loans into Eurodollar Rate Loans shall be in an amount not less than \$25,000,000. Each such notice of a Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Loans to be Converted and (iii) if such Conversion is into Eurodollar Rate Loans, the duration of the initial Interest Period for each such Loan or portion thereof. Each notice of Conversion shall be irrevocable and binding on the Borrower.

Section 2.08. Prepayments of Loans; Mandatory Commitment Reductions.

(a) Optional Prepayments. The Borrower may prepay the outstanding principal amount of the Loans, in whole or in part; provided, however, that each partial prepayment shall be in an aggregate principal amount of \$25,000,000 or an integral multiple of \$1,000,000 in

excess thereof. Each optional prepayment made pursuant to this Section 2.08(a) shall be applied ratably to the Tranche A Loans and the Tranche B Loans and will be applied pro rata to the outstanding Loans under the applicable Tranche.

(b) Mandatory Prepayments; Mandatory Commitment Reductions.

(i) Upon any Specified Asset Sale, (A) if no Loans are outstanding, the Commitments shall be subject to reduction in an aggregate amount equal to 100% of the Net Cash Proceeds thereof, such reduction to be effected automatically one Business Day following the receipt of such Net Cash Proceeds and (B) if any Loans are outstanding, the Borrower shall prepay the Loans, in an aggregate amount equal to 100% of the Net Cash Proceeds thereof, such prepayment to be effected within five Business Days following the receipt of such Net Cash Proceeds; provided that no such prepayment shall be required or reduction shall occur until the amount of Net Cash Proceeds from all Specified Asset Sales that have not previously been applied to prepay the Loans, or subjected the Commitments to automatic reduction, exceeds \$500,000,000 in the aggregate, and then only the excess over \$500,000,000 shall be required to be used to prepay the Loans or subject the Commitments to automatic reduction.

(ii) Upon any Equity Issuance or, without duplication with Section 2.08(b)(iii), Debt Incurrence, if any Loans are outstanding, the Borrower shall prepay the Loans, and if no Loans are outstanding, the Commitments shall be subject to reduction, in an aggregate amount equal to 100% of the Net Cash Proceeds thereof, such prepayment to be effected within five Business Days following the receipt of such Net Cash Proceeds and such reduction to be effected automatically one Business Day following the receipt of such Net Cash Proceeds.

(iii) Upon the satisfaction or waiver of all conditions precedent to effectiveness of definitive documentation for any term loan facility made available to the Borrower that is (x) subject to conditions precedent to funding of the term loans thereunder that are, in respect of certainty of funding, substantially equivalent to or more favorable to the Borrower than the conditions set forth in Section 3.02, (y) subject to restrictions on assignments of the term loans thereunder substantially similar to those set forth in Section 8.07 and (z) entered into with financial institutions that are either (A) Lenders or an Affiliate or Approved Fund of the Lenders or (B) approved by the Borrower (each, a "Qualifying Term Loan Facility"), the Commitments shall be subject to automatic reduction, in an aggregate amount equal to the lesser of (a) 100% of the committed amount of such Qualifying Term Loan Facility or (b) \$12,000,000,000, such reduction to be effected upon effectiveness of such Qualifying Term Loan Facility.

(iv) On the date that is six months following the Maturity Date (or if such date is not a Business Day on the next succeeding Business Day), if more than \$12,500,000,000 in aggregate principal amount of Loans is outstanding, the Borrower shall prepay the Loans such that no more than \$12,500,000,000 in aggregate principal amount of the Loans is outstanding following such prepayment.

(c) Notices. Voluntary prepayments pursuant to Section 2.08(a) shall be made upon notice to the Administrative Agent not later than 11:00 A.M. on any Business Day for Base Rate Loans, and upon at least three Business Days' notice for Eurodollar Rate Loans, stating the proposed date and aggregate principal amount of the applicable prepayment. The Borrower shall provide the Administrative Agent with a certificate of an Authorized Officer no later than 5:00 P.M. on the Business Day following the receipt of Net Cash Proceeds setting forth the amount of such Net Cash Proceeds (including the calculation thereof) and the event giving rise to such Net Cash Proceeds. The Borrower further agrees to deliver to the Administrative Agent not less than one Business Day prior to the effectiveness of a Qualifying Term Loan Facility a certificate of an Authorized Officer setting forth the committed amount of such Qualifying Term Loan Facility, the expected effective date of such Qualifying Term Loan Facility and confirming that such Qualifying Term Loan satisfies the requirements of Section 2.08(b)(iii) above. Upon receipt of a notice of prepayment or commitment reduction pursuant to this clause (c), the Administrative Agent shall promptly notify each Lender of the contents thereof and of such Lender's ratable share of such prepayment or reduction and such notice shall not thereafter be revocable.

(d) Other Amounts. All prepayments pursuant to this Section 2.08 shall be accompanied by interest on the principal amount prepaid, accrued to the date of such prepayment. In the event of any prepayment of Eurodollar Rate Loans pursuant to this Section 2.08, the Borrower shall be obligated to reimburse the Lenders in respect thereof pursuant to Section 8.04(d).

(e) Allocation. All mandatory prepayments or commitment reductions pursuant to Section 2.08(b) shall be allocated as follows: (i) in respect of any mandatory prepayment or commitment reduction made pursuant to Section 2.08(b)(i) or (b)(iv), pro rata to each Tranche of Loans or Commitments, as applicable, (ii) in respect of any mandatory prepayment or commitment reduction made pursuant to Section 2.08(b)(ii)(other than from the proceeds of a term loan facility), *first* to the Tranche B Loans and the Tranche B Commitments and, if such allocation results in the Tranche B Loans and the Tranche B Commitments being reduced to \$0.00, then *second* to the Tranche A Loans and the Tranche A Commitments and (iii) in respect of any commitment reduction made pursuant to Section 2.08(b)(iii) or any mandatory prepayment or commitment reduction made pursuant to Section 2.08(b)(ii) from the proceeds of a term loan facility, *first* to the Tranche A Loans and the Tranche A Commitments and, if such allocation results in the Tranche A Loans and the Tranche A Commitments being reduced to \$0.00, then *second* to the Tranche B Loans and the Tranche B Commitments. All mandatory prepayments and commitment reductions will be applied pro rata to the outstanding Loans or Commitments under the applicable Tranche of Loans or Commitments, as applicable.

Section 2.09. Increased Costs.

(a) If, due to either (i) the introduction of or any change in or in the interpretation of any law or regulation or (ii) the compliance with any written guideline or request from any central bank or other governmental authority each of which is effective after the date hereof (whether or not having the force of law), there shall be any increase in the cost to any Lender of agreeing to make or making, funding or maintaining Eurodollar Rate Loans (excluding for purposes of this Section 2.09 any such increased costs resulting from (i) Indemnified Taxes, Other Taxes and Excluded Taxes (as to which Section 2.12 shall govern) and (ii) changes in the

basis of taxation of overall net income or overall gross income by the United States or by the foreign jurisdiction or state under the laws of which such Lender is organized or has its Applicable Lending Office or any political subdivision thereof), then the Borrower shall from time to time, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost (whether or not such increased costs arise prior to the receipt of written notification from such central bank or other governmental authority), provided that the Borrower shall not be required to pay any such increased costs to the extent such increased costs accrued prior to the date that is six months prior to such notice, and provided further that, if such change, event or circumstance giving rise to such increased costs has a retroactive effect, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof. A certificate as to the amount of such increased cost, submitted to the Borrower and the Administrative Agent by such Lender, shall be conclusive and binding for all purposes, absent error in the calculation of such amount.

(b) If any Lender determines that compliance with any law or regulation or any written guideline or request from any central bank or other governmental authority (whether or not having the force of law) affects or would affect the amount of capital required or expected to be maintained by or liquidity requirement applicable to such Lender or any corporation controlling such Lender and that the amount of such capital or liquidity requirements is increased by or based upon the existence of such Lender's Commitments hereunder, then, upon demand by such Lender (with a copy of such demand to the Administrative Agent), the Borrower shall pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender or such corporation (whether or not such amounts arise prior to the receipt of written notification from such central bank or other governmental authority) in the light of such circumstances, to the extent that such Lender reasonably determines such increase in capital or liquidity requirements to be allocable to the existence of such Lender's Commitments hereunder, provided that the Borrower shall not be required to compensate such Lender to the extent such amounts arose prior to the date that is six months prior to such notice, and provided further that, if such change, event or circumstance giving rise to such increased costs has a retroactive effect, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof. A certificate as to such amounts submitted to the Borrower and the Administrative Agent by such Lender shall be conclusive and binding for all purposes, absent error in the calculation of such amounts.

(c) Any Lender claiming any additional amounts payable pursuant to this Section 2.09 agrees to use reasonable efforts (consistent with its internal policy and legal and regulatory restrictions) to minimize such additional amounts and to change the jurisdiction of its Applicable Lending Office if the making of such a change would avoid the need for, or reduce the amount of, any additional amounts that may thereafter accrue and would not, in the reasonable judgment of such Lender, be otherwise notably disadvantageous to such Lender. The Borrower shall reimburse such Lender for such Lender's reasonable expenses incurred in connection with such change or in considering such a change in an amount not to exceed the Borrower's pro rata share of such expenses based on such Lender's Loans to the Borrower and the total loans of such Lender to its similarly situated customers.

(d) For purposes of this Section 2.09, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines, interpretations recommendations and directives promulgated thereunder, issued in connection therewith or in implementation thereof (whether or not having the force of law) and (ii) all requests, rules, regulations, guidelines, interpretations, recommendations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities (whether or not having the force of law), in each case, pursuant to Basel III, shall in each case be deemed introduced or adopted after the date hereof regardless of the date enacted, adopted, issued, promulgated or implemented.

Section 2.10. Illegality. Notwithstanding any other provision of this Agreement, if any Lender shall notify the Administrative Agent that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other governmental authority having relevant jurisdiction asserts that it is unlawful, for any Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Rate Loans or to fund or maintain Eurodollar Rate Loans hereunder, (i) each Eurodollar Rate Loan, will automatically, upon such demand, Convert into a Base Rate Loan and (ii) the obligation of the Lenders to make Eurodollar Rate Loans or to Convert Loans into Eurodollar Rate Loans shall be suspended until the Administrative Agent shall notify the Borrower and the Lenders that the circumstances causing such suspension no longer exist.

Section 2.11. Payments and Computations.

(a) The Borrower shall make each payment hereunder and under the Notes, if any, not later than 2:00 P.M. on the day when due, in US Dollars, to the Administrative Agent at the Administrative Agent's Account in same day funds, without set off, counterclaim or deduction. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest ratably (other than amounts payable pursuant to Section 2.09, 2.12 or 8.04(d)) to the Lenders of the applicable Tranche for the account of their respective Applicable Lending Offices, and like funds relating to the payment of any other amount payable to any Lender to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement. Upon its acceptance of an Assignment and Assumption and recording of the information contained therein in the Register pursuant to Section 8.07(d), from and after the effective date specified in such Assignment and Assumption, the Administrative Agent shall make all payments hereunder and under the Notes, if any, in respect of the interest assigned thereby to the Lender assignee thereunder, and the parties to such Assignment and Assumption shall make all appropriate adjustments in such payments for periods prior to such effective date directly between themselves. All payments received by the Administrative Agent after 2:00 P.M. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue.

(b) All computations of interest based on the Base Rate at times when the Base Rate is based on the Prime Rate shall be made by the Administrative Agent on the basis of a year of 365 or 366 days, as the case may be, and all computations of interest based on the Eurodollar Rate or the Base Rate at times when the Base Rate is not based on the Prime Rate and of fees shall be made by the Administrative Agent on the basis of a year of 360 days, in each case for the actual

number of days (including the first day but excluding the last day) occurring in the period for which such interest or fees are payable. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent error in the calculation of such interest rate or fee.

(c) Whenever any payment hereunder or under the Notes, if any, shall be stated to 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 in such case be included in the computation of payment of interest; provided, however, that, if such extension would cause payment of interest on or principal of Eurodollar Rate Loans to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Lenders that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Administrative Agent each Lender severally agrees to repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

Section 2.12. Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of the Borrower hereunder or under the Notes shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes. If, however, applicable laws require the Withholding Agent to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such laws as determined by the Withholding Agent upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If the Withholding Agent shall be required by applicable law to withhold or deduct any Taxes from any payment, then (A) the Withholding Agent shall withhold or make such deductions as are determined by the Withholding Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Withholding Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with applicable law, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes or Other Taxes, the sum payable by the Borrower shall be increased as necessary so that after any required withholding or deductions (including those applicable to additional sums payable under this Section 2.12) the Administrative Agent or any Lender receives

an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Borrower. Without limiting the provisions of subsection (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable laws.

(c) Indemnification.

(i) Without limiting the provisions of subsection (a) or (b) above, the Borrower shall, and does hereby, indemnify the Administrative Agent and each Lender and shall make payment in respect thereof within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Tax or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.12) withheld or deducted by the Withholding Agent or paid by the Administrative Agent or such Lender, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto.

(ii) Each Lender shall severally indemnify, within 30 days after demand therefor, (i) the Administrative Agent for any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (ii) the Withholding Agent for any Taxes attributable to such Lender's failure to comply with the provisions of Section 8.07(e) relating to the maintenance of a Participant Register and (iii) the Withholding Agent for any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Withholding Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent or the Withholding Agent, as applicable, shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent and the Withholding Agent, as applicable, to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (c)(ii).

(d) Evidence of Payments. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or the Administrative Agent to a Governmental Authority as provided in this Section 2.12, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by law to report such payment, or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Each Lender shall deliver to the Borrower and to the Administrative Agent, at the time or times prescribed by applicable laws or when reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction and such other reasonably requested information as will permit the Borrower or the Administrative Agent, as the case may be, to determine (A) whether payments made hereunder or under any of the Notes are subject to Taxes, (B) if applicable, the required rate of withholding or deduction, and (C) such Lender's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Lender by the Borrower pursuant to this Agreement or otherwise to establish such Lender's status for withholding tax purposes in the applicable jurisdiction.

(ii) Without limiting the generality of the foregoing, any Lender that is a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code (or, if such Lender is disregarded as an entity separate from its owner for U.S. Federal income tax purposes, the Person treated as its owner for U.S. Federal income tax purposes) shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent) executed originals of Internal Revenue Service Form W-9 (or successor thereto) or such other documentation or information prescribed by applicable laws or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent, as the case may be, to determine whether or not such Lender is subject to backup withholding or information reporting requirements;

(iii) Without limiting the generality of the foregoing, each Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. Federal income tax purposes, the Person treated as its owner for U.S. Federal income tax purposes) that is entitled under the Internal Revenue Code or any applicable treaty to an exemption from or reduction of withholding tax with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(A) executed originals of Internal Revenue Service Form W-8BEN (or successor thereto) claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(B) executed originals of Internal Revenue Service Form W-8ECI (or successor thereto),

(C) executed originals of Internal Revenue Service Form W-8IMY (or successor thereto) and all required supporting documentation including, Internal Revenue Service Form W-8ECI, IRS Form W-8BEN, a certificate substantially in the form of Exhibit D-2 or Exhibit D-3, Internal Revenue Service

Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a certificate substantially in the form of Exhibit D-4,

(D) in the case of a Foreign Lender (or, if such Foreign Lender is disregarded as an entity separate from its owner for U.S. Federal income tax purposes, the Person treated as its owner for U.S. Federal income tax purposes) claiming the benefits of the exemption for portfolio interest under section 881(c) of the Internal Revenue Code: (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender (or such other Person) is not (1) a “bank” within the meaning of section 881(c)(3)(A) of the Internal Revenue Code, (2) a “10 percent shareholder” of the Borrower within the meaning of section 881(c)(3)(B) of the Internal Revenue Code, or (3) a “controlled foreign corporation” described in section 881(c)(3)(C) of the Internal Revenue Code; and (y) executed originals of Internal Revenue Service Form W-8BEN (or successor thereto), or

(E) executed originals of any other form prescribed by applicable laws as a basis for claiming exemption from or a reduction in U.S. federal withholding tax together with such supplementary documentation as may be prescribed by applicable laws to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made.

(iv) Without limiting the generality of the foregoing, if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), each Lender shall deliver to the Administrative Agent and the Borrower, and the Administrative Agent shall deliver to the Borrower, such documentation reasonably requested by the Administrative Agent and the Borrower, as applicable, sufficient for the Administrative Agent and the Borrower to comply with their respective obligations under FATCA and to determine whether payments to such Lender or Administrative Agent are subject to withholding tax under FATCA. Solely for purposes of this sub-clause (iv), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(v) Each Lender shall promptly notify the Borrower and the Administrative Agent in writing of any change in circumstances which would modify or render invalid any claimed exemption or reduction.

(f) Treatment of Certain Refunds. Unless required by applicable laws, at no time shall the Borrower have any obligation to file for or otherwise pursue on behalf of a Lender or the Administrative Agent, or have any obligation to pay to any Lender or the Administrative Agent, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or Administrative Agent, as the case may be. If any party determines, in its reasonable discretion,

that it has received a refund of any Taxes for which it has been indemnified under this Section 2.12, it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section 2.12 with respect to the Taxes giving rise to such refund), net of all reasonable out-of-pocket expenses (including Taxes) incurred by such indemnified party; provided that the indemnifying party, upon the request of the indemnified party, agrees to repay to such indemnified party the amount paid over to the indemnifying party, in the event such indemnified party is required to repay such refund to such Governmental Authority.

(g) Reduction of Additional Amounts. The Administrative Agent and any Lender, as applicable, shall use reasonable efforts to take such steps (including changing the jurisdiction of its Applicable Lending Office) as would not be notably disadvantageous to it to avoid or minimize any indemnity payments or additional amounts payable by the Borrower pursuant to this Section 2.12. The Borrower shall reimburse the Administrative Agent and such Lender for reasonable expenses incurred in connection with such steps, in the case of a Lender, in an amount not to exceed the Borrower's pro rata share of such expenses based on such Lender's Loans to the Borrower and the total loans of such Lender to its similarly situated customers.

Section 2.13. Sharing of Payments, Etc. If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set off, or otherwise) on account of the Loans owing to it (other than pursuant to Section 2.09, 2.12, 8.01(b), 8.04(d) or 8.07) in excess of its ratable share of payments on account of the Loans as contemplated hereunder, such Lender shall forthwith notify the Administrative Agent of such fact and purchase from the other Lenders such participations in the Loans owing to them as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; provided, however, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lender the purchase price to the extent of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. The Borrower agrees that any Lender so purchasing a participation from another Lender by delivering payment pursuant to this Section 2.13 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set off) with respect to such participation as fully as if such Lender were the direct creditor of the Borrower in the amount of such participation.

Section 2.14. Evidence of Debt.

(a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder in respect of Loans. The Borrower agrees that upon notice by any Lender to the Borrower (with a copy of such notice to the Administrative Agent) to the effect that a Note is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Loans owing to such Lender, the

Borrower shall promptly execute and deliver to such Lender a Note payable to the order of such Lender in a principal amount up to the outstanding Loans of such Lender.

(b) The Register maintained by the Administrative Agent pursuant to Section 8.07(d) shall include (i) the date and amount of each Borrowing, the Type of Loans comprising each Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the terms of each Assignment and Assumption delivered to and accepted by it, (iii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iv) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(c) Entries made in good faith by the Administrative Agent in the Register pursuant to subsection (b) above, and by each Lender in its account or accounts pursuant to subsection (a) above, shall be *prima facie* evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement, absent manifest error; provided, however, that the failure of the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of the Borrower under this Agreement.

Section 2.15. Fees.

(a) Commitment Fee. The Borrower shall pay to the Administrative Agent for the account of each Lender (other than any Defaulting Lender or Non-Funding Lender) a commitment fee on the daily actual unused amount of the Commitment of such Lender, for each day during the period from and including the Effective Date to and including the date on which the Commitments are terminated pursuant to Section 2.04 or 2.08, at a rate equal to 0.10% per annum. The commitment fee shall accrue at all times during such period, including at any time during which one or more of the conditions in Article 3 is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Effective Date, and on the date on which the Commitments are terminated pursuant to Section 2.04 or 2.08. Such fees shall be fully earned upon becoming due and payable and shall not be refundable for any reason whatsoever.

(b) Duration Fees. On each Duration Fee Payment Date, the Borrower shall pay to the Administrative Agent for the account of each Lender a duration fee equal to the aggregate principal amount of the Loans of such Lender outstanding on such Duration Fee Payment Date times the Applicable Duration Fee Rate in effect on such Duration Fee Payment Date; provided that if any Loans are repaid pursuant to Section 2.03 or prepaid pursuant to Section 2.08 on a Duration Fee Payment Date, such Loans shall not be considered outstanding for the purposes of this sentence. Such fees shall be fully earned upon becoming due and payable and shall not be refundable for any reason whatsoever.

(c) Other Fees. The Borrower shall timely pay such fees as separately agreed in the Fee Letters.

Section 2.16. Extension of Maturity. The Borrower may, by written notice to the Administrative Agent (which shall promptly deliver a copy to each Lender) in substantially the form of Exhibit G hereto not less than five Business Days prior to the Maturity Date, extend the maturity date of up to \$25,000,000,000 in principal amount of the Loans to the Extended Maturity Date if the following conditions have been satisfied as of the Maturity Date:

- (a) No Event of Default shall have occurred and be continuing;
- (b) The Specified Representations shall be true and correct in all material respects;
- (c) The Borrower shall have paid all fees and reasonable out-of-pocket expenses payable hereunder on or prior to the Maturity Date; and
- (d) Delivery of an officer's certificate in substantially the form of Exhibit H hereto from an Authorized Officer that the conditions in Section 2.16(a) and (b) have been satisfied.

The occurrence of an extension of the Maturity Date pursuant to this Section 2.16 shall be deemed to be a representation by the Borrower that the representations in clause (a) and (b) above are accurate. Any extension pursuant to this Section 2.16 shall be of a pro rata portion of each of the then outstanding Tranche of Loans, and each Lender shall participate ratably in such extension.

ARTICLE 3 CONDITIONS TO EFFECTIVENESS AND LENDING

Section 3.01. Effective Date. The Lenders' Commitments shall not become effective hereunder unless each of the following conditions is satisfied (or waived in accordance with Section 8.01):

- (a) The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) customary written evidence reasonably satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.
- (b) The Borrower shall have paid (or, in the event that clause (a) above and clauses (c) and (d) below have each been satisfied (or waived) on a date that is not a Business Day, delivered written notice that it intends to pay on the next succeeding Business Day (the "Fee Payment Date") all fees and reasonable out-of-pocket expenses of the Administrative Agent, the Joint Lead Arrangers and the Lenders that are due and payable on the Effective Date (or, if applicable, the Fee Payment Date), including the invoiced fees and expenses of counsel to the Administrative Agent, for which invoices have been presented to the Borrower prior to the Effective Date.
- (c) The Administrative Agent (or its counsel) shall have received on or before the Effective Date each of the following:

- (i) copies of the certificate of incorporation of the Borrower, together with all amendments thereto, and a certificate of good standing, each certified by the appropriate governmental officer in its jurisdiction of incorporation;
- (ii) copies, certified by the Secretary or Assistant Secretary of the Borrower, of its by-laws and of its Board of Directors' resolutions authorizing the borrowing by the Borrower hereunder, the Transactions and the payment of related fees and expenses and the execution of the Loan Documents to which it is a party;
- (iii) an incumbency certificate, executed by the Secretary or Assistant Secretary of the Borrower, which shall identify by name and title and bear the signatures of any of the Authorized Officers and any other officers or employees of the Borrower authorized to sign the Loan Documents to which it is a party and to request Loans hereunder, upon which certificate the Administrative Agent and the Lenders shall be entitled to rely until informed of any change in writing by the Borrower; and
- (iv) a favorable written opinion of each of (A) the General Counsel of the Borrower and (B) Wachtell, Lipton, Rosen & Katz, each in form reasonably satisfactory to the Administrative Agent.

(d) The Administrative Agent shall have received all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the Act, as reasonably requested by the Administrative Agent in writing at least five days prior to the Effective Date.

Section 3.02. Funding Date. Each Lender's obligations to make any Loan hereunder is subject to the satisfaction (or waiver in accordance with Section 8.01) of the following conditions on or after the Effective Date:

(a) The Share Acquisition shall have been (or, substantially contemporaneously with the borrowing of the Loans, shall be) consummated pursuant to the Transaction Agreement without giving effect to any consents, amendments or waivers by the Borrower thereto that in each case are materially adverse to the Lenders or the Joint Lead Arrangers (each, a "Materially Adverse Modification"), unless each of the Joint Lead Arrangers shall have provided consent thereto (such consent not to be unreasonably withheld, conditioned or delayed) (it being understood that (A) any reallocation of the acquisition consideration pursuant to the terms of the Transaction Agreement as in effect on the Effective Date shall not be a consent, amendment or waiver requiring the consent of the Joint Lead Arrangers and (B) neither of (i) any increase in the Cash Consideration or the Base Verizon Share Amount composed of, or financed with the proceeds of the issuance of, equity of the Borrower or (ii) any decrease of less than 15% of the sum of the Cash Consideration plus the Base Verizon Share Amount plus the Omnitel Consideration Amount or the aggregate principal amount of the Omnitel Note, as applicable, plus the aggregate principal amount of the Verizon Notes as contemplated on the Effective Date shall be materially adverse to the Lenders or the Joint Lead Arrangers); *provided* that, in the case of a Vodafone Scheme (as defined in the Transaction Agreement), if the conditions precedent to the Share Acquisition specified in Article 7 of the Transaction Agreement, other than the Post-Sanction Conditions (as defined in the Transaction Agreement), have been satisfied or waived

(without any Materially Adverse Modification) and the Borrower delivers a notice in writing to the Administrative Agent confirming satisfaction or waiver (without any Materially Adverse Modification) of such conditions, then the condition precedent in this clause (a) shall be deemed to have been satisfied subject to the satisfaction of the Post-Sanction Conditions (without any Materially Adverse Modification) within two Business Days following delivery of such notice.

(b) The Borrower shall have paid all fees and reasonable out-of-pocket expenses of the Administrative Agent, the Joint Lead Arrangers and the Lenders that are due and payable on the Funding Date (including the invoiced fees and expenses of counsel to the Administrative Agent) for which invoices have been presented to the Borrower at least three Business Days prior to the Funding Date.

(c) The Administrative Agent (or its counsel) shall have received each Note requested by any Lender pursuant to Section 2.14, which request was made in writing at least five Business Days prior to the Funding Date.

(d) (i) the Transaction Representations shall be true and correct as of (x) if the Transactions are to be consummated pursuant to the Vodafone Scheme (as defined in the Transaction Agreement), on the Sanction Date (as defined in the Transaction Agreement) and (y) otherwise, on the date of the borrowing of the Loans, and (ii) the Specified Representations shall be true and correct in all material respects (and, in the case of any Specified Representation qualified as to "materiality" or by "Material Adverse Effect" or similar standard, in all respects) as at the time of the borrowing of the Loans.

(e) The absence of, at the time of borrowing of the Loans, any Event of Default described in Sections 6.01(a), 6.01(c)(i) (solely with respect to a breach of Section 5.02(a) and 5.02(b)), 6.01(d) (solely with respect to the acceleration of indebtedness for borrowed money of the Borrower aggregating to at least the Requisite Amount) or 6.01(e).

(f) The Administrative Agent shall have received (i) a certificate in form attached as Exhibit F hereto, dated as of the Funding Date, from an Authorized Officer or the Secretary or Assistant Secretary of the Borrower that each of the conditions set forth in Sections 3.02(a), (d) (with respect to clause (i), to the knowledge of such Authorized Officer, Secretary or Assistant Secretary based solely on his or her review of the certificate delivered by Vodafone under Section 7.3(c) of the Transaction Agreement) and (e) have been satisfied and (ii) a Notice of Borrowing in accordance with Section 2.02.

Section 3.03. Determinations Under Sections 3.01 and 3.02. For purposes of determining compliance with the conditions specified in Sections 3.01 and 3.02, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by this Agreement shall have received written notice from such Lender prior to, with respect to conditions specified in Section 3.01, the Effective Date, and with respect to conditions specified in Section 3.02, the Funding Date, specifying its objection thereto. The Administrative Agent (or its counsel) shall promptly notify the Lenders and the Borrower in

writing of the occurrence of each of the Effective Date and the Funding Date and each such notification shall be conclusive and binding.

Section 3.04. Actions During the Availability Period. During the Availability Period and notwithstanding anything set forth in this Agreement or otherwise to the contrary (including whether any condition to the occurrence of the Effective Date may subsequently be determined not to have been satisfied or that any representation given as a condition thereof or otherwise was incorrect or any failure by the Borrower to comply with the covenants in Sections 5.01 and 5.02 prior to the funding of the Loans on the Funding Date), except as set forth in Section 3.02, neither the Administrative Agent nor any Lender or any other person shall be entitled to:

- (a) cancel any of its Commitments (except as set forth in Section 2.04 or 2.08) to the extent to do so would prevent, limit or delay the making of a Loan;
- (b) rescind, terminate or cancel this Agreement or any of its Commitments hereunder or exercise any right or remedy or make or enforce any claim under the Loan Documents or otherwise it may have to the extent to do so would prevent, limit or delay the making of its Loan;
- (c) refuse to participate in making its Loan; or
- (d) exercise any right of set off or counterclaim in respect of its Loan to the extent to do so would prevent, limit or delay the making of its Loan.

Notwithstanding anything set forth in this Agreement to the contrary, without limiting the provisions of Section 3.02, any failure by the Borrower to comply with Section 5.01 or 5.02 prior to the funding of the Loans on the Funding Date shall not constitute a breach of this Agreement, and the Administrative Agent and the Lenders shall have no rights or remedies with respect thereto; provided, that after the funding of the Loans on the Funding Date, the Lenders shall have all rights and remedies pursuant to Section 6.01 with respect to any such non-compliance notwithstanding that they were not available during the Availability Period as a result of this Section 3.04.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

Section 4.01. Representations and Warranties of the Borrower. The Borrower represents and warrants on the Effective Date (and, solely with respect to the Specified Representations (i) on the Funding Date and (ii) to the extent required by Section 2.16, on the Maturity Date) as follows:

- (a) The Borrower is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation.
- (b) The execution, delivery and performance by the Borrower of this Agreement and the Notes, if any, and the consummation of the transactions contemplated hereby and thereby, are within the Borrower's organizational powers, have been duly authorized by all necessary organizational action, and do not contravene (i) the Borrower's charter or by-laws (or other

equivalent organizational documents) or (ii) except where such contravention would not reasonably be expected to have a Material Adverse Effect, any law or contractual restriction binding on or affecting the Borrower.

(c) No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Borrower of this Agreement or the Notes, if any, except as would not reasonably be expected to have a material adverse effect on the validity or enforceability of this Agreement or the Notes, if any, or the material rights or remedies of the Administrative Agent or the Lenders hereunder or thereunder.

(d) This Agreement has been, and each of the Notes, if any, when delivered hereunder will have been, duly executed and delivered by the Borrower. Assuming that this Agreement has been duly executed by the Administrative Agent and each of the Lenders, this Agreement is, and each of the Notes when delivered hereunder will be, the legal, valid and binding obligation of the Borrower enforceable against the Borrower in accordance with their respective terms, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors and (ii) general principles of equity, regardless of whether applied in proceedings in equity or at law.

(e) The Consolidated balance sheet of the Borrower as at December 31, 2012 and the related Consolidated statements of income and cash flows of the Borrower for the fiscal year then ended, which have been made publicly available on the SEC's EDGAR system website, fairly present, in all material respects, the Consolidated financial condition of the Borrower as at such date and the Consolidated results of the operations of the Borrower for the period ended on such date, all in accordance with GAAP.

(f) There is no pending or (to the knowledge of the Borrower) threatened action, investigation or proceeding, including, without limitation, any Environmental Action, affecting the Borrower or any of its Subsidiaries which has not been disclosed in the Borrower's most recent Annual Report on Form 10-K or subsequent Quarterly Reports on Form 10-Q filed with the SEC on or prior to the date hereof before any court, governmental agency or arbitrator that is initiated by any Person other than a Lender in its capacity as a Lender (i) that is reasonably likely to have a Material Adverse Effect or (ii) that purports to affect the legality, validity or enforceability of any Loan Document and as to which there is a reasonable possibility of an adverse decision.

(g) Since December 31, 2012, there has been no Material Adverse Change.

(h) The Borrower is not an Investment Company, as such term is defined in the Investment Company Act of 1940, as amended.

(i) No part of the proceeds of any Loans will be used by the Borrower in any manner that would result in a violation of Regulation U or X, issued by the Board of Governors of the Federal Reserve System.

(j) Set forth on Schedule 4.01(j) hereof is a list of Subsidiaries of the Borrower that, for the most recent fiscal quarter of the Borrower, in the aggregate, together with the Borrower,

accounted for not less than 65% of total revenues and sales as shown on the Consolidated financial statements of the Borrower for such fiscal quarter.

(k) None of the Borrower, any of its Restricted Subsidiaries, or any of the Borrower's directors or officers, nor, to the knowledge of the Borrower, any directors or officers of any of the Borrower's Restricted Subsidiaries, is the subject of sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") (including by being listed on the list of Specially Designated Nationals and Blocked Persons issued by OFAC) or the U.S. Department of State (collectively, "Sanctions"). None of the Borrower nor its Restricted Subsidiaries is located, organized or resident in a country or territory that is the subject of Sanctions. No part of the proceeds of the Loans shall be used by the Borrower in violation of the United States Foreign Corrupt Practices Act of 1977, as amended. The Borrower and each of its Restricted Subsidiaries is in compliance, in all material respects, with the Act.

ARTICLE 5 COVENANTS OF THE BORROWER

Section 5.01. Affirmative Covenants. So long as any Loan shall remain unpaid or any Lender shall have any Commitment hereunder, the Borrower will:

(a) Compliance with Laws, Etc. Comply, and cause each of the Restricted Subsidiaries to comply, in all material respects, with all applicable laws, rules, regulations and orders, such compliance to include, without limitation, compliance with ERISA and Environmental Laws, except where the failure to so comply would not have a Material Adverse Effect.

(b) Payment of Taxes, Etc. Pay and discharge, and cause each of the Restricted Subsidiaries to pay and discharge, before the same shall become delinquent, all taxes, assessments and governmental charges or levies imposed upon it or upon its property; provided, however, that the Borrower and the Restricted Subsidiaries shall not be required to pay or discharge any such tax, assessment, charge or levy (i) that is being contested in good faith by appropriate proceedings and with respect to which appropriate reserves have been set aside or (ii) where failure to do so would not reasonably be expected to result in a Material Adverse Effect.

(c) Maintenance of Insurance. Maintain, and cause each of the Restricted Subsidiaries to maintain, insurance with reputable insurance companies or associations in such amounts and covering such risks as is (i) consistent with the Borrower's past practice or (ii) usually carried by companies engaged in similar businesses and owning similar properties in the same general areas in which the Borrower or such Restricted Subsidiary operates; provided, however, that each of the Borrower and the Restricted Subsidiaries may self-insure to the extent consistent with prudent business practice.

(d) Preservation of Existence, Etc. Preserve and maintain, and cause each of the Restricted Subsidiaries to preserve and maintain, its existence, rights and franchises; provided, however, that the Borrower and the Restricted Subsidiaries may consummate any transaction not prohibited by Section 5.02(b) and provided further that (i) none of the Borrower or any of the Restricted Subsidiaries shall be required to preserve any right or franchise and (ii) any Restricted Subsidiary shall not be required to preserve any existence, in either case, if (x) immediately after

giving effect thereto the representation in Section 4.01(j) would be true and (y) the management of the Borrower or of such Restricted Subsidiary shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Borrower or such Restricted Subsidiary, as the case may be.

(e) Visitation Rights. Subject to applicable law and third party confidentiality agreements entered into by the Borrower or any Restricted Subsidiary, during normal business hours and upon not less than five days' notice, permit the Administrative Agent (and during the continuance of a Default, one or more Lenders) or agents or representatives thereof, to examine and make copies of and abstracts from the records and books of account of (excluding any confidential information), and visit the properties of, the Borrower and any of the Restricted Subsidiaries, and to discuss the affairs, finances and accounts of the Borrower and any of the Restricted Subsidiaries with the appropriate representatives of the Borrower and together with, subject to the Borrower's prior written consent (such consent not to be unreasonably withheld or delayed), the appropriate representatives of the Borrower's independent certified public accountants; provided that the Administrative Agent and the Lenders may make copies of and abstracts from the records and books of account only at times when a Default has occurred and is continuing; provided further that so long as no Default or Event of Default is continuing, the number of inspections that may be conducted in any fiscal year shall not exceed one.

(f) Keeping of Books. Keep, and cause each of the Restricted Subsidiaries to keep, in all material respects, proper books of record and account, in which entries shall be made of all financial transactions and the assets and business of the Borrower and each such Restricted Subsidiary sufficient to permit the preparation of financial statements in accordance with GAAP.

(g) Maintenance of Properties, Etc. Maintain and preserve, and cause each of the Restricted Subsidiaries to maintain and preserve, its properties that are used or useful in the conduct of its business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so would not result in a Material Adverse Effect.

(h) Transactions with Affiliates. Conduct, and cause each of the Restricted Subsidiaries to conduct, all transactions otherwise permitted under this Agreement with any of its Affiliates (other than the Borrower or any Subsidiary) on terms that are no less favorable to the Borrower or such Restricted Subsidiary than it would obtain in a comparable arm's length transaction with a Person not an Affiliate, or if no comparable arm's length transaction exists, on terms that are fair and reasonable as determined by the management of the Borrower, except in each case where the failure to do so, in the aggregate, would not have a Material Adverse Effect.

(i) Reporting Requirements. Furnish to the Administrative Agent to make available (and the Administrative Agent agrees to make available and so deliver copies thereof) to each Lender (it being understood that each such deliverable shall be subject to the confidentiality provisions of Section 8.13 hereof):

(i) as soon as available and in any event within 60 days after the end of each of the first three quarters of each fiscal year of the Borrower, the Consolidated unaudited balance sheet of the Borrower as of the end of such quarter and the Consolidated statements of income and cash flows of the Borrower for the period commencing at the

end of the previous fiscal year and ending with the end of such quarter, duly certified (subject to year-end audit adjustments) by the chief financial officer, treasurer or controller of the Borrower as having been prepared in accordance with GAAP;

(ii) as soon as available and in any event within 120 days after the end of each fiscal year of the Borrower, a copy of the annual audit report for such year for the Borrower, containing the Consolidated balance sheet of the Borrower as of the end of such fiscal year and the Consolidated statements of income and cash flows of the Borrower for such fiscal year, in each case accompanied by the opinion(s) of one or more firms of independent certified public accountants of nationally recognized standing;

(iii) as soon as possible and in any event within five Business Days after the occurrence of each Default continuing on the date of such statement, a statement of the Chief Financial Officer, Treasurer or Controller of the Borrower setting forth details of such Default and the action that the Borrower has taken and proposes to take with respect thereto;

(iv) promptly after the sending or filing thereof, copies of all quarterly and annual reports and proxy solicitations that the Borrower sends to any of its securityholders, and copies of all reports on Form 8-K that the Borrower files with the SEC (other than reports on Form 8-K filed solely for the purpose of incorporating exhibits into a registration statement previously filed with the SEC);

(v) prompt notice of all actions and proceedings before any court, governmental agency or arbitrator affecting the Borrower or any of its Restricted Subsidiaries of the type described in Section 4.01(f);

(vi) reasonably promptly after the request by any Lender, all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the Act, as reasonably requested by such Lender in writing;

(vii) together with the financial statements required under Section 5.01(i)(i) and (ii) during the period when the financial covenant set forth in Section 5.02(d) is in effect, a compliance certificate in substantially the form of Exhibit E signed by the Chief Financial Officer, Treasurer or Controller of the Borrower showing the calculations necessary to determine compliance with the financial covenant set forth in Section 5.02(d); and

(viii) such other information respecting the Borrower or any of the Restricted Subsidiaries as any Lender through the Administrative Agent may from time to time reasonably request.

Reports required to be delivered pursuant to clauses (i), (ii) and (iv) above for the Borrower shall be deemed to have been delivered on the date on which the Borrower posts such reports on any of www.sec.gov or www.verizon.com or on Intralink (or another similar website for purposes of posting information to the Lenders to which the Administrative Agent and the Lenders have

access) and such posting shall be deemed to satisfy the reporting requirements of clauses (i), (ii) and (iv) above.

(j) Use of Proceeds. Use the proceeds of the Loans to finance, in part, the Transactions and to pay related transaction costs.

Section 5.02. Negative Covenants. So long as any Loan shall remain outstanding or any Lender shall have any Commitment hereunder the Borrower will not:

(a) Liens, Etc. Create any Lien on or with respect to any of its properties, whether now owned or hereafter acquired, or on any of the income or profits therefrom unless it shall have made effective provision whereby the Loans shall be secured by such Lien equally and ratably with (or prior to) any and all obligations and Debt so secured so long as such obligations and Debt are so secured, provided that nothing in this Section 5.02 shall be construed to prevent or restrict the following:

(i) Permitted Liens,

(ii) purchase money Liens upon or in any real property or equipment acquired or held by the Borrower in the ordinary course of business to secure the purchase price of such property or equipment or to secure Debt incurred solely for the purpose of financing the acquisition of such property or equipment, or Liens existing on such property or equipment at the time of its acquisition or conditional sales or other similar title retention agreements with respect to property hereafter acquired or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount; provided, however, that no such Lien shall extend to or cover any properties of any character other than the real property or equipment being acquired, and no such extension, renewal or replacement shall extend to or cover any properties not theretofore subject to the Lien being extended, renewed or replaced,

(iii) the Liens existing on the Effective Date,

(iv) Liens on property of a Person existing at the time such Person is merged into, consolidated with or acquired by the Borrower, provided that (A) to the extent such Liens were created at a time when such Person was a Subsidiary or an Affiliate of the Borrower, such Liens attach solely to the properties or assets subject to such Liens immediately prior to such merger, consolidation or acquisition, (B) any such Liens that were created during the period immediately prior to such merger, consolidation or acquisition were created in the ordinary course of business of such Person and (C) the Debt secured by such Liens does not exceed the fair market value of the assets (including intangible assets) of such Person so merged into, consolidated with or acquired by the Borrower,

(v) Liens to secure Debt issued by the Borrower in connection with a consolidation or merger of the Borrower with or into any of its Affiliates in exchange for or otherwise in substitution for long-term senior secured Debt of such Affiliate (without increase in the amount or extension of the final maturity date of the Debt of such Affiliate),

(vi) the replacement, extension or renewal of any Lien permitted by clauses (iii) and (iv) above upon or in the same property theretofore subject thereto or the replacement, extension or renewal (without increase in the amount or extension of the final maturity date) of the Debt secured thereby, and

(vii) other Liens securing Debt or other obligations in an aggregate principal amount not to exceed at any time outstanding \$400,000,000 (it being understood that any increase in the amount of Debt secured by such Liens shall be deemed to be the creation of a Lien for the purpose of this Section 5.02(a)).

(b) Mergers, Etc. Merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person, or permit any of the Restricted Subsidiaries to do so, except that (i) any Restricted Subsidiary may merge or consolidate with or into, or dispose of assets to, any other Restricted Subsidiary or any subsidiary that becomes a Restricted Subsidiary immediately following such merger, consolidation or acquisition of assets, (ii) any Restricted Subsidiary may merge into or dispose of assets to the Borrower, (iii) the Restricted Subsidiaries may merge into, consolidate with or dispose of assets to Persons other than the Borrower and the Restricted Subsidiaries so long as, after giving effect to such transaction, the Borrower and the Restricted Subsidiaries, taken as a whole, have not disposed of all or substantially all of their assets and (iv) the Borrower may merge with any of the Restricted Subsidiaries so long as the surviving Person assumes all obligations of the Borrower hereunder and under the Notes, the documentation evidencing such assumption of obligations is reasonably satisfactory to the Required Lenders and such surviving Person has a Rating from at least one of Moody's or S&P of better than or equal to Baa2 and BBB, respectively, or if no Rating is available for such surviving Person, then such surviving Person has a Commercial Paper Rating from at least one of Moody's or S&P of better than or equal to P-2 or A-2, respectively, provided that, in the case of the foregoing clause (iv), no Default shall have occurred and be continuing at the time of such proposed transaction or would result therefrom.

(c) Accounting Changes. Make or permit, or permit any of the Restricted Subsidiaries to make or permit, any change in accounting policies or reporting practices, except (i) as required or permitted by GAAP, (ii) to implement IFRS pursuant to Section 1.03(b) or (iii) where the effect of such change, together with all other changes in accounting policies or reporting practices made pursuant to this clause (iii) since the Effective Date, is immaterial to the Borrower and its Subsidiaries taken as a whole.

(d) Leverage Ratio. After the funding of the Loans on the Funding Date until the first date following the Funding Date on which the Borrower has a Rating from Moody's and S&P of better than or equal to A3 and A-, respectively, (giving effect to the Transactions) permit the Leverage Ratio on the last day of any fiscal quarter for which financial statements are delivered pursuant to Sections 5.01(i)(i) and (ii) to exceed 3.50:1.00.

ARTICLE 6
EVENTS OF DEFAULT

Section 6.01. **Events of Default.** If any of the following events (“Event of Default”) shall occur at any time on or after the Effective Date and be continuing after the funding of the Loans on the Funding Date:

- (a) The Borrower shall fail to pay (i) any principal of any Loan when the same becomes due and payable; or (ii) any interest on any Loan within three Business Days after the same becomes due and payable or (iii) any fees or other amounts payable under this Agreement or any Note after the same become due and payable and such failure in the case of clause (iii) shall continue for three Business Days after the receipt by the Borrower of written notice from the Administrative Agent of such amount being due, together with a statement in reasonable detail of the calculation thereof; or
- (b) Any representation or warranty made or deemed made by the Borrower herein or in any certificate required to be delivered hereunder shall prove to have been incorrect in any material respect when made or deemed made; or
- (c) (i) The Borrower shall fail to perform or observe any term, covenant or agreement contained in Section 5.01(d) (with respect to the Borrower), Section 5.01(i)(iii) or Sections 5.02(a), (b) or (d), (ii) the Borrower shall fail to perform or observe any other term, covenant or agreement contained in Section 5.01(h) or Section 5.02(c) required to be performed or observed by it and such failure shall remain unremedied for five Business Days or (iii) the Borrower shall fail to perform or observe any other term, covenant or agreement contained in this Agreement required to be performed or observed by it and such failure shall remain unremedied for 30 days after written notice thereof shall have been given to the Borrower by the Administrative Agent or any Lender; or
- (d) The Borrower or any of the Restricted Subsidiaries shall fail to pay any principal of or premium or interest on any Debt that is outstanding in a principal or, in the case of Hedge Agreements, net amount of at least \$400,000,000 in the aggregate (but excluding Debt outstanding hereunder) of the Borrower or such Restricted Subsidiary, as the case may be (the “Requisite Amount”), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the later of five Business Days and the applicable grace period, if any, specified in the agreement or instrument relating to such Debt; or any such Debt aggregating the Requisite Amount shall be declared due and payable or any other event shall occur or condition shall exist under any agreement or instrument relating to any such Debt aggregating the Requisite Amount and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate the maturity of such Debt and such Debt shall not have been discharged or such event or condition shall continue to exist; or any such Debt aggregating the Requisite Amount shall be required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption), purchased or defeased, in each case prior to the stated maturity thereof where the cause of such prepayment, redemption, purchase or defeasance is the occurrence of an event or condition that is premised on a material adverse deterioration of the financial condition or results of operations of the Borrower or such

Restricted Subsidiary, provided that with respect to Debt aggregating the Requisite Amount of the types described in clauses (h) or (i) of the definition of "Debt" and to the extent such Debt relates to the obligations of any Person other than a Restricted Subsidiary, no Event of Default shall occur so long as the payment of such Debt is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained; or

(e) The Borrower or any of the Restricted Subsidiaries shall (i) generally not pay its respective debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Borrower or any of the Restricted Subsidiaries seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or (ii) the Borrower or any of the Restricted Subsidiaries shall take any corporate (or other organizational) action to authorize any of the actions set forth in this subsection (e) under any law relating to bankruptcy, insolvency or reorganization or relief of debtors; or

(f) Any final judgment or order for the payment of money in excess of \$400,000,000 shall have been rendered against the Borrower or any of the Restricted Subsidiaries and enforcement proceedings shall have been commenced by any creditor upon such judgment or order and there shall be a period of 60 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not have been in effect and such judgment or order is not satisfied, vacated or discharged; provided, however, that any such judgment or order shall not be an Event of Default under this subsection (f) if and for so long as (i) the amount of such judgment or order is covered by a valid and binding policy of insurance between the defendant and the insurer or insurers covering payment thereof, (ii) such insurer or reinsurer shall be rated, or, if more than one insurer or reinsurer, at least 90% of such insurers or reinsurers as measured by the amount of risk insured shall be rated, at least "A-" by A.M. Best Company or its successor or its successors and (iii) such insurer(s) or reinsurer(s) has been notified of, and has not disputed the claim made for payment of, the amount of such judgment or order (but any amount of such claim not disputed shall not count towards the determination of an Event of Default under this subsection (f)); or

(g) (i) Any Person or two or more Persons acting in concert shall have acquired beneficial ownership (within the meaning of Rule 13d-3 of the SEC under the Securities Exchange Act of 1934), directly or indirectly, of Voting Stock of the Borrower (or other securities convertible into such Voting Stock) representing more than 50% of the combined voting power of all Voting Stock of the Borrower or (ii) during any period of up to 11 consecutive months, commencing after the date of this Agreement, individuals who at the beginning of such 11-month period were directors of the Borrower, together with individuals nominated or appointed to the board of directors of the Borrower by a majority of the directors

then still in office who were either directors at the beginning of such 11-month period or whose nomination or appointment was previously so approved, shall cease for any reason (other than solely as a result of (A) death or disability or (B) voluntary retirement or resignation of any individual in the ordinary course and not for reasons related to an actual or proposed change of control of the Borrower) to constitute a majority of the board of directors of the Borrower; or

(h) The Borrower or its ERISA Affiliates shall incur, or shall be reasonably likely to incur, liability that would have a Material Adverse Effect as a result of one or more of the following: (i) the occurrence of any ERISA Event with respect to the Borrower, (ii) the partial or complete withdrawal of the Borrower or its ERISA Affiliates from a Multiemployer Plan, or (iii) the reorganization or termination of a Multiemployer Plan;

then, and in any such event, the Administrative Agent shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Loans, all interest thereon and all other amounts payable under this Agreement by the Borrower to be forthwith due and payable, whereupon the Loans, all such interest and all such amounts shall become and be forthwith due and payable by the Borrower, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; provided, however, that in the event of an actual entry of an order for relief with respect to the Borrower under the Federal Bankruptcy Code, the Commitments shall automatically terminate and the Loans, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE 7 THE ADMINISTRATIVE AGENT

Section 7.01. Appointment and Authority. Each of the Lenders hereby irrevocably appoints JPMCB to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Except as otherwise expressly set forth herein, the provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have rights as a third party beneficiary of any of such provisions.

Section 7.02. Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 7.03. Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary duties, regardless of whether a Default has occurred and is continuing;
- (b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law; and
- (c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 6.01 and 8.01) or (ii) in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent by the Borrower or a Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 3 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 7.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for

relying thereon. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 7.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 7.06. Resignation of Administrative Agent. The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the consent of the Borrower so long as no Default has occurred and is continuing (such consent not to be unreasonably withheld or delayed), to appoint a successor Administrative Agent, which shall be a commercial bank organized or licensed under the laws of the United States of America or of any State thereof and having a combined capital and surplus of at least \$5,000,000,000. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (such 30-day period, the “Lender Appointment Period”), then the retiring Administrative Agent may, on behalf of the Lenders with the consent of the Borrower so long as no Default has occurred and is continuing (such consent not to be unreasonably withheld or delayed), appoint a successor Administrative Agent meeting the qualifications set forth above. In addition and without any obligation on the part of the retiring Administrative Agent to appoint, on behalf of the Lenders, a successor Administrative Agent, the retiring Administrative Agent may at any time upon or after the end of the Lender Appointment Period notify the Borrower and the Lenders that no qualifying Person has accepted appointment as successor Administrative Agent and the effective date of such retiring Administrative Agent’s resignation. Upon the resignation effective date established in such notice and regardless of whether a successor Administrative Agent has been appointed and accepted such appointment, the retiring Administrative Agent’s resignation shall nonetheless become effective and (i) the retiring Administrative Agent shall be discharged from its duties and obligations as Administrative Agent hereunder and under the other Loan Documents and (ii) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the Required Lenders appoint a successor Administrative Agent as provided for above in this paragraph. Upon the acceptance of a successor’s appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties as Administrative Agent

of the retiring (or retired) Administrative Agent, and the retiring Administrative Agent shall be discharged from all of its duties and obligations as Administrative Agent hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this paragraph). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article 7 and Section 8.04 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 7.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Section 7.08. No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Global Coordinators, Syndication Agent, Documentation Agents or Joint Lead Arrangers and Joint Bookrunners listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

ARTICLE 8 MISCELLANEOUS

Section 8.01. Amendments, Etc.

(a) No amendment or waiver of any provision of this Agreement or any Notes, nor consent to any departure by the Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Borrower and the Required Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that (i) any provision of this Agreement may be amended by an agreement in writing entered into by the Borrower and the Administrative Agent to cure any ambiguity, omission, defect or inconsistency so long as, in each case, the Lenders shall have received at least ten Business Days' prior written notice thereof and the Administrative Agent shall not have received, within ten Business Days of the date of such notice to the Lenders, a written notice from the Required Lenders stating that the Required Lenders object to such amendment, (ii) no amendment, waiver or consent shall, unless in writing and signed by all the Lenders, do any of the following: (A) change the percentage of the Commitments of or the aggregate unpaid principal amount of the Loans, or the number of Lenders, that shall be required for the Lenders or any of them to take any action hereunder or (B) amend this Section 8.01 and (iii) no amendment, waiver or consent shall, unless in writing and signed by the Required

Lenders and each Lender that has or is owed obligations under this Agreement or the Notes that are modified by such amendment, waiver or consent, (A) increase or extend the Commitment of such Lender (other than pursuant to Section 2.16) or subject such Lender to any additional obligations (it being understood that any amendment, waiver or consent in respect of conditions precedent, covenants, Defaults or Events of Default shall not constitute an increase or extension of the Commitment of any Lender), (B) reduce the principal of, or interest on, the Loans made by such Lender, fees or other amounts payable hereunder to such Lender, (C) postpone any date fixed for any payment of principal of, or interest on, the Loans made by such Lender, fees or other amounts payable hereunder to such Lender or (D) waive the application of Section 2.13 or otherwise change Section 2.04, Section 2.08, Section 2.11 or Section 2.13 in a manner that would alter the pro rata sharing of any payment or reduction in the Commitments required thereby and provided further that no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent, in addition to the Lenders required above to take such action, affect the rights or duties of the Administrative Agent under this Agreement or any Note. Notwithstanding anything to the contrary herein, (x) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender and (y) no amendment, waiver or consent with respect to Section 2.08(e) may affect one Tranche adversely vis-à-vis the other Tranche without the consent of Lenders having at least a majority in interest of the outstanding principal amount of Loans and Commitments of such Tranche.

(b) Each Lender grants (x) to the Administrative Agent the right (which right may be exercised by the Administrative Agent in its sole discretion) to purchase all (but not less than all) of such Lender's Commitments and Loans owing to it, and the Notes held by it and all of its rights and obligations hereunder at a price equal to the aggregate principal amount of outstanding Loans owed to such Lender (together with all accrued and unpaid interest and fees owed to such Lender) and (y) to the Borrower the right (which right may be exercised by the Borrower in its sole discretion) to cause an assignment of all (but not less than all) of such Lender's Commitments and Loans owing to it and the Notes held by it and all of its rights and obligations hereunder to Eligible Assignees, which right may be exercised by the Administrative Agent (in its sole discretion) or the Borrower (in its sole discretion), as the case may be, if such Lender refuses to execute any amendment, waiver or consent which requires the written consent of all the Lenders or all of the affected Lenders and to which the Required Lenders, the Administrative Agent and the Borrower have agreed. Each Lender agrees that if the Administrative Agent or the Borrower, as the case may be, exercises its option hereunder, it shall promptly execute and deliver an Assignment and Assumption pursuant to Section 8.07; provided however if such Lender does not execute and deliver such Assignment and Assumption, it shall be deemed to have executed and delivered such document pursuant to Section 8.07.

(c) The Borrower may amend, supplement or otherwise modify Schedule 4.01(j) hereto at any time by notice to the Administrative Agent, provided that immediately after giving effect to any such revised Schedule 4.01(j) no Default shall have occurred and be continuing and the representation and warranty made in Section 4.01(j) shall be true.

Section 8.02. Notices, Communications and Treatment of Information.

(a) Notices.

(i) All notices, demands, requests, consents and other communications provided for in this Agreement shall be given in writing, or by any telecommunication device capable of creating a written record (including electronic mail), and addressed to the party to be notified as follows:

(A) if to the Borrower,

Verizon Communications Inc.
One Verizon Way
Basking Ridge, NJ 07920
Attn: Janet Garrity, Vice President and Assistant Treasurer
Phone: 908.559.4210
Email: janet.m.garrity@verizon.com

(B) if to the Administrative Agent,

JPMorgan Chase Bank, N.A.
c/o Dimple Patel
500 Stanton Christiana Road, Ops 2
Newark, DE 19713
Phone: 302.634.4154
Fax: 302.634.3301
Email: dimple.x.patel@jpmorgan.com
Group Email: 12012443629@tls.ldsprod.com

with a copy to:

JPMorgan Chase Bank, N.A.
c/o Mijal Warat
383 Madison Ave., 24th Floor
New York, NY 10179
Phone: 212.270.1011
Fax: 917.464.6017
Email: mijal.x.warat@jpmorgan.com

(C) if to any other Lender, to it at its address (or telecopier number) set forth in its Administrative Questionnaire;

or at such other address as shall be notified in writing (x) in the case of the Borrower and Administrative Agent, to the other parties hereto and (y) in the case of all other parties hereto, to the Borrower and the Administrative Agent.

(ii) All notices, demands, requests, consents and other communications described in clause (i) shall be effective (1) if delivered by hand, including any overnight courier service, upon personal delivery, (2) if delivered by mail, when received by the

intended recipient, (3) if delivered by posting to an Approved Electronic Platform, an Internet website or a similar telecommunication device requiring that a user have prior access to such Approved Electronic Platform, website or other device (to the extent permitted by Section 8.02(b) to be delivered thereunder), when such notice, demand, request, consent and other communication shall have been made generally available on such Approved Electronic Platform, Internet website or similar device to the class of Person being notified (regardless of whether any such Person must accomplish, and whether or not any such Person shall have accomplished, any action prior to obtaining access to such items, including registration, disclosure of contact information, compliance with a standard user agreement or undertaking a duty of confidentiality) and such Person has been notified in respect of such posting that a communication has been posted to the Approved Electronic Platform, (4) if delivered by posting to a website specified in Section 5.01(i), when such notice, demand, request, consent or other communication shall have been made available on such website to the Administrative Agent and the Lenders and the Administrative Agent and the Lenders have been notified in respect of such posting that a communication has been posted to such website and (5) if delivered by electronic mail or any other telecommunications device, when received by the intended recipient; provided that notices and communications to the Administrative Agent pursuant to Article 2 or Article 7 shall not be effective until received by the Administrative Agent.

(iii) Notwithstanding clauses (i) and (ii) (unless the Administrative Agent requests that the provisions of clauses (i) and (ii) be followed or if the Borrower elects to effect delivery of a communication pursuant to clause (ii)(4) above) and any other provision in this Agreement or any other Loan Document providing for the delivery of any Approved Electronic Communication by any other means, the Borrower shall deliver all Approved Electronic Communications to the Administrative Agent by properly transmitting such Approved Electronic Communications in an electronic/soft medium in a format reasonably acceptable to the Administrative Agent to covenant.compliance@jpmorgan.com and intralinks.publications@jpmorgan.com, with a copy to mijal.x.warat@jpmorgan.com or such other electronic mail address (or similar means of electronic delivery) as the Administrative Agent may notify to the Borrower. Nothing in this clause (iii) shall prejudice the right of the Administrative Agent or any Lender to deliver any Approved Electronic Communication to the Borrower in any manner authorized in this Agreement or to request that the Borrower effect delivery in such manner.

(b) Posting of Approved Electronic Communications.

(i) Each of the Lenders and the Borrower agree that the Administrative Agent may, but shall not be obligated to, make the Approved Electronic Communications available to the Lenders by posting such Approved Electronic Communications on IntraLinks™ or a substantially similar electronic platform chosen by the Administrative Agent in its reasonable judgment to be its electronic transmission system (the “Approved Electronic Platform”).

(ii) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a dual firewall and a User ID/Password Authorization System) and the Approved Electronic Platform is secured through a single-user-per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders and the Borrower acknowledge and agree that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution. In consideration for the convenience and other benefits afforded by such distribution and for the other consideration provided hereunder, the receipt and sufficiency of which is hereby acknowledged, each of the Lenders and the Borrower hereby approve distribution of the Approved Electronic Communications through the Approved Electronic Platform and understands and, except with respect to any such distribution found by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Administrative Agent or any of its Related Indemnity Persons, assumes the risks of such distribution.

(iii) THE APPROVED ELECTRONIC PLATFORM AND THE APPROVED ELECTRONIC COMMUNICATIONS ARE PROVIDED "AS IS" AND "AS AVAILABLE". NONE OF THE ADMINISTRATIVE AGENT NOR ANY OF ITS RELATED PARTIES WARRANT THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM AND EACH EXPRESSLY DISCLAIMS ANY LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE AGENT PARTIES IN CONNECTION WITH THE APPROVED ELECTRONIC COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM.

(iv) Each of the Lenders and the Borrower agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Approved Electronic Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(c) Treatment of Information.

(i) Certain of the Lenders may enter into this Agreement and take or not take action hereunder or under the other Loan Documents on the basis of information that does not contain material nonpublic information with respect to the Borrower or its securities ("Restricting Information"). Other Lenders may enter into this Agreement and take or not take action hereunder or under the other Loan Documents on the basis of

information that may contain Restricting Information. Each Lender acknowledges its obligations under United States Federal and state securities laws. Neither the Administrative Agent nor any of its Related Parties shall, by making any Communications (including Restricting Information) available to a Lender, by participating in any conversations or other interactions with a Lender or otherwise, make or be deemed to make any statement with regard to or otherwise warrant that any such information or Communication does or does not contain Restricting Information nor shall the Administrative Agent or any of its Related Parties be responsible or liable in any way for any decision a Lender may make to limit or to not limit its access to Restricting Information. In particular, none of the Administrative Agent nor any of its Related Parties (1) shall have, and the Administrative Agent, on behalf of itself and each of its Related Parties, hereby disclaims, any duty to ascertain or inquire as to whether or not a Lender has or has not limited its access to Restricting Information, such Lender's policies or procedures regarding the safeguarding of material, nonpublic information or such Lender's compliance with applicable laws related thereto or (2) shall have, or incur, any liability to (i) any Lender or any of their respective Related Parties arising out of or relating to the Administrative Agent or any of its Related Parties providing or not providing Restricting Information to any Lender or (ii) the Borrower or any of its Related Parties arising out of or relating to the Administrative Agent or any of its Related Parties providing or not providing Restricting Information to any Lender other than as found by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Administrative Agent or any of its Related Parties.

(ii) The Borrower agrees that (1) all Communications it provides to the Administrative Agent intended for delivery to the Lenders whether by posting to the Approved Electronic Platform or otherwise shall, if such Communications are determined by the Borrower not to contain Restricting Information, be (A) clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof and (B) accompanied by a customary authorization letter in form reasonably satisfactory to the Administrative Agent (any Communication satisfying both (A) and (B), an "Approved PUBLIC Communication"), (2) the Borrower shall be deemed to have authorized the Administrative Agent and the Lenders to treat such Approved PUBLIC Communications as either publicly available information or not material information (although, in this latter case, such Communications may contain sensitive business information and, therefore, remain subject to the confidentiality undertakings of Section 8.13) with respect to the Borrower or its securities for purposes of United States Federal and state securities laws, (3) all Approved PUBLIC Communications may be delivered to all Lenders and may be made available through a portion of the Approved Electronic Platform designated "Public Side Information," and (4) the Administrative Agent shall be entitled to treat any Communications that are not Approved PUBLIC Communications as Restricting Information and may post such Communications to a portion of the Approved Electronic Platform not designated "Public Side Information". Neither the Administrative Agent nor any of its Affiliates shall be responsible for any statement or other designation by the Borrower regarding whether a Communication contains or does not contain material non-public information with respect to any of the Borrower or their securities nor shall the Administrative Agent or any of its Affiliates incur any liability to the Borrower, any

Lender or any other Person for any action taken by the Administrative Agent or any of its Affiliates based upon such statement or designation, including any action as a result of which Restricting Information is provided to a Lender that may decide not to take access to Restricting Information. Nothing in this Section 8.02(c) shall modify or limit a Person's obligations under Section 8.13 with regard to Communications and the maintenance of the confidentiality of or other treatment of Information.

(iii) Each Lender acknowledges that circumstances may arise that require it to refer to Communications that might contain Restricting Information. Accordingly, each Lender agrees that it will nominate at least one designee to receive Communications (including Restricting Information) on its behalf and identify such designee (including such designee's contact information) on such Lender's Administrative Questionnaire. Each Lender agrees to notify the Administrative Agent from time to time of such Lender's designee's e-mail address to which notice of the availability of Restricting Information may be sent by electronic transmission.

(iv) Each Lender acknowledges that Communications delivered hereunder and under the other Loan Documents may contain Restricting Information and that such Communications are available to all Lenders generally. Each Lender that elects not to take access to Restricting Information does so voluntarily and, by such election, acknowledges and agrees that the Administrative Agent and other Lenders may have access to Restricting Information that is not available to such electing Lender. Each such electing Lender acknowledges the possibility that, due to its election not to take access to Restricting Information, it may not have access to any Communications (including, but not by way of limitation, the items required to be made available to the Administrative Agent specified in Section 5.01(i)) unless or until such Communications (if any) have been filed or incorporated into documents which have been filed with the SEC by the Borrower (to the extent that the Borrower shall from time to time be subject to the reporting requirements of the SEC). None of the Borrower, the Administrative Agent or any Lender with access to Restricting Information shall have any duty to disclose such Restricting Information to such electing Lender or to use such Restricting Information on behalf of such electing Lender, and shall not be liable for the failure to so disclose or use, such Restricting Information.

(v) The provisions of the foregoing clauses of this Section 8.02(c) are designed to assist the Administrative Agent, the Lenders and the Borrower in complying with their respective contractual obligations and applicable law in circumstances where certain Lenders express a desire not to receive Restricting Information notwithstanding that certain Communications hereunder or under the other Loan Documents or other information provided to the Lenders hereunder or thereunder may contain Restricting Information. Neither the Administrative Agent nor any of its Related Parties warrants or makes any other statement with respect to the adequacy of such provisions to achieve such purpose nor does the Administrative Agent or any of its Related Parties warrant or make any other statement to the effect that the Borrower's or Lender's adherence to such provisions will be sufficient to ensure compliance by the Borrower or Lender with its contractual obligations or its duties under applicable law in respect of Restricting

Information and each of the Lenders and the Borrower assume the risks associated therewith.

Section 8.03. No Waiver; Remedies. No failure on the part of any Lender or the Administrative Agent to exercise, and no delay in exercising, any right hereunder or under any Note shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. Subject to Section 3.04, the remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 8.04. Costs and Expenses.

(a) The Borrower agrees to pay on demand all reasonable out-of-pocket costs and expenses of the Administrative Agent and the Joint Lead Arrangers in connection with the preparation, execution, delivery, administration, modification and amendment of this Agreement, the Notes and the other documents to be delivered hereunder, including, without limitation, (A) all due diligence, syndication (including printing, distribution and bank meetings), transportation and duplication costs, and (B) the reasonable fees and expenses of a single counsel for the Administrative Agent and the Joint Lead Arrangers with respect thereto and with respect to advising the Administrative Agent and the Joint Lead Arrangers as to their rights and responsibilities under this Agreement and the Fee Letters. Such expenses shall be paid by the Borrower upon presentation of an itemized statement of account (after reasonable time for the Borrower to review such statement of account), regardless of whether the transactions contemplated by this Agreement are consummated. The Borrower further agrees to pay on demand all costs and expenses of the Administrative Agent, the Joint Lead Arrangers and the Lenders, if any (including, without limitation, reasonable counsel fees and expenses), in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Notes, the Fee Letters and the other documents to be delivered hereunder, including, without limitation, reasonable fees and expenses of counsel for the Administrative Agent, the Joint Lead Arrangers and each Lender in connection with the enforcement of rights under this subsection (a).

(b) The Borrower agrees to indemnify and hold harmless the Administrative Agent, the Joint Lead Arrangers, each Lender, and each of their Affiliates and their and such Affiliates' officers, directors, employees, agents and advisors (each, together with their successors and permitted assigns, an "Indemnified Party") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and expenses of counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of, or in connection with the preparation for a defense of, any investigation, litigation or proceeding arising out of, related to or in connection with (i) the syndication of the credit facility established hereby, this Agreement, the Notes, the Fee Letters, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans or (ii) the actual or alleged presence of Hazardous Materials on any property of the Borrower or any of its Subsidiaries or any Environmental Action relating in any way to the Borrower or any of its Subsidiaries, in each case WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE INDEMNIFIED PARTY, whether or not such investigation,

litigation or proceeding is based on contract, tort or any other theory, whether or not it is brought by the Borrower, its directors, shareholders or creditors or an Indemnified Party or any other Person or any Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated, except to the extent such claim, damage, loss, liability or expense (A) is found by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnified Party or any of its Related Indemnity Persons or (B) arises from disputes among two or more Indemnified Parties (but not including any such dispute that involves a Lender to the extent such Lender is acting in any different capacity (i.e., as the Administrative Agent or as a Joint Lead Arranger) under this Agreement or the Fee Letters or to the extent that it involves the Joint Lead Arrangers' or the Administrative Agent's syndication activities). No party to this Agreement shall have any liability based on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to this Agreement, the Notes, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Loans; provided that this sentence shall not limit the Borrower's indemnification obligations set forth in this subsection (b).

(c) To the extent that the Borrower for any reason fails to pay any amount required under subsection (a) or (b) of this Section 8.04 to be paid by it to the Administrative Agent or any Affiliate of the Administrative Agent or any of their respective officers, directors, employees, agents or advisors, each Lender severally agrees to pay to the Administrative Agent or such Affiliate, officer, director employee, agent or advisor, as the case may be, pro rata in accordance with such Lender's outstanding Loans and Commitments or, if no Loans are outstanding and the Commitments have expired or been terminated, such Lender's Commitments as most recently in effect (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such, or was incurred by or asserted against such Affiliate, officer, director, employee, agent or advisor acting for the Administrative Agent in connection with such capacity, as the case may be.

(d) If any payment of principal of, or Conversion of, any Eurodollar Rate Loan is made by the Borrower (or pursuant to Section 8.01(b)) to or for the account of a Lender other than within 15 days of the last day of the Interest Period for such Loan, as a result of a payment, prepayment (whether optional or mandatory) or Conversion pursuant to this Agreement or acceleration of the maturity of the Loans pursuant to Section 6.01, the Borrower shall, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional reasonable losses, costs or expenses that it may reasonably incur as a result of such payment, Conversion or failure to prepay, including, without limitation, any loss (excluding loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Loan.

(e) Without prejudice to the survival of any other agreement hereunder, the agreements and obligations contained in Sections 2.09, 2.12, 8.04 and 8.13 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the Notes and termination of the Commitments.

Section 8.05. Right of Set off. Upon (i) the occurrence and during the continuance of any Event of Default and (ii) the making of the request or the granting of the consent specified by Section 6.01 by the Required Lenders to authorize the Administrative Agent to declare the Loans due and payable pursuant to the provisions of Section 6.01 and notice to the Borrower as required under Section 6.01, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Lender or such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement and any Note held by such Lender, whether or not such Lender shall have made any demand under this Agreement or such Note and although such obligations may be unmatured. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set off and application, provided that the failure to give such notices shall not affect the validity of such set off and application. The rights of each Lender and its Affiliates under this Section 8.05 are in addition to other rights and remedies (including, without limitation, other rights of set off) that such Lender and its Affiliates may have.

Section 8.06. Binding Effect. Except as provided in Section 3.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the Borrower, the Administrative Agent and each Lender and their respective successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders.

Section 8.07. Assignments and Participations.

(a) Each Lender may, with the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), and, if demanded by the Administrative Agent or the Borrower (w) pursuant to Section 8.01(b), (x) following the right of such Lender to a payment arising under Section 2.09 or 2.12, (y) following a notice given by such Lender pursuant to Section 2.10 or (z) if such Lender is a Defaulting Lender, in each case, upon at least ten Business Days' notice to such Lender and the Administrative Agent, will, assign to one or more Persons all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitments and Loans owing to it and any Notes held by it), provided that the Borrower may make a demand with respect to a Lender that has given notice pursuant to Section 2.10 only if the Borrower makes such demand of all Lenders similarly situated that have given such notice; provided further that, any assignment (i) prior to the funding of the Loans on the Funding Date shall be to (A) a Lender or an Affiliate or Approved Fund of a Lender; provided that if any assignee under this subclause (A) (to the extent, in the case of an assignee that is a Lender, not approved by the Borrower in its sole discretion) becomes a Defaulting Lender or a Non-Funding Lender, the assignor shall remain responsible for the assigned Commitment in accordance with an Assignment and Assumption (the "Prefunding Backstop Requirement") or (B) any Persons with the consent of the Borrower (in its sole discretion); provided that all assignments by the Initial Lenders or Affiliates or Approved Funds thereof shall be subject to the Borrower's consent in its sole discretion except that assignment by an Initial Lender to its Affiliate shall be permitted without consent of the Administrative Agent or the

Borrower so long as such Initial Lender shall satisfy the Prefunding Backstop Requirement and (ii) after the funding of the Loans on the Funding Date, shall be to (A) a Lender or an Affiliate or Approved Fund of a Lender and (B) other Persons subject to the consent of the Borrower (not to be unreasonably withheld, and such consent to be deemed to have been given if the Borrower shall not have provided a response within ten Business Days of a written request for consent) unless with respect to this clause (ii) an Event of Default under Section 6.01(a) or Section 6.01(e) has occurred and is continuing in which case the consent of the Borrower shall not be required and provided further that, (i) [Reserved], (ii) except in the case of an assignment to a Person that, immediately prior to such assignment, was a Lender or an Affiliate of a Lender or an assignment of all of a Lender's rights and obligations under this Agreement, the Commitment of or the outstanding principal amount of the Loans owing to the assigning Lender being assigned pursuant to each such assignment (determined as of the date of the Assignment and Assumption with respect to such assignment) shall in no event be less than \$10,000,000 or an integral multiple of \$1,000,000 in excess thereof unless otherwise agreed by the Borrower and the Administrative Agent, (iii) each such assignment shall be to an Eligible Assignee, (iv) each such assignment made as a result of a demand by the Borrower shall be arranged by the Borrower after consultation with the Administrative Agent and shall be either an assignment of all of the rights and obligations of the assigning Lender under this Agreement or an assignment of a portion of such rights and obligations made concurrently with another such assignment or other such assignments that together cover all of the rights and obligations of the assigning Lender under this Agreement, (v) no Lender shall be obligated to make any such assignment as a result of a demand by the Borrower unless and until such Lender shall have received one or more payments from the Borrower or one or more Eligible Assignees in an aggregate amount at least equal to the aggregate outstanding principal amount of the Loans owing to such Lender, together with accrued interest thereon to the date of payment of such principal and all other amounts that have accrued and are payable to such Lender under this Agreement, (vi) the parties to each such assignment shall execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Assumption (it being understood that a Defaulting Lender shall be deemed to have executed and delivered such Assignment and Assumption on the fifth Business Day following the demand of the Administrative Agent or the Borrower), together with a processing and recordation fee of \$3,500 and any Notes subject to such assignment (provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment) and (vii) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its Subsidiaries or its securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws. Upon such execution (including deemed execution), delivery (including deemed delivery), acceptance and recording, from and after the effective date specified in each Assignment and Assumption, (x) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Assumption, have (in addition to any such rights and obligations theretofore held by it) the rights and obligations of a Lender hereunder and (y) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Assumption, relinquish its rights other than rights of indemnification under Section 8.04 or

otherwise relating to a time prior to the effective date of such Assignment and Assumption and, except with respect to an applicable Prefunding Backstop Requirement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all or the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(b) By executing and delivering (or being deemed to have executed and delivered) an Assignment and Assumption, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than as provided in such Assignment and Assumption, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such assigning Lender makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the performance or observance by the Borrower of any of its obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 4.01(e), the most recent financial statements required to be delivered pursuant to Section 5.01(i) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Assumption; (iv) such assignee will, independently and without reliance upon the Administrative Agent, such assigning Lender 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 this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement as are delegated to the Administrative Agent by the terms hereof, together with such powers and discretion as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender.

(c) Upon its receipt of an Assignment and Assumption executed by an assigning Lender, an assignee representing that it is an Eligible Assignee and, to the extent its consent is required pursuant to Section 8.07(a), the Borrower, together with any Notes subject to such assignment, the Administrative Agent shall, if such Assignment and Assumption has been completed and is in substantially the form of Exhibit C hereto or is in such other form approved by the Administrative Agent and (x) on or prior to the funding of the Loans on the Funding Date, the Borrower in its sole discretion and (y) following the funding of the Loans on the Funding Date, so long as no Event of Default under Section 6.01(a) or (e) has occurred and is continuing, the Borrower (such approval of the Borrower not to be unreasonably withheld or delayed) (i) accept such Assignment and Assumption, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower by providing a copy of such Assignment and Assumption.

(d) The Administrative Agent shall maintain at its address referred to in Section 8.02 a copy of each Assignment and Assumption delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the unused Commitment of and the

principal amount of the Loan owing to each Lender from time to time (the “Register”). Except as otherwise provided in Section 2.14 (c), the entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Each Lender may sell participations to one or more banks or other entities (other than the Borrower or any of its Affiliates) (a “Participant”) in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its unused Commitment and Loans owing to it and any Notes held by it); provided, however, that (i) such Lender’s obligations under this Agreement (including, without limitation, its Commitment to the Borrower hereunder) shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the obligee of any such Loan for all purposes of this Agreement, (iv) the Borrower, the Administrative Agent, and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement, (v) no Participant under any such participation shall have any right to approve any amendment or waiver of any provision of this Agreement or any Note, or any consent to any departure by the Borrower therefrom, except that a Lender may agree with a Participant as to the manner in which the Lender shall exercise the Lender’s rights to approve any amendment, waiver or consent to the extent that such amendment, waiver or consent would reduce the principal of, or interest on, the Loans or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, or postpone any date fixed for any payment of principal of, or interest on, the Loans or any fees or other amounts payable hereunder, in each case to the extent subject to such participation and (vi) during the period from the date hereof to (and including) the funding of the Loans on the Funding Date, no participation shall be permitted to any bank or other entity without the consent of the Borrower in its reasonable discretion; provided that, other than with respect to participations by an Initial Lender or its Affiliate or Approved Fund (which participations shall be subject to the Borrower’s consent in its sole discretion), no such consent shall be required in the case of a participation to a Lender if the Lender granting the participation shall have given prior written notice of such participation to the Borrower. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.09 and 2.12 (subject to the requirements and limitations therein, including the requirements under Sections 2.12(e) (it being understood that the documentation required under Section 2.12(e) shall be delivered to the participating Lender)) and 8.04(d) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (a) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 2.09(c) and 8.07(a) as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 2.09 or 2.12, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a change in law that occurs after the Participant acquired the applicable participation; provided the sale of such participation to such Participant was made with the Borrower’s prior written consent. Each Lender that sells a participation agrees, at the Borrower’s request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 8.07(a) relating to assignments on demand with respect to

any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 8.05 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Any Lender may at any time, without the consent of the Administrative Agent, or the Borrower, create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Loans owing to it, and any Note or Notes held by it and) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided, however, that no such pledge or assignment shall release such Lender from any of its obligations hereunder, substitute any such pledgee or assignee for such Lender as a party hereto or have the effect of increasing the costs payable by the Borrower.

Section 8.08. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Section 8.09. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different 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. Delivery of an executed counterpart of a signature page to this Agreement by electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 8.10. Jurisdiction, Etc.

(a) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, Borough of Manhattan, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the Notes, 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 any such New York State court or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final, non-appealable 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. Nothing in this Agreement shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Agreement, or the Notes in the courts of any jurisdiction.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that 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 or the Notes in any court referred to in Section 8.10(a). 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.

Section 8.11. Waiver of Jury Trial. Each of the Borrower, the Administrative Agent, the Joint Lead Arrangers and the Lenders hereby irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the Notes or the actions of the Administrative Agent, or any Lender in the negotiation, administration, performance or enforcement thereof.

Section 8.12. USA Patriot Act. Each Lender, as applicable, and each Joint Lead Arranger hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), they are required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or such Joint Lead Arranger to identify the Borrower in accordance with the Act. This notice is given in accordance with the requirements of the Act and is effective as to each Lender and each Joint Lead Arranger.

Section 8.13. Confidentiality. Each of the Administrative Agent, the Lenders and the Joint Lead Arrangers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates’ respective managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives (it being understood that the Administrative Agent, such Lender or such Joint Lead Arranger, as the case may be, shall inform the Persons to whom such disclosure is made of the confidential nature of such Information and, in the case of any such disclosure to an Affiliate, director, officer or employee, cause compliance by such Persons with this Section), (b) to the extent requested by any regulatory authority purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, provided that the Administrative Agent, such Lender or such Joint Lead Arranger, as the case may be, shall, unless prohibited by law, notify the Borrower of any disclosure pursuant to this clause (c) as far in advance as is reasonably practicable under the circumstances, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or any action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement with the Borrower containing provisions at least as restrictive as those of this Section to (i) any permitted assignee of or permitted participant in, or any prospective permitted assignee of or permitted participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its managers, administrators, trustees, partners, directors, officers, employees, agents, advisors and other representatives) to

any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (iii) any rating agency or (iv) the CUSIP Service Bureau or any similar organization, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Lender, any Joint Lead Arranger or any of their respective Affiliates on a non-confidential basis from a source other than the Borrower without a duty of confidentiality to the Borrower or its Subsidiaries having been breached to the knowledge of the Administrative Agent, such Lender or such Joint Lead Arranger, as the case may be. For purposes of this Section, “Information” means all information received from the Borrower or any of its Subsidiaries (including the Fee Letters and any information obtained based on a review of the books and records of the Borrower and its Subsidiaries) relating to the Borrower or any of its Subsidiaries or any of their respective businesses. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Section 8.14. No Fiduciary Duty. The Borrower agrees that in connection with all aspects of the transactions contemplated hereby and any communications in connection therewith, the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Lenders and their Affiliates, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Administrative Agent, the Lenders or their Affiliates, and no such duty will be deemed to have arisen in connection with any such transactions or communications.

Section 8.15. ENTIRE AGREEMENT. THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND THE FEE LETTERS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES.

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

VERIZON COMMUNICATIONS INC.

By: /s/ Francis J. Shammo
Name: Francis J. Shammo
Title: Executive Vice President and Chief Financial
Officer

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: /s/ Robert D. Bryant
Name: Robert D. Bryant
Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as Lender

By: /s/ Robert D. Bryant
Name: Robert D. Bryant
Title: Vice President

MORGAN STANLEY SENIOR FUNDING, INC.,
as Lender

By: /s/ Anish M. Shah
Name: Anish M. Shah
Title: Authorized Signatory

BANK OF AMERICA, N.A.,
as Lender

By: /s/ Lisa W. Reiter
Name: Lisa W. Reiter
Title: Director

BARCLAYS BANK, PLC,
as Lender

By: /s/ Jonathan Burn
Name: Jonathan Burn
Title: Managing Director

Schedule 2.01 - Commitments

Tranche A Commitments

	Tranche A Commitment	Percentage of Tranche A Commitments
Tranche A Lender		
JPMorgan Chase Bank, N.A.	\$ 3,000,000,000	25.000000000%
Morgan Stanley Senior Funding, Inc.	\$ 3,000,000,000	25.000000000%
Bank of America, N.A.	\$ 3,000,000,000	25.000000000%
Barclays Bank PLC	\$ 3,000,000,000	25.000000000%
Total	\$12,000,000,000	100.000000000%

Tranche B Commitments

	Tranche B Commitment	Percentage of Tranche B Commitments
Tranche B Lender		
JPMorgan Chase Bank, N.A.	\$12,250,000,000	25.000000000%
Morgan Stanley Senior Funding, Inc.	\$12,250,000,000	25.000000000%
Bank of America, N.A.	\$12,250,000,000	25.000000000%
Barclays Bank PLC	\$12,250,000,000	25.000000000%
Total	\$49,000,000,000	100.000000000%

Schedule 4.01(j) - Restricted Subsidiaries

Celco Partnership d/b/a Verizon Wireless

Verizon Pennsylvania LLC

Including the consolidated Subsidiaries of each of the above-listed entities.

FORM OF
[TRANCHE A] [TRANCHE B] NOTE

Dated: , 201

FOR VALUE RECEIVED, the undersigned, VERIZON COMMUNICATIONS INC., a Delaware corporation (the “Borrower”), HEREBY PROMISES TO PAY to the order of [NAME OF LENDER] (the “Lender”) for the account of its Applicable Lending Office (as defined in the Credit Agreement referred to below) an amount equal to the aggregate unpaid principal amount of the [Tranche A Loan] [Tranche B Loan] made by the Lender to the Borrower under the Credit Agreement, which principal amount shall be payable at such times and in such amounts as are specified in the Credit Agreement.

The Borrower promises to pay interest on the unpaid principal amount of such [Tranche A Loan] [Tranche B Loan] from the date of such [Tranche A Loan] [Tranche B Loan] until such principal amount is paid in full, at such interest rates, and payable at such times, as are specified in the Credit Agreement.

Both principal and interest are payable in lawful money of the United States of America to JPMorgan Chase Bank, N.A., as Administrative Agent, at the Administrative Agent’s Account, in same day funds, without set-off, counterclaim or deduction.

This Note is one of the Notes referred to in, entitled to the benefits of, and subject to the terms and conditions of, the Bridge Credit Agreement dated as of September 2, 2013 among the Borrower, the Lender and certain other lenders parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lender and such other lenders (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”; the terms defined therein being used herein as therein defined). The Credit Agreement, among other things, (i) provides for the making of a [Tranche A Loan] [Tranche B Loan] by the Lender to the Borrower, the indebtedness of the Borrower resulting from such Loan being evidenced by this Note and (ii) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of principal hereof prior to the maturity hereof upon the terms and conditions therein specified.

The Borrower hereby waives presentment, demand, protest and notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Note shall be governed by, and construed in accordance with, the law of the State of New York.

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

Form of Note

FORM OF
NOTICE OF BORROWING

, 201

JPMorgan Chase Bank, N.A.
as Administrative Agent for the Lenders
party to the Credit Agreement
referred to below

[]
[]

Attention:

Ladies and Gentlemen:

The undersigned, Verizon Communications Inc., refers to the Bridge Credit Agreement dated as of September 2, 2013 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; the terms defined therein being used herein as therein defined), among the undersigned, certain Lenders parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders, and hereby give you notice pursuant to Section 2.02 of the Credit Agreement that the undersigned hereby requests a Borrowing under the Credit Agreement, and sets forth below the information relating to such Borrowing (the "Proposed Borrowing") as required by Section 2.02(a) of the Credit Agreement:

The Business Day of the Proposed Borrowing is , .

The Type of Loans comprising the Proposed Borrowing is [Base Rate Loans] [Eurodollar Rate Loans].

The aggregate amount of the Proposed Borrowing is \$.

The amount of the Proposed Borrowing that represents a Tranche A Loan is \$.

The amount of the Proposed Borrowing that represents a Tranche B Loan is \$.

Location and number of the account to which funds are to be disbursed:

Form of Notice of Borrowing

[The initial Interest Period for each Eurodollar Rate Loan made as part of the Proposed Borrowing is month[s].]

[This Notice of Borrowing is conditioned upon the occurrence of the following event:

[Signature Page Follows]

Form of Notice of Borrowing

Very truly yours,

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

Form of Notice of Borrowing

FORM OF
ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Assignment and Assumption Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the “Assignor”) and [Insert name of Assignee] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Assignment and Assumption Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the “Assigned Interest”). [Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.]¹ [Except as expressly provided in this Assignment and Assumption, such sale and assignment is without recourse to the Assignor and without representation or warranty by the Assignor.]²

[Notwithstanding anything to the contrary in this Assignment and Assumption, in accordance with Section 8.07 of the Credit Agreement, the Assignor agrees that, notwithstanding the sale and assignment hereunder to the Assignee, in the event that the Assignee becomes a Defaulting Lender or a Non-Funding Lender, the Assignor shall promptly, upon written demand of the Administrative Agent or the Borrower, perform all obligations of the Assignee under the Credit Agreement with respect to the assigned Commitments (to the extent such obligations have not already been performed by the Assignee). The Assignor’s obligations under the immediately preceding sentence shall be unconditional and absolute and in connection therewith, the Assignor irrevocably waives acceptance of this Assignment and Assumption, presentment, demand, protest and any notice not provided for herein or in the Credit Agreement, as well as any requirement that at any time any action be taken against the Assignee or any]

¹ To be included if the Assignment and Assumption Effective Date is (i) not prior to the Funding Date or (ii) if prior to the Funding Date, in the case of an Assignee that is a Lender, approved by the Borrower in its sole discretion.

² To be included if the Assignment and Assumption Effective Date is prior to the Funding Date (to the extent, in the case of an Assignee that is a Lender, not approved by the Borrower in its sole discretion).

Form of Assignment and Assumption

other Person; provided that for the avoidance of doubt the Assignor's obligations under the preceding sentence shall be subject to the conditions set forth in the Credit Agreement and the condition that the Assignee has become a Defaulting Lender or Non-Funding Lender. The foregoing shall not constitute a waiver or release of any claim the Assignor may have against the Assignee.]³

1. Assignor: _____
2. Assignee: [and is an [Affiliate][Approved Fund] of [identify Lender]]
3. Borrower: Verizon Communications Inc.
4. Administrative Agent: JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement
5. Credit Agreement: The Bridge Credit Agreement dated as of September 2, 2013 among Verizon Communications Inc., the Lenders parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.
6. Assigned Interest:

<u>Facility Assigned</u> ⁴	Aggregate Amount of Commitments/Loans for all Lenders in Facility Assigned	Amount of Commitment/Loans Assigned*	Percentage Assigned of Commitment/Loans in Facility Assigned ⁵	Percentage Assigned of all Commitments/Loans ⁶
	\$	\$	%	%
	\$	\$	%	%
	\$	\$	%	%

- [7. Trade Date: _____]⁷

Assignment and Assumption Effective Date: , 20 [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE ASSIGNMENT AND ASSUMPTION EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

³ To be included if the Assignment and Assumption Effective Date is prior to the Funding Date and such assignment is to a Lender or an Affiliate of the Assignor (to the extent, in the case of an Assignee that is a Lender, not approved by the Borrower in its sole discretion).

⁴ Fill in "Tranche A" or "Tranche B".

* Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Assignment and Assumption Effective Date.

⁵ Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

⁶ Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders.

⁷ To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

Form of Assignment and Assumption

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title: _____

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title: _____

Consented to and Accepted:

[JPMORGAN CHASE BANK, N.A., as
Administrative Agent

By _____
Title:]⁸

[Consented to:

VERIZON COMMUNICATIONS INC.

By _____
Title:]⁹

⁸ To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.
⁹ To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.

Form of Assignment and Assumption

**STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION**

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents, (iii) the financial condition of the Borrower or any of its Subsidiaries or (iv) the performance or observance by the Borrower or any of its Subsidiaries of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Assignment and Assumption Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, 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 Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Lender organized under the laws of a jurisdiction outside the United States, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor 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 Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Assignment and Assumption Effective Date, the Administrative Agent 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 but excluding the Assignment and Assumption Effective Date and to the Assignee for amounts which have accrued from and after the Assignment and Assumption Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

Form of Assignment and Assumption

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Bridge Credit Agreement dated as of September 2, 2013 (as amended, supplemented or otherwise modified from time to time, the “Bridge Credit Agreement”), among Verizon Communications Inc., the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 2.12 of the Bridge Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a duly completed and executed certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

In the case of a Lender that is a disregarded entity for U.S. federal income tax purposes, each of the above certifications and representations is given with respect to the person treated as such Lender’s owner for U.S. federal income tax purposes.

Unless otherwise defined herein, terms defined in the Bridge Credit Agreement and used herein shall have the meanings given to them in the Bridge Credit Agreement.

[NAME OF LENDER]

By: _____

Name:
Title:

Date: , 20[]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Bridge Credit Agreement dated as of September 2, 2013 (as amended, supplemented or otherwise modified from time to time, the “Bridge Credit Agreement”), among Verizon Communications Inc., the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 2.12 of the Bridge Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a duly completed and executed certificate of its non-U.S. Person status on IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

In the case of a Participant that is a disregarded entity for U.S. federal income tax purposes, each of the above certifications and representations is given with respect to the person treated as such Participant’s owner for U.S. federal income tax purposes.

Unless otherwise defined herein, terms defined in the Bridge Credit Agreement and used herein shall have the meanings given to them in the Bridge Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:

Title:

Date: , 20[]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Bridge Credit Agreement dated as of September 2, 2013 (as amended, supplemented or otherwise modified from time to time, the "Bridge Credit Agreement"), among Verizon Communications Inc., the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 2.12 of the Bridge Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a duly completed and executed IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) a duly completed and executed IRS Form W-8BEN or (ii) a duly completed and executed IRS Form W-8IMY accompanied by a duly completed and executed IRS Form W-8BEN from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption, together with any other information required to be provided by IRS Form W-8IMY. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

In the case of a Participant that is a disregarded entity for U.S. federal income tax purposes, each of the above certifications and representations is given with respect to the person treated as such Participant's owner for U.S. federal income tax purposes.

Unless otherwise defined herein, terms defined in the Bridge Credit Agreement and used herein shall have the meanings given to them in the Bridge Credit Agreement.

[NAME OF PARTICIPANT]

By: _____

Name:
 Title:

Date: , 20[]

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE
 (For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Bridge Credit Agreement dated as of September 2, 2013 (as amended, supplemented or otherwise modified from time to time, the “Bridge Credit Agreement”), among Verizon Communications Inc., the Lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.

Pursuant to the provisions of Section 2.12 of the Bridge Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Bridge Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a duly completed and executed IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) a duly completed and executed IRS Form W-8BEN or (ii) a duly completed and executed IRS Form W-8IMY accompanied by a duly completed and executed IRS Form W-8BEN from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption, together with any other information required to be provided by IRS Form W-8IMY. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

In the case of a Lender that is a disregarded entity for U.S. federal income tax purposes, each of the above certifications and representations is given with respect to the person treated as such Lender's owner for U.S. federal income tax purposes.

Unless otherwise defined herein, terms defined in the Bridge Credit Agreement and used herein shall have the meanings given to them in the Bridge Credit Agreement.

[NAME OF LENDER]

By: _____

Name:

Title:

Date: , 20[]

COMPLIANCE CERTIFICATE

Reference is made to the Bridge Credit Agreement, dated as of September 2, 2013 (as amended, supplemented, waived or otherwise modified from time to time, the “Credit Agreement”), among Verizon Communications Inc. (the “Borrower”), the Lenders party thereto from time to time and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders. Capitalized terms used herein have the meanings attributed thereto in the Credit Agreement unless otherwise defined herein. Pursuant to Section 5.01(i)(vii) of the Credit Agreement, the undersigned, in [his][her] capacity as [Chief Financial Officer][Treasurer][Controller] of the Borrower, certifies, in such capacity and not in an individual capacity, as follows:

1. The following table and Annex A attached hereto set forth computations of the Leverage Ratio as of the last day of the period of four fiscal quarters ending , 20 :

Consolidated Debt:	[]
EBITDA:	[]
Leverage Ratio:	[]

[Signature Page Follows]

Form of Compliance Certificate

IN WITNESS WHEREOF, the undersigned, in [his][her] capacity as [Chief Financial Officer][Treasurer][Controller] of the Borrower, has executed this certificate for and on behalf of the Borrower and has caused this certificate to be delivered this day of , 20 .

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

Form of Compliance Certificate

Annex A
 to the Compliance Certificate
 (\$ in 000's)

I. Section 5.01(h)(vii) – Leverage Ratio

A. Consolidated Debt

1. The aggregate amount of indebtedness for borrowed money, including indebtedness for borrowed money represented by notes, bonds, debentures or other similar evidences of indebtedness for borrowed money of the Borrower and its Consolidated Subsidiaries \$

2. Indebtedness to the extent that the Borrower is required to, and has informed the Administrative Agent that it intends to, repay Loans with the Net Cash Proceeds of such indebtedness in accordance with Section 2.08 (including the applicable time periods set forth therein) \$

3. Consolidated Debt (Line I.A.1 – Line I.A.2) \$

B. EBITDA for the last four fiscal quarters¹

1. Consolidated net income of Borrower and its Consolidated Subsidiaries \$

plus, to the extent deducted in computing Line I.B.1 (without duplication),

2. Income and franchise tax expense \$

3. Interest Expense \$

4. Depreciation, amortization and other non-cash charges (except to the extent such non-cash charges represent an accrual of or reserve for cash expenses in any future period or an amortization of a prepaid cash expense paid in a prior period but including, for the avoidance of doubt, any non-cash actuarial losses from pension and post-retirement plans) \$

5. Extraordinary, unusual or otherwise non-recurring losses and charges (including non-recurring restructuring charges) \$

6. Minority interest expense \$

7. All fees and expenses in connection with the transactions contemplated by the Transaction Agreement \$

minus, to the extent added in computing Line I.B.1 (without duplication),

8. any extraordinary, unusual or otherwise non-recurring gains for such period \$

9. other non-cash gains (except (i) in respect of which cash was received in a prior period or will be received in a future period or (ii) which represent the reversal in such period of any accrual of, or cash reserve for, anticipated cash charges in any prior period where such accrual or reserve is no longer required but including, for the avoidance of doubt, any non-cash actuarial gains from

¹ If the Borrower engages in any Material Asset Acquisition or any Material Asset Sale (each as defined below), during the relevant period, EBITDA will be determined on a pro forma basis as if such Material Asset Acquisition or such Material Asset Sale occurred on the first day of the relevant period. For purposes of this definition, (i) “Material Asset Sale” means any Disposition of property or series of related Dispositions of property that involves consideration (including non-cash consideration) with a fair market value in excess of \$2,000,000,000 and (ii) “Material Asset Acquisition” means (x) the Transactions and (y) any acquisition (whether by purchase, merger, consolidation or otherwise) of the assets or property of any other Person that involves consideration (including non-cash consideration) with a fair market value in excess of \$2,000,000,000.

pension and post-retirement plans) \$

equals,

10. EBITDA (Lines I.B.1 + 2 + 3 + 4 + 5 + 6 + 7 - 8 - 9) \$

Leverage Ratio

(Line I.A.3 / Line I.B.10)

to 1

Form of Compliance Certificate

FORM OF
OFFICER'S CERTIFICATE

, 201

This Officer's Certificate is delivered pursuant to Section 3.02(f) of the Bridge Credit Agreement dated September 2, 2013 (the "Credit Agreement") among Verizon Communications Inc., as the Borrower, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

The undersigned, in [his][her] capacity as a[n] [Authorized Officer][Secretary][Assistant Secretary] of the Borrower, hereby certifies, as of the date first set forth above, that each of the conditions set forth in Sections 3.02(a), (d) (with respect to clause (i), to the knowledge of the undersigned based solely on [his][her] review of the certificate delivered by the Seller under Section 7.3(c) of the Transaction Agreement) and (e) have been satisfied.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Officer's Certificate as of the date first set forth above.

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

Officer's Certificate

FORM OF
NOTICE OF EXTENSION

, 201

JPMorgan Chase Bank, N.A.
as Administrative Agent for the Lenders
party to the Credit Agreement
referred to below

[]
[]

Attention:

Ladies and Gentlemen:

The undersigned, Verizon Communications Inc., refers to the Bridge Credit Agreement dated as of September 2, 2013 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”; the terms defined therein being used herein as therein defined), among the undersigned, certain Lenders parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent for the Lenders, and hereby gives you notice pursuant to Section 2.16 of the Credit Agreement that the undersigned hereby requests to extend the maturity of \$[AMOUNT] in principal amount of the Loans to the Extended Maturity Date.

[Signature Page Follows]

Form of Notice of Extension

Very truly yours,

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

Form of Notice of Extension

FORM OF
OFFICER'S CERTIFICATE

, 201

This Officer's Certificate is delivered pursuant to Section 2.16(d) of the Bridge Credit Agreement dated September 2, 2013 (the "Credit Agreement") among Verizon Communications Inc., as the Borrower, the Lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

The undersigned, in [his][her] capacity as an Authorized Officer of the Borrower, hereby certifies, as of the date first set forth above, that each of the following conditions have been satisfied:

1. No Event of Default has occurred and is continuing; and
2. The Specified Representations are true and correct in all material respects.

[Signature Page Follows]

Officer's Certificate (Extension of Maturity)

IN WITNESS WHEREOF, the undersigned has executed and delivered this Officer's Certificate as of the date first set forth above.

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

Officer's Certificate (Extension of Maturity)

DURATION FEES

<u>Duration Fee Payment Date</u> (Days since Funding Date)	<u>Aggregate Amount of Loans Outstanding</u>		
	Greater than \$20 Billion	Less than or Equal to \$20 Billion	Less than \$10 Billion
90	0.50%	0.125%	0.125%
180	0.75%	0.50%	0.125%
270	1.00%	0.75%	0.50%
Maturity Date	1.00%	1.00%	0.75%
450	1.00%	1.00%	0.75%
540	1.00%	1.00%	1.00%
630	N/A	1.00%	1.00%



NEWS RELEASE

FOR IMMEDIATE RELEASE

September 2, 2013

ADVERTISEMENT

This communication is deemed an advertisement for the purposes of the U.K. prospectus rules and is not a prospectus or a prospectus equivalent document. Any decision to subscribe for, purchase, otherwise acquire, sell or otherwise dispose of any Verizon Communications Inc. shares must be made only on the basis of the information contained in and incorporated by reference into the prospectus expected to be published by Verizon in connection with the proposed transaction. Copies of the prospectus will be available from Verizon's registered offices and on Verizon's website at www.Verizon.com/investor.

VERIZON REACHES AGREEMENT TO ACQUIRE VODAFONE'S 45 PERCENT INTEREST IN VERIZON WIRELESS FOR \$130 BILLION

*Transaction Provides Verizon with 100 Percent Ownership of Verizon Wireless
Enhances Ability to Provide Customers with Seamless and Integrated Services
Transaction Expected to be Immediately Accretive to Verizon's EPS
Verizon Board Authorizes 2.9 Percent Increase in Quarterly Dividend*

NEW YORK – Verizon Communications Inc. (NYSE, Nasdaq: VZ) today announced that it has entered into a definitive agreement with Vodafone Group Plc (London, Nasdaq: VOD) to acquire Vodafone's U.S. group with the principal asset of 45 percent of Verizon Wireless for \$130 billion, consisting primarily of cash and stock. Verizon expects the transaction at close to be immediately accretive to the company's EPS (earnings per share) by approximately 10 percent, without any one-time adjustments.

The transaction was unanimously approved by the boards of directors of Verizon and Vodafone, and is subject to customary closing conditions, including regulatory approvals and the approval of both companies' shareholders. The transaction is expected to close in the first quarter of 2014.

The transaction would provide Verizon with 100 percent ownership of the industry-leading wireless carrier in the United States. As a wholly owned entity, Verizon Wireless will be better equipped to take advantage of the changing competitive dynamics in the market and capitalize on the continuing evolution of consumer demand for wireless, video and broadband services.

Lowell McAdam, Verizon chairman and CEO, said: "Over the past 13 years, Verizon Wireless has been a key driver of our business strategy, and through our partnership with Vodafone, we have made Verizon Wireless into the premier wireless provider in the U.S. The capabilities to wirelessly stream video and broadband in 4G LTE complement our other assets in fiber, global IP and cloud. These assets position us for the rapidly increasing customer demand for video, machine to machine and big data. We are confident of further growth in wireless, and our business in its entirety."

McAdam continued: "This transaction will enhance value across platforms and allow Verizon to operate more efficiently, so we can continue to focus on producing more seamless and integrated products and solutions for our customers. We believe full ownership will provide increased opportunities in the enterprise and consumer wireline markets."

McAdam concluded: "Verizon Wireless is the greatest wireless company in the world, and a big part of this success was due to the hard work of both partners, Vodafone and Verizon. The timing was right to execute a transaction that benefits both companies and their shareholders. Today's announcement is a major milestone for Verizon, and we look forward to having full ownership of the industry leader in network performance, profitability and cash flow."

Vittorio Colao, Vodafone Group CEO, said: "This transaction allows both Vodafone and Verizon to execute on their long-term strategic objectives. Our two companies have had a long

and successful partnership and have grown Verizon Wireless into a market leader with great momentum. We wish Lowell and the Verizon team continuing success over the years ahead.”

Quarterly Dividend Increase

Demonstrating the importance of its dividend policy to deliver value for shareholders, Verizon also announced today that its Board of Directors has declared a quarterly dividend of 53 cents per outstanding share, an increase of 1.5 cents per share, or 2.9 percent, from the previous quarter. On an annual basis, this increases Verizon’s dividend 6 cents per share, from \$2.06 to \$2.12 per share.

Financing and Approvals

The transaction consideration of \$130 billion consists of a combination of cash, Verizon common stock and other items.

Verizon will pay Vodafone \$58.9 billion in cash. To fund this portion of the consideration, Verizon has entered into a fully executed \$61.0 billion Bridge Credit Agreement with J.P. Morgan Chase Bank, N.A., Morgan Stanley Senior Funding, Inc., Bank of America, N.A. and Barclays. Verizon intends to reduce the commitments under the Bridge Credit Agreement with the issuance of permanent financing. In addition, Verizon expects to maintain capital structure, balance sheet and financial policies consistent with investment-grade credit metrics, in part based on 100 percent access to Verizon Wireless’ cash flow.

Verizon will also issue common stock currently valued at approximately \$60.2 billion to be distributed to Vodafone shareholders, subject to a collar arrangement with a floor price of \$47.00 and a cap price of \$51.00 that will determine the maximum and minimum number of shares to be issued upon closing of the transaction. In addition, Verizon will issue \$5.0 billion in

notes payable to Vodafone, and Verizon will sell its 23.1 percent minority stake in Vodafone Omnitel N.V. to Vodafone for \$3.5 billion. The remaining \$2.5 billion of the transaction value will be a combination of other consideration.

Guggenheim Securities, LLC, J.P. Morgan Securities LLC, Morgan Stanley & Co. LLC and Paul J. Taubman served as lead financial advisors to Verizon, and J.P. Morgan Securities LLC and Morgan Stanley & Co. LLC also rendered fairness opinions in connection with the transaction. Barclays and BofA Merrill Lynch served as financial advisors to Verizon. Wachtell, Lipton, Rosen & Katz and Macfarlanes LLP are serving as transaction counsel to Verizon, and Debevoise & Plimpton LLP is advising Verizon on its debt financing.

Conference Call

Verizon executives will hold a conference call for investors and analysts to discuss further details of this transaction at 8 a.m. Eastern time tomorrow, September 3. There will also be a live webcast of the call on Verizon's Investor Relations website, www.verizon.com/investor, where presentation materials will be posted. Dial-in numbers are 888-455-3018 for domestic callers, and 773-799-3816 for international callers; the passcode is "VERIZON."

A replay of the webcast will be available within two hours after the call. The webcast will be accessible on Verizon's Investor Relations Web site, www.verizon.com/investor.

About Verizon Wireless

Founded in 2000 as a joint venture of Verizon and Vodafone, Verizon Wireless reported \$75.9 billion in operating revenues in 2012 and \$39.5 billion in the first half of 2013. Operating income margin was 28.7 percent in 2012 and 32.6 percent in the first half of 2013. EBITDA service margin (non-GAAP) was 46.6 percent in 2012 and 50.1 percent in the first half of 2013.

Verizon Wireless is the largest U.S. wireless company, with 100.1 million retail connections as of the end of the second quarter of 2013. It operates the country's largest 4G LTE (advanced wireless broadband) network, which, as of July 2013, was available to 301 million people in 500 markets across the U.S. As of the end of the second quarter of 2013, the company had 73,400 employees and operated more than 1,900 retail locations in the U.S.

Since 2000, Verizon Wireless has invested more than \$80 billion in its network, and the company has consistently led the industry in network reliability and customer loyalty.

NOTE: See www.verizon.com/investor for reconciliations to generally accepted accounting principles (GAAP) for non-GAAP financial measures cited in this document.

About Verizon

Verizon Communications Inc. (NYSE, Nasdaq: VZ), headquartered in New York, is a global leader in delivering broadband and other wireless and wireline communications services to consumer, business, government and wholesale customers. Verizon Wireless operates America's most reliable wireless network, with more than 100 million retail connections nationwide. Verizon also provides converged communications, information and entertainment services over America's most advanced fiber-optic network, and delivers integrated business solutions to customers in more than 150 countries. A Dow 30 company with nearly \$116 billion in 2012 revenues, Verizon employs a diverse workforce of 180,900. For more information, visit about.verizon.com.

FORWARD-LOOKING STATEMENTS

This communication contains statements about expected future events that are forward-looking and subject to risks and uncertainties. Forward-looking statements also include those preceded or followed by the words "anticipates," "believes," "estimates," "hopes" or similar expressions. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The following important factors could affect future results and could cause those results to differ materially from those

expressed in the forward-looking statements: failure to obtain applicable regulatory or shareholder approvals in a timely manner or otherwise; failure to satisfy other closing conditions to the proposed transaction or events giving rise to termination of the transaction agreement; adverse conditions in the U.S. and international economies; competition in our markets; material changes in available technology or technology substitution; disruption of our key suppliers' provisioning of products or services; changes in the regulatory environments in which we operate, including any increase in restrictions on our ability to operate our networks; breaches of network or information technology security, natural disasters, terrorist attacks or significant litigation and any resulting financial impact not covered by insurance; significantly increased levels of indebtedness as a result of the proposed transaction; an adverse change in the ratings afforded our debt securities by nationally accredited ratings organizations or adverse conditions in the credit markets affecting the cost, including interest rates, and/or availability of financing; changes in our accounting assumptions that regulatory agencies, including the SEC, may require or that result from changes in the accounting rules or their application, which could affect earnings; material adverse changes in labor matters, including labor negotiations, and any resulting financial and/or operational impact; significant increases in benefit plan costs or lower investment returns on plan assets; and the inability to implement our business strategies. The foregoing list of factors is not exhaustive and there can be no assurance that the proposed transaction will in fact be consummated. You should carefully consider the foregoing factors and the other risks and uncertainties that affect the parties' businesses, including those described in Verizon's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other documents filed from time to time with the Securities and Exchange Commission (the "SEC") and those described in Vodafone's Annual Reports, Reports of Foreign Private Issuer and other documents filed from time to time with the SEC. Except as required under applicable law, the parties do not assume any obligation to update these forward-looking statements.

NO OFFER OR SOLICITATION

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any offer or sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or pursuant to an exemption from the registration requirements thereof.

IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC

Verizon Communications Inc. will file with the SEC a registration statement on Form S-4 containing a prospectus with respect to the Verizon securities to be offered in the proposed transaction (the "prospectus") and a proxy statement (the "proxy statement") with respect to the special meeting of the Verizon shareholders in connection with the proposed transaction. **VODAFONE SHAREHOLDERS ARE URGED TO READ CAREFULLY THE PROSPECTUS AND VERIZON SHAREHOLDERS ARE URGED TO READ CAREFULLY THE PROXY STATEMENT, EACH TOGETHER WITH OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE SEC, IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS.** Investors and shareholders will be able to obtain free copies of the

prospectus, the proxy statement and other documents filed with the SEC by the parties through the website maintained by the SEC at www.sec.gov. In addition, investors and shareholders will be able to obtain free copies of the prospectus, the proxy statement and other documents filed with the SEC by Verizon by contacting Verizon's Assistant Corporate Secretary, Verizon Communications Inc., 140 West Street, 29th Floor, New York, New York 10007. These materials are also available on Verizon's website, at www.verizon.com/investor.

PARTICIPANTS IN THE SOLICITATION

Verizon, Vodafone and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Verizon in respect of the proposed transactions contemplated by proxy statement. Information regarding the persons who are, under the rules of the SEC, participants in the solicitation of the shareholders of Verizon in connection with the proposed transactions, including a description of their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement when it is filed with the SEC. Information regarding Verizon's directors and executive officers is contained in Verizon's Annual Report on Form 10-K for the year ended December 31, 2012 and its Proxy Statement on Schedule 14A, dated March 18, 2013, which are filed with the SEC. Information regarding Vodafone's directors and executive officers is contained in Vodafone's Annual Report on Form 20-F for the year ended December 31, 2012, which is filed with the SEC.

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Verizon Communications Inc.

Wireless Reconciliations

	(dollars in millions)	
	12 Months Ended 12/31/2012	6 Months Ended 6/30/13
Wireless Segment EBITDA		
Operating Income	\$ 21,768	\$12,882
Add: Depreciation and amortization expense	<u>7,960</u>	<u>4,053</u>
Wireless Segment EBITDA	<u><u>\$ 29,728</u></u>	<u><u>\$16,935</u></u>
Wireless total operating revenues	<u><u>\$ 75,868</u></u>	<u><u>\$39,499</u></u>
Wireless service revenues	<u><u>\$ 63,733</u></u>	<u><u>\$33,806</u></u>
Wireless Operating Income Margin	<u><u>28.7%</u></u>	<u><u>32.6%</u></u>
Wireless Segment EBITDA Service Margin	<u><u>46.6%</u></u>	<u><u>50.1%</u></u>

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On September 2, 2013, Verizon Communications Inc. (“Verizon”, the “Company”, or “we”) announced that it had entered into a definitive agreement to acquire Vodafone Group Plc’s (“Vodafone”) 45% indirect ownership interest (the “noncontrolling interest”) in Cellco Partnership d/b/a/ Verizon Wireless (“Verizon Wireless”) for consideration totaling approximately \$130 billion. The consideration to be paid to Vodafone will be primarily comprised of cash, Verizon common stock, the Seller Notes (defined below) and the value of Verizon’s existing investment in Vodafone Omnitel N.V. (“Vodafone Omnitel”).

In this document the term “Transaction” refers to the transactions described below, under the heading “Description of the Transaction.” The completion of the Transaction is subject to approval by the Verizon shareowners, the Vodafone shareowners and other closing conditions. There can be no guarantee that the conditions to closing will be satisfied or that the Transaction will be completed.

This document sets forth the following unaudited pro forma condensed consolidated financial statements of Verizon, giving pro forma effect to the Transaction:

- Unaudited Pro Forma Condensed Consolidated Statement of Income for the six months ended June 30, 2013
- Unaudited Pro Forma Condensed Consolidated Statement of Income for the year ended December 31, 2012
- Unaudited Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2013

We present the unaudited pro forma condensed consolidated financial information for informational and illustrative purposes in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”), including Article 11 of Regulation S-X under the Securities Act. Such information is preliminary and based on currently available information, assumptions and adjustments that we believe are reasonable, however the ultimate amounts recorded may be different. Our historical condensed consolidated financial information has been adjusted in the unaudited pro forma condensed financial information to give effect to pro forma events that are (1) directly attributable to the Transaction (2) factually supportable and (3) with respect to the statements of income, expected to have a continuing impact on the consolidated results.

The unaudited pro forma condensed consolidated statements of income for the year ended December 31, 2012 and for the six months ended June 30, 2013 give pro forma effect to the Transaction as if the Transaction had occurred on January 1, 2012. The unaudited pro forma condensed consolidated balance sheet gives pro forma effect to the Transaction as if the Transaction had occurred on June 30, 2013. This pro forma financial information is presented for illustrative purposes only, does not purport to be indicative of the operating results or financial position that would have actually been obtained if the Transaction had occurred on January 1, 2012 or June 30, 2013, respectively, and is not intended as a

projection of operating results or financial position that may be obtained in the future. The unaudited pro forma condensed consolidated financial information is based on and should be read in conjunction with the audited historical consolidated financial statements of Verizon as of December 31, 2012 and 2011 and for each of the years in the three-year period ended December 31, 2012 and the related notes, as well as the unaudited historical condensed consolidated financial statements of Verizon as of and for the six-month periods ended June 30, 2013 and 2012 and the related notes.

Description of the Transaction

Verizon is acquiring the noncontrolling interest in Verizon Wireless through the acquisition of the equity of a holding company which, through other holding companies, holds the noncontrolling interest in Verizon Wireless. The total consideration for the purchase of the noncontrolling interest in Verizon Wireless is expected to be comprised of the following (in millions):

Sources	Uses	
New Common Stock Issued	\$ 60,150	
New External Debt	60,526	
Seller Notes	<u>5,000</u>	
	<u>\$125,676</u>	
Other consideration:		
Preferred Stock	\$ 1,650	
Vodafone Omnitel	3,500	
Other	<u>814</u>	
	<u><u>\$131,640</u></u>	
	Uses	
	Cash paid to Vodafone	\$ 58,886
	Common stock issued to Vodafone shareowners	60,150
	Seller Notes	5,000
	Other	<u>5,964</u>
		<u><u>\$130,000</u></u>
	Debt incurrence costs, expenses & other	\$ 1,640
		<u><u>\$131,640</u></u>

The total cash expected to be paid to Vodafone of approximately \$58.9 billion, and the other expected costs of the Transaction, including financing, legal and bank fees, is expected to be financed through the incurrence of third-party indebtedness (see Note 4).

For a description of the expected issuance of Verizon common stock to Vodafone shareowners, refer to Note 3.

At the closing of the Transaction, Verizon expects to issue to Vodafone \$5.0 billion aggregate principal amount of variable rate senior unsecured notes (the “Seller Notes”) in two separate series of equal amounts with maturities of eight and eleven years (see Note 4).

Also included in the consideration paid to Vodafone is the value of Verizon’s existing investment in Vodafone Omnitel (see Note 5), and the assumption, by Verizon, of liabilities related to preferred stock previously issued by a Vodafone holding company that Verizon is acquiring as part of this Transaction (see Note 6).

As illustrated and described further below, we expect to receive certain other assets and assume or incur certain other liabilities that will also be accounted for as part of the Transaction.

Verizon Communications Inc. and Subsidiaries
 Unaudited Pro Forma Condensed Consolidated Statement of Income
 Six Months Ended June 30, 2013

(dollars in millions, except per share amounts)	As Reported	Adjustments	Pro Forma
Operating Revenues	\$ 59,206	\$ —	\$ 59,206
Cost of services and sales (exclusive of items shown below)	21,965	—	21,965
Selling, general and administrative expense	16,195	—	16,195
Depreciation and amortization expense	<u>8,269</u>	<u>—</u>	<u>8,269</u>
Total Operating Expense	46,429	—	46,429
Operating income	12,777	—	12,777
Equity in earnings of unconsolidated businesses	115	(119)	(4)
Other income, net	64	—	64
Interest expense	<u>(1,051)</u>	<u>(1,713)</u>	<u>(8b)</u>
Income Before Provision For Income Taxes	11,905	(1,832)	10,073
Provision for income taxes	<u>(1,852)</u>	<u>(1,506)</u>	<u>(8c)</u>
Net Income	<u><u>\$ 10,053</u></u>	<u><u>\$ (3,338)</u></u>	<u><u>\$ 6,715</u></u>
Net income attributable to noncontrolling interests	\$ 5,855	\$ (5,669)	\$ 186
Net income attributable to Verizon	4,198	2,331	(8e)
Net income	<u><u>\$ 10,053</u></u>	<u><u>\$ (3,338)</u></u>	<u><u>\$ 6,715</u></u>
Basic earnings per common share			
Net income attributable to Verizon	\$ 1.46		\$ 1.58
Weighted average shares outstanding (in millions)	2,866	1,270	(8f)
Diluted earnings per common share			
Net income attributable to Verizon	\$ 1.46		\$ 1.58
Weighted average shares outstanding (in millions)	2,873	1,270	(8f)
			4,143

See related footnotes, including corresponding note references

Verizon Communications Inc. and Subsidiaries
 Unaudited Pro Forma Condensed Consolidated Statement of Income
 Year Ended December 31, 2012

(dollars in millions, except per share amounts)	<u>As Reported</u>	<u>Adjustments</u>	<u>Pro Forma</u>
Operating Revenues	\$ 115,846	\$ —	\$ 115,846
Cost of services and sales (exclusive of items shown below)	46,275	—	46,275
Selling, general and administrative expense	39,951	—	39,951
Depreciation and amortization expense	<u>16,460</u>	<u>—</u>	<u>16,460</u>
Total Operating Expense	102,686	—	102,686
Operating income	13,160	—	13,160
Equity in earnings of unconsolidated businesses	324	(394) (8a)	(70)
Other income, net	(1,016)	—	(1,016)
Interest expense	<u>(2,571)</u>	<u>(3,427) (8b)</u>	<u>(5,998)</u>
Income Before Provision For Income Taxes	9,897	(3,821)	6,076
Provision for income taxes	<u>660</u>	<u>(2,283) (8c)</u>	<u>(1,623)</u>
Net Income	<u><u>\$ 10,557</u></u>	<u><u>\$ (6,104)</u></u>	<u><u>\$ 4,453</u></u>
Net income attributable to noncontrolling interests	\$ 9,682	\$ (9,400) (8d)	\$ 282
Net income attributable to Verizon	<u>875</u>	<u>3,296 (8e)</u>	<u>4,171</u>
Net income	<u><u>\$ 10,557</u></u>	<u><u>\$ (6,104)</u></u>	<u><u>\$ 4,453</u></u>
Basic earnings per common share			
Net income attributable to Verizon	\$ 0.31		\$ 1.01
Weighted average shares outstanding (in millions)	2,853	1,270 (8f)	4,123
Diluted earnings per common share			
Net income attributable to Verizon	\$ 0.31		\$ 1.01
Weighted average shares outstanding (in millions)	2,862	1,270 (8f)	4,132

See related footnotes, including corresponding note references

Verizon Communications Inc. and Subsidiaries
 Unaudited Pro Forma Condensed Consolidated Balance Sheet
 As of June 30, 2013

(dollars in millions)	As Reported	Adjustments	Pro Forma
Current Assets	\$ 21,957	\$ —	\$ 21,957
Plant, Property and Equipment, net	88,332	—	88,332
Wireless Licenses	75,825	—	75,825
Goodwill	24,336	—	24,336
Other Assets	<u>12,896</u>	1,153	(9a) <u>14,049</u>
Total Assets	<u>223,346</u>	<u>1,153</u>	<u>224,499</u>
Debt Maturing within one year	\$ 7,961	\$ —	\$ 7,961
Other Current Liabilities	21,230	—	21,230
Long-Term Debt	41,791	67,176	(9b) <u>108,967</u>
Other Long-Term Liabilities	65,208	14,850	(9c) <u>80,058</u>
Common Stock, Par	297	127	(9d) <u>424</u>
Contributed Capital	37,895	(29,942)	(9e) <u>7,953</u>
Other Equity	(4,131)	913	(9f) <u>(3,218)</u>
Noncontrolling Interest	<u>53,095</u>	<u>(51,971)</u>	(9g) <u>1,124</u>
Total Equity	<u>87,156</u>	<u>(80,873)</u>	<u>6,283</u>
Total Liabilities and Equity	<u>223,346</u>	<u>1,153</u>	<u>224,499</u>

See related footnotes, including corresponding note references

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information

1. Basis of Presentation

The unaudited pro forma condensed consolidated financial information is based on historical financial information, and it is prepared and presented pursuant to the rules and regulations of the SEC regarding pro forma financial information. The 2012 and 2013 unaudited pro forma condensed consolidated financial information includes financial information from our audited historical consolidated statement of income for the year ended December 31, 2012 and our unaudited historical condensed consolidated statement of income for the six months ended June 30, 2013, respectively. The unaudited pro forma condensed consolidated statements of income give pro forma effect to the Transaction as if the Transaction occurred on January 1, 2012. The unaudited pro forma condensed consolidated balance sheet as of June 30, 2013 includes financial information from our unaudited historical condensed consolidated balance sheet as of June 30, 2013 and gives pro forma effect to the Transaction as if the Transaction occurred on June 30, 2013. Our historical consolidated financial information is prepared in accordance with U.S. GAAP and has been adjusted in the unaudited pro forma condensed consolidated financial information to give effect to pro forma events that are (1) directly attributable to the

Transaction (2) factually supportable, and (3) with respect to the statements of income, expected to have a continuing impact on the consolidated results.

2. Acquisition of Noncontrolling Interest

In accordance with Accounting Standards Codification (ASC) Topic 810, Consolidation, changes in a parent's ownership interest while the parent retains a controlling financial interest in its subsidiary shall be accounted for as equity transactions. Therefore, remeasurement of assets and liabilities of previously controlled and consolidated subsidiaries is not permitted. The carrying amount of the noncontrolling interest is adjusted to reflect the change in Verizon's ownership interest in Verizon Wireless. Any difference between the fair value of the consideration paid and the amount by which the noncontrolling interest is adjusted is recognized in equity attributable to Verizon.

3. Issuance of Verizon Common Stock

As part of the consideration to be paid in connection with the Transaction, we have agreed to issue to Vodafone shareowners shares of Verizon common stock having an aggregate value of approximately \$60.2 billion. The number of shares to be issued is based on the market prices per share during a measurement period prior to closing and subject to collar provisions that will establish a minimum and maximum share price used to determine the number of shares to be issued. Based on the closing market price per share of Verizon's common stock of \$47.38 on August 30, 2013, a total of approximately 1,270 million shares would be issued, resulting in aggregate consideration associated with the issuance of Verizon common stock of approximately \$60.2 billion (including \$127 million attributable to par value). For the six months ended June 30, 2013, 2,866 million basic weighted-average shares of Verizon common stock were outstanding. Based on the number of basic weighted-average shares of Verizon common stock outstanding for the six months ended June 30, 2013, the expected additional issuance of 1,270 million shares would result in a pro forma amount of 4,136 million basic weighted-average shares outstanding.

Basic and diluted weighted average shares outstanding and earnings per share amounts have been adjusted in the pro forma condensed consolidated statements of income to reflect the expected additional issuance of 1,270 million shares of Verizon common stock as if the shares had been outstanding from January 1, 2012.

The actual number of shares to be issued will be determined by dividing approximately \$60.2 billion by a weighted average price of Verizon common shares during a measurement period prior to the closing date ("Calculation Price"). The Calculation Price will be bounded by a Verizon common share price collar spread between \$47.00 and \$51.00. Based on the collar, we expect to issue a minimum of 1,179 million shares and a maximum of 1,280 million shares. If the Calculation Price is less than \$47.00 or greater than \$51.00, we will issue shares based on a price of \$47.00 or \$51.00, respectively. The impact on earnings per share of the range of shares resulting from the possible share issuance scenarios within the spread of the collar is \$0.04 or \$0.02 for the six-month and twelve-month periods ended June 30, 2013 and December 31, 2012, respectively.

4. Incurrence of Indebtedness

In order to finance the Transaction, we expect to incur a variety of forms of indebtedness, in both domestic and foreign markets, consisting of fixed and variable rate debt with varying maturity dates. The pro forma adjustment to long-term debt in the aggregate principal amount of \$67.2 billion is based upon the amount of additional indebtedness that is expected to be outstanding at the closing of the Transaction and is assumed for purposes of the unaudited pro forma condensed consolidated financial information to include (1) \$1.65 billion of preferred stock (see Note 6), (2) borrowings under a Bridge Credit Agreement (see below), (3) a mix of fixed and variable rate bank and other third party indebtedness in U.S. and foreign denominations, and (4) Seller Notes in the amount of \$5.0 billion.

We have estimated a weighted-average interest rate excluding debt amortization of 4.9%, based on the current interest rate environment and the mix of outstanding indebtedness we expect to be outstanding, to develop the pro forma adjustments for interest expense included in the pro forma condensed consolidated statements of income. The rates at which we are able to borrow will be dependent upon market conditions at the date we close on the respective borrowings.

Additionally, we expect to incur fees of approximately \$1,090 million associated with the incurrence of indebtedness, which includes fees associated with the Bridge Credit Agreement. These fees will be capitalized as an asset and amortized over the contractual life of the underlying indebtedness. The amortization of fees related to the Bridge Credit Agreement, in the aggregate amount of approximately \$485 million, is excluded from the pro forma adjustments to the consolidated statements of income due to the short-term non-recurring nature of such fees.

Bridge Credit Agreement

On September 2, 2013, the Company entered into a \$61.0 billion Bridge Credit Agreement (the “Bridge Credit Agreement”) with JPMorgan Chase Bank, N.A., as administrative agent, and the lenders named therein. The Bridge Credit Agreement provides that the proceeds of the loans under the Bridge Credit Agreement shall be used to finance, in part, the Transaction and to pay related transaction costs. The obligation of the lenders to provide debt financing under the Bridge Credit Agreement is subject to certain limited conditions. The Bridge Credit Agreement is a 364-day term loan facility that will be available in a single drawing and will mature 364 days after the funding date.

The Bridge Credit Agreement has an available maturity extension of up to \$25.0 billion for an additional 364-day period, provided that no more than \$12.5 billion may be outstanding after 18 months. The Company expects to reduce commitments outstanding and repay loans drawn under the Bridge Credit Agreement primarily with proceeds from long-term financing. We expect a portion of the bridge financing to fund at closing, and to complete the refinancing of the facility with long-term financing during 2014. The interest rate per annum is a variable rate based upon a base rate or Eurodollar rate plus an applicable margin. We expect the applicable margin to increase after 90 days and at regular intervals thereafter. The Company will pay customary fees in connection with the Bridge Credit Agreement, including fees based on principal amounts outstanding starting after 90 days and at regular intervals thereafter.

Changes in interest rates

We will be exposed to market risks due to changes in interest rates associated with the fixed and variable rate debt that we expect to incur to finance the Transaction. We are also exposed to changes in interest rates on the variable rate debt subsequent to the date that such indebtedness is incurred. Based on the \$67.2 billion of additional indebtedness that we expect to have outstanding as of the closing date of the Transaction less the preferred stock, for which the rate is fixed, a 1/8th of 1% increase in interest rates would result in an \$82 million increase in annual interest expense.

Changes in foreign currency exchange rates

We are also exposed to market risks due to changes in foreign currency exchange rates as compared to the U.S. dollar associated with additional indebtedness denominated in foreign currencies. Based on the additional indebtedness denominated in foreign currencies that we currently expect to have outstanding as a result of the Transaction, a 5% increase or decrease in such exchange rates would result in a \$42 million change in annual interest expense on a U.S. dollar basis and a \$734 million gain or loss on the outstanding liabilities due to foreign exchange movements.

Hedging strategies

We have and may continue to enter into derivative transactions, such as cross currency swaps and interest rate swaps, to manage our exposure to fluctuations in foreign currency exchange rates and to achieve a targeted mix of fixed and variable rate indebtedness.

Debt Covenants

Our credit agreements contain covenants that are typical for large investment grade companies and transactions of this nature. These covenants include requirements to pay interest and principal in a timely fashion, pay taxes, maintain insurance, preserve our existence, keep appropriate books and records of financial transactions, maintain our properties, provide financial and other reports to our lenders, limit pledging and disposition of assets and mergers and consolidations, and other similar covenants. Additionally, the Bridge Credit Agreement will require us to maintain a Debt/EBITDA (as defined) ratio lower than or equal to 3.5:1, until our public credit ratings are equal to or higher than A3 and A-.

5. Vodafone Omnitel

Included in the consideration paid to Vodafone is the value of Verizon's existing equity method investment in Vodafone Omnitel. Subsidiaries of Verizon and Vodafone have entered into a separate stock purchase agreement with respect to the sale to Vodafone of Verizon's investment in Vodafone Omnitel. The completion of the sale of Verizon's existing investment in Vodafone Omnitel pursuant to that agreement is conditioned on receipt of the approval of the European Commission, among other conditions. Although completion of Verizon's acquisition of the noncontrolling interest in Verizon Wireless is not conditioned on completion of the sale to Vodafone of Verizon's investment in Vodafone Omnitel, the pro forma financial information presented in this document assumes that the transactions

close simultaneously. The sale of Verizon's investment in Vodafone Omnitel is conditioned on completion of Verizon's acquisition of the noncontrolling interest in Verizon Wireless.

The total selling price for Verizon's 23.1% interest in Vodafone Omnitel is \$3,500 million. In accordance with the accounting standard on equity method investments, we will recognize a gain or loss upon the disposition of the investment equal to the difference between the selling price, which represents the fair value of the investment at the Transaction closing date, and the carrying amount of the investment plus any translation gains or losses recorded in other comprehensive income. Based on the carrying value of our investment in Vodafone Omnitel of \$2,287 million as of June 30, 2013, cumulative foreign exchange translation adjustments of \$842 million that are currently classified in other comprehensive income, which will be recorded as a gain upon sale, and an estimated fair value of \$3,500 million, we would recognize a gain of approximately \$1,755 million after-tax. The final amount of gain will be determined at closing and will be based on the fair value, carrying value and translation gains or losses related to our investment in Vodafone Omnitel at that time. As the gain on sale is non-recurring in nature, its effect is excluded from the pro forma adjustments to the condensed consolidated statements of income. The pro forma statements of income include an adjustment to remove the historical equity method earnings.

6. Preferred Stock

Included in the consideration paid to Vodafone is the assumption of Series 5.143% Class D and Class E preferred stock, as described above under the heading *"Description of the Transaction."* Both the Class D (825,000 shares outstanding) and Class E shares (825,000 shares outstanding) are mandatorily redeemable in April 2020 at \$1,000 per share plus any accrued and unpaid dividends. Dividends accrue at 5.143% per annum and will be treated as interest expense. Both the Class D and Class E shares will be classified as liability instruments in accordance with ASC 480, Distinguishing Liabilities from Equity, and will be recorded at fair value as determined at the closing of the Transaction. We have estimated the fair value for purposes of the pro forma balance sheet to be \$1,650 million based on current market information.

7. Income Taxes

Deferred Tax Liabilities and Provision for Income Taxes

Certain deferred taxes directly attributable to the Transaction have been calculated based on an analysis of the tax basis of the investment in the noncontrolling interest that is assumed relative to our book basis. As a result, the Company expects to record an outside basis deferred tax liability of approximately \$12,500 million. Separately, the pro forma tax impact to the provision for income taxes in the pro forma statements of income is calculated based on an assumed statutory tax rate of 38.5%. The Company continues to analyze the Transaction to identify any further direct or indirect impacts on taxes and prior to closing, the Company may identify additional tax implications of the Transaction. Any additional items identified will be evaluated to determine if the tax impact should be recorded to equity or the statement of income.

Additional Tax Liabilities

We are analyzing the Transaction to identify any potential tax exposures related to historical tax positions taken by Vodafone. Vodafone has agreed to indemnify the Company for taxes attributable to pre-closing tax periods. Any unrecognized tax position assumed will be initially recorded as a liability and based on our initial review of the Transaction terms, we will be recording an offsetting asset for the indemnification from Vodafone. To the extent indemnified, future changes in the carrying value of the unrecognized tax position liability may be offset by an offsetting change to the indemnification asset, as long as the indemnification is deemed collectible. We will continue to analyze the Transaction, including the terms of the indemnification, to identify any further direct or indirect impacts on taxes. To the extent we identify additional tax implications of the Transaction terms prior to closing, they will be evaluated to determine if the tax impact should be recorded to equity or the income statement.

8. Adjustments to the Statement of Income

Following are the pro forma adjustments included in the unaudited pro forma condensed consolidated statements of income for the six months ended June 30, 2013 and the twelve months ended December 31, 2012:

- a. Equity in earnings of unconsolidated businesses – Adjustment to eliminate the historical equity in earnings, net of tax, related to the investment in Vodafone Omnitel (see Note 5).
- b. Interest expense – Adjustment to reflect interest expense associated with indebtedness expected to be incurred (see Note 4), the preferred dividend (see Note 6), and the amortization of certain debt incurrence costs based on the contractual life of the underlying indebtedness.
- c. Provision for income taxes – Adjustments to reflect changes in the provision for income taxes including:

Income Tax associated with additional income attributable to Verizon

As it relates to the consolidated statements of income, the historical condensed consolidated financial information provided for income taxes on income attributable to Verizon's 55% controlling interest in Verizon Wireless, but not on the income attributable to the 45% noncontrolling interest. Accordingly, the provision for income taxes was adjusted by \$2,149 million and \$3,569 million for the six months ended June 30, 2013 and the twelve months ended December 31, 2012, respectively, to reduce net income. These amounts represent the pro forma impact of the income taxes on the income attributable to the 45% noncontrolling interest acquired by Verizon. The pro forma adjustments to the provision for income taxes are partially offset by the income tax benefit associated with additional interest expense, as noted below. The amounts are calculated assuming a statutory income tax rate of 38.5%.

Income Tax benefit associated with interest expense

Adjustments of \$643 million and \$1,286 million for the six months ended June 30, 2013 and the twelve months ended December 31, 2012, respectively, represent the income tax benefit associated with the pro forma adjustments for interest expense assuming a statutory income tax rate of 38.5%.

- d. Net income attributable to noncontrolling interests – Adjustment to eliminate the net income attributable to noncontrolling interests, representing the noncontrolling interest in Verizon Wireless.
- e. Net income attributable to Verizon – Adjustment to reflect the sum of all other adjustments to the pro forma condensed consolidated statements of income on net income attributable to Verizon.
- f. Weighted average shares outstanding – Adjustment to reflect the expected issuance of 1,270 million shares of Verizon common stock to Vodafone shareowners within basic and diluted weighted average shares outstanding as if the shares had been outstanding from January 1, 2012.

9. Balance Sheet Adjustments

Following are the pro forma adjustments included in the unaudited pro forma condensed consolidated balance sheet as of June 30, 2013:

- a. Other assets – Adjustments to other assets is comprised of the following (in millions):

Deferred financing fees (see Note 4)	\$ 1,090
Disposition of investment in Vodafone Omnitel (see Note 5)	(2,287)
Indemnification Asset (see Note 7)	2,100
Other	250
Total	\$ 1,153

- b. Long-term debt – Adjustments to long-term debt are comprised of the following (in millions):

Incurrence of long-term debt (see Note 4)	\$ 65,526
Preferred stock (see Note 6)	1,650
Total (see Note 4)	\$ 67,176

- c. Other long term liabilities – Adjustment to reflect a \$12,500 million deferred tax liability based on an analysis of the tax basis of the investment in the noncontrolling interest that is assumed relative to our book basis, adjustment to reflect the approximate liability of \$2,100 million for unrecognized tax positions assumed by Verizon as part of the Transaction (see Note 7), and other estimated long-term liabilities assumed of \$250 million.

- d. Common stock – Adjustment to reflect the expected issuance of 1,270 million shares of Verizon common stock to Vodafone shareowners (\$.10 par value per share) (See Note 3).
- e. Contributed capital (“APIC”) – Adjustments to APIC are comprised of the following (in millions):

Tax related liabilities (see Note 7)	\$(12,500)
Issuance of Verizon common stock (see Note 3)	60,023
Transaction costs (estimated)	(250)
Consideration paid less carrying value of noncontrolling interest	(78,029)
Other	814
Total	\$(29,942)

The adjustment to APIC for the issuance of Verizon common stock totaling \$60,023 million is calculated based on the 1,270 million shares expected to be issued to Vodafone shareowners at \$47.38 per share less the amount recorded to common stock, par totaling \$127 million (\$.10 par value per share) (See Note 3).

We account for specific, direct, and incremental costs related to changes in Verizon’s ownership percentage while control is maintained as part of the equity transaction. Such costs may include investment banking and legal fees. As part of the Transaction, we estimate that we will incur such costs in the amount of \$250 million.

As described in Note 2, ASC Topic 810, Consolidation, requires that changes in a parent’s ownership interest while the parent retains its controlling financial interest in its subsidiary shall be accounted for as equity transactions. Accordingly, the adjustment reflected above totaling \$78,029 million is calculated as the estimated consideration paid of \$130 billion less the adjustment to noncontrolling interest of \$51,971 million (see Note 9g).

- f. Other equity – Adjustments to reflect the impact of items that are expected to be recognized in future earnings upon closing of the Transaction include the expected gain on the disposition of our investment in Vodafone Omnitel totaling \$1,755 million offset by the associated cumulative translation adjustment of \$842 million, which is already recorded in equity as accumulated other comprehensive income.
- g. Noncontrolling interest – Adjustment to reflect the elimination of the historical carrying value of Vodafone’s 45% noncontrolling interest in Verizon Wireless at June 30, 2013 of \$51,971 million.