TELESYSTEM INTERNATIONAL WIRELESS INC.

as Issuer

and

CCP OVERSEAS EQUITY PARTNERS I, L.P.

as Purchaser

CONVERTIBLE DEBENTURE PURCHASE AGREEMENT

February 29, 2000

STIKEMAN ELLIOTT

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TABLE OF CONTENTS

Page

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

ARTICLE 7

ACKNOWLEDGEMENTS OF THE PURCHASER

ARTICLE 8

PRE-CLOSING COVENANTS OF THE PARTIES

ARTICLE 9

CONDITIONS OF CLOSING

ARTICLE 10

CLOSING

ARTICLE 11

TERMINATION

ARTICLE 12

POST-CLOSING COVENANTS

ARTICLE 13

MISCELLANEOUS

CONVERTIBLE DEBENTURE PURCHASE AGREEMENT

Convertible Debenture Purchase Agreement dated as of February 29, 2000

Between

TELESYSTEM INTERNATIONAL WIRELESS INC.

(the "**Issuer**")

and

CCP OVERSEAS EQUITY PARTNERS I, L.P., a Delaware limited partnership

(the "**Purchaser**")

WHEREAS the Issuer, in reliance upon the representations, warranties and covenants of the Purchaser contained herein, has agreed to sell to the Purchaser and the Purchaser, in reliance upon the representations, warranties and covenants of the Issuer contained herein, has agreed to purchase from the Issuer US$150,000,000 aggregate principal amount of its 7.75% Convertible Debentures, Series B due 2010 (the "**Debentures**") pursuant to an Indenture in substantially the form attached hereto as Schedule "A" (the "**Indenture**");

NOW THEREFORE, in consideration of the premises and the mutual agreements contained in this Agreement and other valuable consideration (the receipt and adequacy of this consideration by each of the Parties are acknowledged), the Parties agree as follows:

ARTICLE 1

INTERPRETATION

Section 1.1 Defined Terms. As used in this Agreement including the recitals hereto, the following terms have the following meanings:

"**Affiliates**" means any Person directly or indirectly controlling, controlled by or under common control with any other Person. For the purpose of this definition, "**control**" means the power to direct (by contract or otherwise) the operations, policies or management of a Person.

"**Agreement**" means this Convertible Debenture Purchase Agreement and all schedules and instruments in amendment or confirmation of it; "**hereof**", "**hereto**" and "**hereunder**" and similar expressions mean and refer to this Agreement and not to any particular Article, Section, Subsection or other subdivision; "**Article**", "**Section**", "**Subsection**" or other subdivision of this Agreement followed by a number means and refers to the specified Article, Section, Subsection or other subdivision of this Agreement.

"Ancillary Agreements" means all agreements, certificates and other instruments delivered or given pursuant to this Agreement including, without limitation, the Indenture and the Debentures.

"**Assets**" means all property and assets of the Issuer, its Subsidiaries and its Associates of every nature and kind and wheresoever situate.

"Associates" means any Person in which the Issuer has a direct or indirect ownership interest of 5% or more, but shall not include any Person who is a Subsidiary of the Issuer.

"Authorization" means, with respect to any Person, any authorization, order, permit, approval, grant, licence, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree, or by-law, rule or regulation of any Governmental Entity, whether or not having the force of law, having jurisdiction over such Person.

"Business" means the business now being carried on by the Issuer, its Subsidiaries and its Associates consisting of the developing, acquiring, owning and operating of wireless telecommunications networks in various markets throughout the world.

"Business Day" means any day other than Saturday, Sunday or a day on which commercial banks are closed for business in Hong Kong, New York, New York or Montréal, Québec.

"Claim" means any claim or liability of any nature whatsoever, including any demand, obligation, liability, debt, cause of action, suit, proceeding, judgment, award, assessment or reassessment.

"Closing" means the completion of the transaction of purchase and sale of the Debentures pursuant to this Agreement.

"Closing Date" means, March 8, 2000 or such earlier or later date as the Parties may agree in writing.

"Closing Time" means 10:00 A.M. (Toronto Time) on the Closing Date or such other time as the Parties may agree.

"**Concurrent Purchase Debentures**" means the 7.75% Convertible Debentures, Series A due 2010 being purchased by U.F. Investments (Barbados) Limited (**"UFI"**) (or other Affiliates of UFI) at one or more Closings pursuant to a Convertible Debenture Purchase Agreement, dated as of February 29, 2000, between the Issuer and UFI and issued pursuant to an indenture (the **"Concurrent Purchase Indenture"**) to be dated the same date as the Indenture.

"Debentures" has the meaning specified in the recitals.

"Debenture Class" means the class of securities of the Issuer comprised of the Debentures and all debentures which may be issued by the Issuer concurrently herewith or in the future having characteristics which are substantially similar to the Debentures and includes, for greater certainty, the Concurrent Purchase Debentures.

"Environmental Laws" means all applicable federal, provincial, state, municipal, local or foreign laws (common or otherwise), statutes, regulations, orders, decrees, permits, licences, registrations, ordinances, approvals, or requirements or authorizations of any governmental or quasi-governmental authority or Laws relating to the environment, natural resources, occupational safety, health, product liability and transportation.

"Equity Subordinated Debenture Indenture" means the indenture dated as of February 15, 1999 between the Issuer and Montreal Trust Company of Canada providing for the issue of 7.00% Equity Subordinated Debentures due 2002.

"Financial Statements" means the audited consolidated financial statements for the year ended December 31, 1998 including the notes and US GAAP reconciliation thereto forming part of the Issuer's Annual Report and Form 20-F for the year ended December 31, 1998 together with the Issuer's unaudited interim consolidated financial statements for the quarters ending March 31, June 30 and September 30, 1999 together with the notes thereto.

"GAAP" means, at any time, accounting principles generally accepted in Canada as recommended in the Handbook of the Canadian Institute of Chartered Accountants at the relevant time applied on a consistent basis (except for changes approved by the Issuer's independent auditors in accordance with promulgations of the Canadian Institute of Chartered Accountants).

"Governmental Entity" means (i) any multinational, federal, national, provincial, state, municipal, local, foreign or other government, governmental or public department, central bank, court, tribunal, authority, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"Hazardous Substance" means any liquid, gaseous or solid matter, vibration, ray, heat, odour, radiation or energy which is or is deemed by Law to be, alone or in any combination, hazardous, hazardous waste, toxic, radioactive, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination under any Environmental Law, whether or not such substance is defined as hazardous under the Environmental Law or any other material or substance in any form whatsoever regulated, restricted or addressed under any Environmental Law.

"High Yield Debt" means the Issuer's 13¼% Senior Discount Notes due 2007 and its 10½% Senior Discount Notes due 2007.

"**Indenture**" has the meaning specified in the recitals hereto.

"**Interim Period**" means the period between the close of business on this date and the Closing Date.

"**Laws**" means all constitutions, statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, policies or guidelines having the force of law, or any provisions of the foregoing, including general principles of common and civil law and equity, binding on or affecting the Person referred to in the context in which such word is used.

"**material fact**" has the meaning ascribed to it in the *Securities Act* (Ontario) or under the 1933 Act.

"**Multiple Voting Shares**" means the shares, each of which carries 8.0874 votes, in the capital of the Issuer.

"**Nominee**" shall mean the nominee of the Purchaser to be appointed or elected to the board of directors of the Issuer in accordance with Section 12.1 hereof.

"**Ordinary Course**" means, with respect to an action taken by a Person, that such action is consistent with the past practices or customs of such Person having regard to the nature of its business at such prior time and is taken in the ordinary course of the normal day-to-day operations of the business of such Person.

"**Parties**" means the Purchaser, the Issuer and any other Person who may, by written joinder, become a party to this Agreement.

"**Person**" means a natural person, partnership, corporation, limited liability company, joint stock corporation, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

"**Preferred Shares**" means the preferred shares, without par value, issuable in series, in the capital of the Issuer.

"**Preliminary Prospectus**" has the meaning specified in 3.1(e).

"**Prospectus**" means the final prospectus to be prepared, certified and filed by the Issuer, relating to the distribution of the Debentures and Underlying Shares and any amendment or supplement thereto required to be filed with the Regulatory Authorities.

"**Purchase Price**" has the meaning specified in Section 2.2.

"**Qualification Date**" means the date upon which a receipt has been issued for the Prospectus by the last of the Regulatory Authorities of the Qualifying Provinces.

"Qualification Deadline" with respect to a Qualifying Province, means 5:00 p.m. (Toronto time) on April 30, 2000.

"Qualifying Province" means each of the provinces of Canada in which the Issuer is a reporting issuer (or the equivalent).

"Registration Rights Agreement" means the agreement to be dated the Closing Date among the holders of securities in the Debenture Class and others regulating their respective registration rights against the Issuer substantially in the form attached as Schedule "B" hereto.

"Regulatory Authority" or **"Regulatory Authorities"** means the securities commission or similar authority in each of the Qualifying Provinces.

"SEC" means the United States Securities and Exchange Commission or any successor entity.

"Securities Laws" means, collectively, the Securities Acts in the Qualifying Provinces and the rules and regulations made thereunder, together with applicable published policy statements and orders of the Regulatory Authority in those provinces and the by-laws, rules and regulations of The Toronto Stock Exchange and the Nasdaq National Market, the 1934 Act and the 1933 Act.

"Shares" means the Subordinate Voting Shares, each of which carries one vote, in the capital of the Issuer.

"Significant Subsidiary" means any Subsidiary or Associate that, together with its Subsidiaries and Associates, (i) for the most recent fiscal year of the Issuer, accounted for more than 10% of the consolidated revenues of the Issuer or (ii) as of the end of such fiscal year, was the owner of more than 10% of the consolidated Assets of the Issuer, all as set forth on the most recently available consolidated financial statement of the Issuer for such fiscal year.

"Subsidiary" means a corporation controlled by the Issuer, as the term **"control"** is defined in the *Canada Business Corporations Act* as in effect at the date hereof and without reference to any amendments thereto after the date hereof.

"TIW Group" means, collectively, the Issuer, its Subsidiaries and its Associates.

"Trustee" means The Bank of Nova Scotia Trust Company of New York.

"Underlying Shares" means the Shares into which the Purchaser has the right to convert the principal amount of the Debentures or to receive in lieu of principal or interest in accordance with the Indenture.

"US GAAP" means, at any time, accounting principles generally accepted in the United States of America at the relevant time applied on a consistent basis.

"1933 Act" means the United States Securities Act of 1933, as amended, the rules and regulations thereunder and interpretations thereof of the SEC.

"1934 Act" means the United States Securities Exchange Act of 1934, as amended, the rules and regulations thereunder and interpretations thereof of the SEC.

Section 1.2 Gender and Number. Any reference in this Agreement or any Ancillary Agreement to gender includes both genders and words importing the singular number only shall include the plural and vice versa.

Section 1.3 Headings, etc. The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

Section 1.4 Currency. All references in this Agreement or any Ancillary Agreement to dollars, unless otherwise specifically indicated, mean and refer to the lawful currency of the United States of America.

Section 1.5 Severability. If any provision of this Agreement shall be determined by an arbitrator or any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be severed from this Agreement and the remaining provisions shall continue in full force and effect.

Section 1.6 Entire Agreement. This Agreement together with the Ancillary Agreements constitutes the entire agreement between the Parties and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties relating to the subject matter hereof. If there is any conflict or inconsistency between the provisions of this Agreement and the provisions of any Ancillary Agreement, the provisions of this Agreement shall govern.

Section 1.7 Amendments. This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Issuer and the Purchaser.

Section 1.8 Inclusion. Where the word "including" or "includes" is used in this Agreement it means "including (or includes) without limitation".

Section 1.9 Accounting Terms. All accounting terms not specifically defined in this Agreement shall be interpreted in accordance with GAAP.

Section 1.10 Knowledge. Where any representation or warranty contained in this Agreement or any Ancillary Agreement is expressly qualified by reference to "the knowledge of the Issuer" or "the Issuer's Knowledge" or words of similar import, it shall be deemed to refer to the actual knowledge of any of (i) Chief Executive Officer, (ii) the President, Europe, (iii) the Vice-President, Finance and (iv) the General Counsel and Secretary of the Issuer. The Issuer confirms that it has made due and diligent inquiry of such Persons as it considers necessary as to the matters that are the subject of the representations and warranties.

ARTICLE 2

PURCHASED DEBENTURES AND PURCHASE PRICE

Section 2.1 Purchase and Sale. Subject to the terms and conditions hereof, the Issuer hereby agrees to issue and sell to the Purchaser and the Purchaser agrees to purchase from the Issuer the Debentures on the Closing Date.

Section 2.2 Purchase Price. The aggregate purchase price (the **"Purchase Price"**) payable by the Purchaser to the Issuer for the Debentures shall be US$150,000,000.

Section 2.3 Payment of the Purchase Price. At the Closing, the Purchaser shall pay the Purchase Price by wire transfer of immediately available funds to the Issuer.

ARTICLE 3

COVENANTS OF THE ISSUER

Section 3.1 Covenants of the Issuer. The Issuer covenants and agrees with the Purchaser that:

(a) Regulatory Exemptions. The Issuer will file or cause to be filed all forms or undertakings required to be filed by the Issuer in connection with the transactions contemplated by this Agreement and the Debentures so that the issuance and sale of the Debentures to the Purchaser may lawfully occur without the necessity of filing a prospectus in the Qualifying Provinces. The Issuer shall also use all commercially reasonable efforts to obtain, prior to the Closing, conditional listing approval in respect of the Underlying Shares and acceptance of its private placement notice from The Toronto Stock Exchange in respect of the transactions contemplated herein. All fees and other expenses payable in connection with such filings will be for the account of the Issuer.

(b) Debentures and Underlying Shares. The Debentures, when created and issued as provided for in the Indenture, will be valid and enforceable against the Issuer in accordance with their terms and, subject to the provisions of the Indenture, the Issuer will cause the Underlying Shares to be issued pursuant to the terms of the Indenture and the Debentures and the certificates representing such Underlying Shares to be duly issued and delivered as fully paid and non–assessable Shares.

(c) Reservation of Underlying Shares for Issue by the Issuer. At all times while the authorized capital of the Issuer is limited and any of the Debentures are outstanding, the Issuer shall reserve and there shall be conditionally allotted but unissued out of its authorized capital that number of Shares sufficient to enable the Issuer to meet its obligations and its contingent obligations under this Agreement and the Indenture.

(d) Preliminary Prospectus. The Issuer shall prepare and file, under the laws of the Qualifying Provinces, on or before April 15, 2000, and will use all commercially reasonable efforts to obtain receipts for, a preliminary prospectus (the **"Preliminary Prospectus"**) and will prepare and file all other documents relating to the first trade of the Debentures and Underlying Shares.

(e) Comments. The Issuer will use all commercially reasonable efforts to satisfy, as expeditiously as practicable, any comments with respect to the Preliminary Prospectus made by any of the Regulatory Authorities.

(f) Prospectus. The Issuer will, as soon as practicable after any comments referred to in Section 3.1(f) are satisfied and, in any event, on or before the Qualification Deadline, prepare and file, under the applicable laws of the Qualifying Provinces, a Prospectus and other related documents and will use all commercially reasonable efforts to expeditiously obtain receipts for the Prospectus from the Regulatory Authorities and take other commercially reasonable steps and proceedings that may be necessary in order to qualify, under the applicable laws of the Qualifying Provinces, the first trade of the Debentures and the Underlying Shares such that the Debentures and the Underlying Shares will, thereafter, be freely tradable without resale restrictions in the Qualifying Provinces unless the trade is made from the holdings of a person referred to in paragraph (c) of the definition of the term **"distribution"** in the *Securities Act* (Ontario) or analogous provisions of applicable securities legislation of any of the other Qualifying Provinces.

(g) Listing. The Issuer shall, if requested by the Purchaser, use all commercially reasonable efforts to provide for the listing of the Debentures on the Luxembourg Stock Exchange as soon as practicable.

(h) Use of Proceeds. The Issuer will reserve and apply a portion deemed prudent by the Issuer's board of directors of the amount of the net proceeds from the issue and sale of the Debentures to fund its proposed investment in respect of the license auction for the license under the Wireless Telegraphy Act 1998 (UK) for Third Generation Universal Mobile Telecommunications System in the United Kingdom (the **"License"**) and the Bidder and will apply the balance to any one or more of: reducing existing senior indebtedness including the High Yield Debt, funding capital expenditures, potential acquisitions and operating losses, servicing debt and for working capital; *provided*, however, that the Issuer will not use and does not intend to use such net proceeds for any of the following purposes:

(i) the payment of dividends or other distributions on any of its shares;

(ii) the return of capital to a shareholder of the Issuer; or

(iii) repayment of indebtedness to a shareholder of the Issuer that holds more than 5% of the Issuer's outstanding equity securities (other than payments with respect to any High Yield Debt it may own) or a Subsidiary or Associate of the Issuer.

(i) Consent of Underwriters and Lenders. The Issuer shall secure, prior to the Closing, the consent of CIBC World Markets Inc. (**"CIBC World Markets"**) under an underwriting agreement among the Issuer, CIBC and Goldman Sachs Canada, dated January 11, 2000 and, if required, the consent of Canadian Imperial Bank of Commerce (**"CIBC"**), as agent under the credit agreement dated as of July 15, 1999 among the Issuer, CIBC and other lenders party thereto to the issuance of the Debentures contemplated to be issued hereby and pursuant to the Concurrent Purchase Indenture.

(j) Available Information. The Issuer agrees that so long as the Debentures and the Underlying Shares may be deemed restricted securities or the Purchase may be deemed an affiliate of the Issuer within the meaning of Rule 144 under the 1933 Act, the Issuer will make and keep publicly available the information concerning the Issuer specified in clause (c) of Rule 144. If the Issuer is at any time neither subject to reporting under either Section 13 or 15(d) of the 1934 Act nor exempt from such reporting pursuant to Rule 12g3-(2)(b) under the 1934 Act, then the Issuer shall, upon request from the Purchaser in connection with a resale of Debentures or Underlying Shares in reliance on Rule 144A under the 1933 Act, furnish to the Purchaser and to prospective purchasers identified by the Purchaser, a disclosure document containing the following information:

(i) a brief statement of the nature of the Issuer business and the services offered by it;

(ii) the Issuer's audited financial statements (including the balance sheet and profit and loss and retained earnings statements) for the most recent two fiscal years; and

(iii) such other information as may reasonably be required or necessary to comply with the applicable law.

(k) Further Issues of Debentures. For a period of 180 days after the date hereof, (i) the Issuer shall not issue and sell additional securities in the Debenture Class, other than the Concurrent Purchase Debentures, to any Person or Persons in an aggregate principal amount in excess of US$150,000,000 without the Purchaser's prior consent and (ii) no issues and sales by the Issuer of the US$150,000,000 of additional securities referred to above shall be made to any non-financial investors without the Purchaser's prior consent, such consent not to be unreasonably withheld.

(l) Leverage Policies. The Issuer shall provide timely disclosure to the Purchaser in reasonable detail of its financial policy and proposed financing initiatives from time to time and, if the Purchaser believes that such policies and proposed initiatives may cause material harm to the financial condition and creditworthiness of the Issuer or any member of the TIW Group and may result in a material impairment of the value of the Debentures, then before acting on such policies and initiatives the Issuer shall first provide the Purchaser with an unfettered right to make representations regarding such policies and proposed initiatives to the Board of Directors and the Issuer's senior creditors.

(m) Most Favored Nation. For a period of 180 days from the date of this Agreement and, in the case of any securities placed on the Issuer's behalf by Chase Securities Inc. ("**CSI**"), during the pendancy CSI's mandate existing on the date of this Agreement, together with any extensions or renewals thereof, it will not, directly or indirectly, enter into or agree to enter into any financing transactions involving the issue and sale of securities similar to the Debentures, unless the terms of such financing transactions are each in all material respects no more favorable to the other party or parties thereto than the terms of the Indenture and the Debentures.

ARTICLE 4

[RESERVED]

ARTICLE 5

REPRESENTATIONS AND WARRANTIES OF THE ISSUER

Section 5.1 Representations and Warranties of the Issuer. The Issuer represents and warrants as follows to the Purchaser and acknowledges and confirms that the Purchaser is relying upon such representations and warranties in connection with the purchase by the Purchaser of the Debentures:

(a) Due Incorporation and Existence of the Issuer. The Issuer is a corporation incorporated and existing under the *Canada Business Corporations Act*.

(b) Corporate Power. The Issuer has the corporate power to own its property and to carry on its business as now being conducted by it and to enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party. The Issuer is duly qualified, licensed or registered to carry on business in the jurisdictions in which the nature of the Assets or the Business makes such qualification necessary or where the Issuer owns or leases any material Assets or conducts any material business.

(c) Authorized Capital. The authorized capital of the Issuer consists of an unlimited number of Shares, an unlimited number of Multiple Voting Shares and an unlimited number of Preferred Shares of which at the date hereof, and prior to giving effect to the issue of the Underlying Shares, 73,010,607 Shares, 3,848,664 Multiple Voting Shares and no Preferred Shares are issued and outstanding.

(d) Options, etc. Except (i) for the Purchaser's rights under the Debentures; (ii) for rights of the holders of the Concurrent Purchase Debentures, (iii) for conversion rights under the 7.00% Equity Subordinated Debentures due 2002, (iv) for preemptive and conversion rights under the Multiple Voting Shares, (v) for employees' and directors' stock options, (vi) as reflected in the Financial Statements, or (vii) as disclosed in Schedule 5.1(d), no Person has any option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement for the purchase, subscription, allotment or issuance of any of the unissued shares in the capital of the Issuer or of any securities of the Issuer.

(e) Dividends and Distributions. Except as disclosed in Schedule 5.11(e), since December 31, 1998, neither the Issuer nor any of its Subsidiaries or (to the Issuer's knowledge) its Associates has, directly or indirectly, declared or paid any dividends or declared or made any other distribution on any of its shares of any class and has not, directly or indirectly, redeemed, purchased or otherwise acquired any of its shares of any class or agreed to do so.

(f) Validity of Agreement. The Issuer has all necessary corporate power to enter into and perform its obligations under this Agreement and the Ancillary Agreements to which it is a party. The execution, and delivery and performance by the Issuer of this Agreement and the Ancillary Agreements to which the Issuer is a party and the consummation of the transactions contemplated hereby and thereby:

(i) have been duly authorized by all necessary corporate action on the part of the Issuer; and

(ii) except as disclosed in Section 3.1(j), do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation or a breach of, or a default under or give rise to a right of termination, greater rights or increased costs, amendment or cancellation or the acceleration of any obligation under (A) any charter or by-law instruments of the Issuer; (B) any material contracts or instruments to which the Issuer or any of its Subsidiaries or (to the Issuer's knowledge) its Associates is a party or by which any of them are bound; or (C) any Laws.

Each of this Agreement and any Ancillary Agreement to which the Issuer is a party or, following its execution and delivery thereof, will be a party, constitutes legal, valid and binding obligations of the Issuer enforceable against it in accordance with its terms, subject only to the following qualifications:

(i) an order of specific performance and an injunction are discretionary remedies and, in particular, may not be available where damages are considered an adequate remedy;

(ii) enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting the enforceability of creditors' rights; and

(iii) requirements of good faith, fair dealing and reasonableness.

(g) Intellectual Property. The Issuer and its Subsidiaries and (to the Issuer's knowledge), its Associates own or possess adequate enforceable rights to use all material patents, patent applications, trademarks, service marks, industrial designs, copyrights, trade secrets, processes or formulations used or proposed to be used in the conduct of the Business and have no knowledge of any infringement or violation of any of their respective rights in intellectual and industrial property and are not aware of any state of facts that casts doubt on the validity or enforceability of any such intellectual or industrial property rights the invalidity or unenforceability of which would have a material adverse effect on the Business of the TIW Group taken as a whole.

(h) Others' Intellectual Property. The Issuer is not aware of any claim of any infringement or breach by the Issuer or any Subsidiary or (to the Issuer's knowledge) any Associate of any industrial or intellectual property rights of any other Person, nor has the Issuer received any notice, nor is the Issuer otherwise aware, that the use of the business names, trademarks, servicemarks and other industrial or intellectual property of the Issuer or its Subsidiaries or (to the Issuer's knowledge) Associates infringes upon or breaches any industrial or intellectual property rights of any other Person the infringement or breach of which would have a material adverse effect on the Business of the TIW Group taken as a whole.

(i) Financial Statements. The Financial Statements have been prepared in accordance with GAAP applied on a basis consistent with those of previous fiscal years and present fairly in all material respects:

(i) the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial position of the Issuer, its Subsidiaries and its Associates as at the respective dates of the relevant statements; and

(ii) its the sales and earnings of the Issuer, its Subsidiaries and (to the Issuer's knowledge) its Associates during the periods covered thereby.

As at the date hereof, there are no material liabilities, absolute or contingent, of the Issuer, its Subsidiaries or (to the Issuer's knowledge) its Associates save and except for liabilities set forth in or contemplated by the Issuer's Audited Consolidated Financial Statements for the year ended December 31, 1998 and liabilities incurred in the Ordinary Course since the date of the Financial Statements. The financial statements of the Issuer set forth in the Issuer's Annual Report and its Form 20-F for the year ended December 31, 1998, comply in all material respects with the applicable requirements of Form 20-F of the 1934 Act.

True, correct and complete copies of the Financial Statements have been filed with the Ontario Securities Commission, the Commission des valeurs mobiliere du Québec and the SEC in the United States.

(j) Taxes. Each of the Issuer and its Subsidiaries and (to the Issuer's knowledge) its Associates has (i) filed or caused to be filed, within the times and within the manner prescribed by Law, all federal, provincial, local and foreign tax returns and tax reports which are required to be filed by or with respect to the Issuer and such Subsidiaries; (ii) paid all such taxes due and payable for which they are liable (except those being contested in good faith); (iii) established adequate reserves for all such taxes not yet due and payable; and (iv) do not have any tax deficiency or claims outstanding, assessed or proposed.

(k) Conduct of Business in Ordinary Course. Since December 31, 1998, the Business has been carried on in the Ordinary Course. The Assets of the Issuer and of each Subsidiary and (to the Issuer's knowledge) each Associate include all rights and property necessary to the conduct of the Business by the Issuer or such Subsidiary or such Associate substantially in the manner presently carried on by each such Person.

(l) Material Adverse Change. The Issuer is in material compliance with its timely disclosure obligations under the Securities Laws and, without limiting the generality of the foregoing, there has not occurred any material adverse change, financial or otherwise, in the assets, liabilities (contingent or otherwise), business, financial condition, capital or prospects of the TIW Group taken as a whole since the date of the Financial Statements, which has not been publicly disclosed or disclosed in writing to the Purchaser, and no transaction has been entered into by the Issuer or any of its Subsidiaries or (to the Issuer's knowledge) its Associates (other than in the Ordinary Course of business) which is or would be material to the Issuer and its Subsidiaries or Associates, on a consolidated basis, except as has been publicly disclosed or disclosed in writing to the Purchaser.

(m) Compliance with Laws. Each of the Issuer and its Subsidiaries and its Associates are conducting the Business in compliance with all Laws of each jurisdiction in which the Business is carried on, except for acts of non-compliance which, individually or in the aggregate, are not material to the TIW Group, taken as whole. Neither the Issuer nor any of its Subsidiaries or (to the Issuer's knowledge) its Associates has received notice of any pending investigation or review (other than in the Ordinary Course) by any Governmental Entity with respect to the Issuer, any of its Subsidiaries or (to the Issuer's knowledge) any of its Associates' businesses. To the best knowledge of the Issuer, no such investigation or review is threatened.

(n) Environmental Compliance. Each of the Issuer, its Subsidiaries and, to the knowledge of the Issuer, its Associates has and is conducting its Business in compliance in all material respects with all applicable Environmental Laws.

(o) Insurance. The Issuer and its Subsidiaries and (to the Issuer's knowledge) its Associates maintain insurance policies covering those aspects of the Business deemed prudent by its Board of Directors. All such policies of insurance coverage are in full force and effect. Neither the Issuer nor any Subsidiary nor (to the Issuer's knowledge) any Associate is in material default with respect to any of the provisions contained in any such insurance policies and none of the foregoing persons has not failed to give any notice or present any material claim under any such insurance policy in due and timely fashion.

(p) No Insolvency Proceedings. Neither the Issuer nor any Subsidiary nor any Associate has made any assignment for the benefit of its creditors nor has any receiving order been made against it under the *Bankruptcy and Insolvency Act* (Canada) or similar laws of any other jurisdiction, nor has any petition for such an order been served upon it, nor has it attempted to take the benefit of any legislation with respect to financially distressed debtors, nor, is it an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada) or under any applicable bankruptcy legislation, domestic or foreign.

(q) Authorizations. Each of the Issuer and its Subsidiaries and (to the Issuer's knowledge) its Associates owns, holds, possesses or lawfully uses in the operation of the Business, all Authorizations which are, in any manner, necessary for it to conduct the Business as now being conducted or for the ownership and use of the Assets in compliance with all applicable Laws. Each material Authorization is valid, subsisting and in good standing, neither the Issuer nor any Subsidiary nor (to the Issuer's knowledge) any Associate is in default or breach of any material Authorization and, no proceeding is pending or threatened to revoke or limit any material Authorization.

(r) Reporting Issuer. The Issuer is subject to the continuous disclosure requirements under the Securities Laws of certain of the Qualifying Provinces and is not on the list of defaulting reporting issuers maintained under the *Securities Act* (Ontario) or the *Securities*

Act (Québec). Since January 1, 1999, the Issuer has duly and in a timely manner filed and furnished all required filings and other materials to the SEC in accordance with applicable requirements of the 1934 Act and is eligible to use Form F-3 and/or Form F-10 for the registration of Debentures and Underlying Shares under the 1933 Act.

(s) Public Documents. Since December 31, 1998, the Issuer has filed all documents required to be filed by it pursuant to the Securities Laws and all such documents were, as of their respective dates, in compliance in all material respects with the Securities Laws and at the time filed did 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 therein, in light of the circumstances under which they were made, not misleading.

(t) Listing. The Shares are listed and posted for trading on The Toronto Stock Exchange and are quoted on the Nasdaq National Market.

(u) Regulation S. The Issuer is a "foreign private issuer" within the meaning of the 1934 Act, and to the best knowledge of the Issuer there is no substantial US market interest (as defined in Regulation S promulgated under the 1933 Act) in the Debentures or the Underlying Shares. Neither the Issuer, nor any Subsidiary nor (to the Issuer's knowledge) any of its Affiliates or Associates nor any Person acting on its or their behalf has engaged or will engage in any directed selling efforts (as defined in Regulation S promulgated under the 1933 Act) or any general solicitation or general advertising (as defined in Regulation D promulgated under the 1933 Act) in the United States in connection with the offer and sale of the Debentures and the Underlying Shares to the Purchaser. The sale of the Debentures hereunder is exempt from the registration and prospectus delivery requirements of the 1933 Act.

(v) Litigation. Neither the Issuer nor any of the Subsidiaries nor (to the Issuer's knowledge) any of the Associates is involved in litigation or regulatory proceedings which, if determined adversely, would reasonably be expected to have a material adverse effect on the TIW Group, taken as a whole.

(w) Neither the Issuer nor any Subsidiary nor (to the Issuer's knowledge) any Associate, is in breach of any material contract, including the High Yield Debt, the CIBC Credit Agreement or the Equity Subordinated Debenture Indenture.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Section 6.1 Representations and Warranties of the Purchaser. The Purchaser represents and warrants as follows to the Issuer and acknowledges and confirms that the Issuer is relying on such representations and warranties in connection with the sale by the Issuer of the Debentures:

(a) Due Incorporation and Existence. The Purchaser is a limited partnership organized and existing under the laws of the State of Delaware.

(b) Validity of Agreement. The Purchaser has all necessary corporate power to enter into and to perform its obligations under this Agreement and the Ancillary Agreements to which it is a party. The execution, delivery and performance by the Purchaser of this Agreement and the Ancillary Agreements to which it is a party and the consummation of the transactions contemplated thereby have been duly authorized by all necessary action on the part of the Purchaser. This Agreement and the Ancillary Agreements to which it is a party or upon their execution and delivery, will be a party constitute legal, valid and binding obligations of the Purchaser enforceable against it in accordance with their respective terms.

(c) Regulatory Filings. If required by the Securities Laws or the Issuer, the Purchaser will assist the Issuer in filing such reports, undertakings and other documents with respect to the issue of the Debentures or Underlying Shares as may be required by any securities commission or other regulatory authority.

(d) Resale in Accordance with Securities Laws. The Purchaser will not resell the Debentures or the Underlying Shares except in accordance with the provisions of applicable Securities Laws.

ARTICLE 7

ACKNOWLEDGEMENTS OF THE PURCHASER

Section 7.1 Acknowledgements of the Purchaser. The Purchaser acknowledges that:

(a) Resale Restrictions. The Debentures and Underlying Shares may be subject to resale or other transfer restrictions under Securities Laws, and the Purchaser, agrees to comply with all Securities Laws concerning any resale or other transfer of the Debentures or the Underlying Shares.

(b) Subject to Indenture. The Debentures are otherwise subject to the terms, conditions and provisions of the Indenture.

(c) No Registration under the 1933 Act. Subject to the provisions of the Registration Rights Agreement, neither the Debentures nor the Underlying Shares have been or will be registered under the 1933 Act or the securities laws of any state of the United States and may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. Person (as defined in Rule 902(o) of Regulation S promulgated under the 1933 Act) unless registered under the 1933 Act or an exemption from such registration requirements is available, and in any event in compliance with applicable state securities or "blue sky" laws.

(d) Debentures and the Underlying Shares. The Debentures and the Underlying Shares may be resold without registration under the 1933 Act only in certain limited circumstances if an exemption under the 1933 Act is available. In this respect, the Purchaser represents that it is acquiring such securities for its own account for investment and not with a view to distribution and that it is familiar with Rule 144 promulgated under the 1933 Act, as presently in effect, and understands the resale limitations imposed thereby and otherwise by the 1933 Act. The Purchaser further understands that, except as provided in the Registration Rights

Agreement, the Issuer has no obligation to file a registration statement with respect to the Debentures and the Underlying Shares.

(e) Accredited Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the 1933 Act. By reason of the Purchaser's business and financial experience, sophistication and knowledge, the Purchaser is capable of evaluating the risks and merits of the investment made pursuant to this Agreement. In this regard, it acknowledges that it has been afforded (i) access to information about the Issuer and its subsidiaries and associates and its financial condition, operations, business, property, management and prospects sufficient to enable it to evaluate its investment in the Debentures and (ii) the opportunity to ask questions as it deems necessary of, and to receive answers from, representatives of the Issuer concerning the terms and conditions of the offering of Debentures and the merits and risks of investing in the Debentures.

ARTICLE 8

PRE-CLOSING COVENANTS OF THE PARTIES

Section 8.1 Conduct of Business Prior to the Closing. During the Interim Period, the Issuer will conduct its Business in the Ordinary Course.

Section 8.2 Access to Information. (1) The Issuer shall (i) permit the Purchaser and its employees, agents, counsel, accountants or other representatives, between the date hereof and the Closing, without undue interference to the ordinary conduct of the Business, to have reasonable access during normal business hours and upon reasonable notice to (w) the premises of the Issuer, its Subsidiaries and Associates, (x) the Assets and, in particular to any information, including all books and records, (y) all contracts (subject to any applicable confidentiality restrictions, and (z) the senior personnel of the Issuer, its Subsidiaries and its Associates, and (ii) furnish to the Purchaser or its employees, agents, counsel, accountants or other representatives, such financial and operating data and other information with respect to the Assets and the Issuer as the Purchaser shall from time to time reasonably request.

(2) No investigations made by or on behalf of the Purchaser, whether under this Section 8.2 or any other provision of this Agreement or any Ancillary Agreement, shall have the effect of waiving, diminishing the scope of, or otherwise affecting any representation or warranty made in this Agreement or any Ancillary Agreement or any obligation of the Parties to consummate the transactions contemplated herein.

(3) The Purchaser acknowledges having signed a confidentiality agreement in the form of Schedule 8.2(3) and the Purchaser agrees to comply with such agreement in accordance with its terms.

Section 8.3 Action to Satisfy Closing Conditions. (1) The Issuer shall take all such actions as are within its power to control and use its best efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 9.1 including ensuring that during the Interim Period and at the Closing, there is no breach of any of its representations and warranties contained in Article 5.

(2) The Purchaser shall take all such actions as are within its power to control and to use its best efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 9.2 including ensuring that during the Interim Period and at the Closing, there is no material breach of any of its representations and warranties.

Section 8.4 Filing and Authorizations. (1) Each of the Issuer and the Purchaser, as promptly as practicable after the execution of this Agreement, will (i) make, or cause to be made, all such filings and submissions under all Laws applicable to it, as may be required for it to consummate the purchase and sale of the Debentures in accordance with the terms of this Agreement, (ii) use its best efforts to obtain, or cause to be obtained, all Authorizations necessary or advisable to be obtained by it in order to consummate such issue and sale, and (iii) use all reasonable efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfil its obligations under this Agreement. The Issuer and the Purchaser will coordinate and cooperate with one another in exchanging such information and supplying such assistance as may be reasonably requested by each in connection with the foregoing including, without limitation, providing each other with all notices and information supplied or filed with any Governmental Entity (except for notices and information which the Issuer or the Purchaser, in each case acting reasonably, considers highly confidential and sensitive which may be filed on a confidential basis), and all notices and correspondence received from any Governmental Entity.

(2) The Issuer shall use its best efforts to file and obtain acceptance of the Issuer's private placement notice by the Toronto Stock Exchange with respect to the securities to be issued and sold pursuant to this Agreement and the Ancillary Agreements. If the Issuer is unable to obtain such acceptance, then the parties shall negotiate in good faith to structure, create and issue (subject to regulatory approval) a new security or securities that have, in the sole judgment of the Purchaser, identical economic terms (including tax consequences) to those set forth herein and in the Ancillary Agreements and, with respect to all other material terms, such new securities shall be substantially equivalent in the sole judgment of the Purchaser.

Section 8.5 Notice of Untrue Representation or Warranty. The Issuer shall promptly notify the Purchaser, or, if applicable, the Purchaser shall promptly notify the Issuer, upon any representation or warranty made by it contained in this Agreement or any Ancillary Agreement becoming untrue or incorrect during the Interim Period and for the purposes of this Section 8.5 each representation and warranty shall be deemed to be given at and as of all times during the Interim Period. Any such notification shall set out particulars of the untrue or incorrect representation or warranty and details of any actions being taken by the Issuer or the Purchaser, as the case may be, to rectify that state of affairs.

Section 8.6 Exclusive Dealing. During the Interim Period, the Issuer shall not, directly or indirectly, solicit, initiate, or encourage any inquiries or proposals from, discuss or negotiate with, provide any non-public information to, or consider the merits of any inquiries or proposals from, any Person (other than Purchaser, or CEA) relating to any transaction involving the sale of any securities of the Issuer (other than as expressly permitted in this Agreement).

ARTICLE 9

CONDITIONS OF CLOSING

Section 9.1 Conditions for the Benefit of the Purchaser. The purchase and sale of the Debentures at the Closing is subject to the following conditions to be fulfilled or performed prior thereto, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) Truth of Representations and Warranties. The representations and warranties of the Issuer (and reading such representations and warranties without regard to any qualification of materiality or material adverse effect contained therein) contained in this Agreement or in any Ancillary Agreement shall be true and correct in all material respects as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Issuer shall have executed and delivered a certificate of a senior officer to that effect.

(b) Performance of Covenants. (i) The Issuer shall have fulfilled or complied with all covenants contained in this Agreement and in any Ancillary Agreement to be fulfilled or complied with by it at or prior to the Closing, and the Issuer shall have executed and delivered a certificate of a senior officer to that effect. (ii) The Purchaser shall be satisfied in its sole discretion with the satisfaction of the covenant contained in Section 8.4(2).

(c) Deliveries. The Issuer shall deliver or cause to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser, acting reasonably:

(i) the Debentures together with evidence satisfactory to the Purchaser that the Purchaser or its nominee(s) have been entered upon the registers of the Trustee as the holder of such Debentures;

(ii) certified copies of (i) the charter documents and by-laws of the Issuer, (ii) all resolutions of the board of directors of the Issuer approving the entering into and completion of the transaction contemplated by this Agreement and the Ancillary Agreements, and (iii) a list of the officers and directors authorized to sign agreements on behalf of the Issuer together with their specimen signatures;

(iii) a certificate of status, compliance, good standing or like certificate with respect to the Issuer issued by appropriate government officials of its jurisdiction of incorporation;

(iv) opinions of counsel to the Issuer substantially in the form set forth in Schedule 9.1(d)(iv) and subject to customary qualifications; and

(v) the executed Regulatory Side Letter, in the form to be reasonably agreed by the parties.

(d) Proceedings. All corporate proceedings to be taken in connection with the transactions contemplated in this Agreement and any Ancillary Agreement shall be reasonably satisfactory in form and substance to the Purchaser, acting reasonably, and the Purchaser shall have received copies of all instruments and other evidence as it may reasonably request in order to establish the consummation of such transactions and the taking of all necessary corporate proceedings in connection therewith.

(e) Concurrent Transactions. The issue and sale of the Concurrent Purchase Debentures to UFI shall have been completed.

Section 9.2 Conditions for the Benefit of the Issuer. The purchase and sale of the Debentures at the Closing is subject to the following conditions to be fulfilled or performed prior thereto, which conditions are for the exclusive benefit of the Issuer and may be waived, in whole or in part, by the Issuer in its sole discretion:

(a) Truth of Representations and Warranties. The representations and warranties of the Purchaser contained in this Agreement shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Purchaser shall have executed and delivered a certificate of a general partner to that effect. Upon delivery of such certificates, the representations and warranties of the Purchaser in Article 6 shall be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date; and

(b) Performance of Covenants. The Purchaser shall have fulfilled or complied with all covenants contained in this Agreement and in any Ancillary Agreement to be fulfilled or complied with by it at or prior to the Closing and the Purchaser shall have executed and delivered a certificate of a general partner to that effect;

ARTICLE 10

CLOSING

Section 10.1 Date, Time and Place of Closing. The completion of the transactions of purchase and sale contemplated by this Agreement shall take place at the offices of Stikeman Elliott, Suite 5300, Commerce Court West, Toronto, Ontario at 10:00 a.m. (Toronto time) on the Closing Date or at such other place, on such other date(s) and at such other time(s) as may be agreed upon in writing between the Issuer and the Purchaser.

Section 10.2 Closing Procedures. Subject to satisfaction or waiver by the relevant Party of the conditions of closing, at the Closing, the Issuer shall deliver actual possession of the Debentures to the Purchaser and upon such delivery the Purchaser shall pay or satisfy the Purchase Price in accordance with Section 2.2 and 2.3.

ARTICLE 11

TERMINATION

Section 11.1 Termination by Purchaser. If any of the conditions set forth in Section 9.1 have not been fulfilled or waived at or prior to the Closing or any obligation or covenant of the

Issuer to be performed at or prior to the Closing has not been observed or performed by such time, the Purchaser may terminate this Agreement by notice in writing to the Issuer, and in such event the Purchaser shall be released from all obligations hereunder save and except for its obligations under Section 8.2(3), which shall survive. Any such termination shall be without prejudice to the Issuer's liability for its failure to fulfill its obligations under this Agreement. If the Purchaser waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation, or covenant in whole or in part.

Section 11.2 Termination by Issuer. If any of the conditions set forth in Section 9.2 have not been fulfilled or waived at or prior to the Closing or any obligation or covenant of the Purchaser to be performed at or prior to the Closing has not been observed or performed by such time, the Issuer may terminate this Agreement by notice in writing to the Purchaser, and in such event the Issuer shall be released from all obligations hereunder save and except for its obligations under Section 8.2(3), which shall survive. Any such termination shall be without prejudice to the Purchaser's liability for its failure to fulfill its obligations, or the inaccuracy or untruth of any representation or warranty made, under this Agreement. If the Issuer waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.

Section 11.3 Other Termination Rights. This Agreement may, by notice in writing given prior to or on the Closing Date, be terminated by mutual consent of the Issuer and the Purchaser, and each Party shall be released from all obligations under this Agreement, save and except for its obligations under Section 8.2(3), which shall survive.

Section 11.4 Effect of Termination. Each Party's right of termination under this Article 11 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. Nothing in Article 11 shall limit or affect any other rights or causes of action either the Purchaser or the Issuer may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement.

ARTICLE 12

POST-CLOSING COVENANTS

Section 12.1 Purchaser's Nominee to the Board. The Issuer shall, if requested by the Purchaser, on or promptly following the Closing, procure that the Nominee is appointed to the Issuer's board of directors and, thereafter, the Issuer shall cause its management to include in any management proxy circular, or other material distributed to holders of Shares for the purpose of soliciting proxies from such holders, a statement to the effect that it is the intention of management to vote the proxies held by management's designee, for the purpose of electing the Nominee (who shall be named by the Purchaser in advance of the publication of the materials referred to above) to the board of directors of the Issuer at any meeting of holders of Shares held in respect of which such proxies are solicited. The Issuer shall procure that, at any such meeting, all proxies held by management's designee shall be voted in accordance with such intention and to reasonably do all other things which are necessarily required to elect the Nominee to such board. The Issuer, when requested by the Purchaser, shall promptly procure the appointment and nomination for election to the board of directors of the Issuer of such other nominee as may be designated by the Purchaser in substitution for any Nominee who is no longer willing or able to serve as a director.

The obligations of the Issuer in this Section 12.1 shall exist for as long as the Purchaser owns at least 50% of the Debentures purchased by it hereunder.

Section 12.2 Amendment of Indenture. For greater certainty, the Purchaser's consent must be obtained prior to the creation of a new indenture for the creation of securities belonging to the Debenture Class in any principal amount in excess of US$150,000,000 on or prior to the 180th day following the date hereof.

Section 12.3 Reporting Issuer Status. The Issuer agrees that so long as the Debentures shall remain outstanding, it shall use its best efforts to maintain its status as a "reporting issuer" (or the equivalent) under applicable Canadian Securities Laws and not be in default of its obligations thereunder.

Section 12.4 Hart-Scott- Rodino Filing. The Issuer shall cooperate with the Purchaser in complying with the requirements of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**Act**"), including filing, upon the Purchaser's request, any Premerger Notification and Report Form required of the Issuer with the Federal Trade Commission and the Department of Justice and shall pay the filing fee on behalf of the Purchaser, or shall reimburse the Purchaser for the amount of such filing fee.

ARTICLE 13

MISCELLANEOUS

Section 13.1 Survival. The representations and warranties contained in this Agreement or in any Ancillary Agreement will survive the completion of the transactions herein contemplated unless otherwise noted herein and, notwithstanding any investigation made by or on behalf of the Purchaser, will continue in full force and effect for the benefit of the Purchaser or the Issuer, as the case may be, unaffected by any subsequent disposition of the Debentures or any of them for a period of five (5) years. The covenants contained herein will survive the completion of this transaction, unless otherwise noted herein.

Section 13.2 Notices. Any notice, direction or other communication to be given under this Agreement or any Ancillary Agreement shall be in writing and given by delivering it or sending it by telecopy or other similar form of recorded communication addressed:

(a) if to the Issuer, to it at:

1000 de la Gauchetière Street West
16th Floor
Montréal, Québec H3B 4W5
Attention: Vice President, Finance and the General Counsel
Telephone: (514) 673-8497
Telecopier: (514) 673-8470

(b) if to the Purchaser, to it at:

CCP Overseas Equity Partners I, L.P.
c/o Chase Capital Partners
380 Madison Avenue
New York, NY 10017
Attention: Michael R. Hannon
Telephone: 212 622-3100
Telecopier: 212 622-3101

(c) with a copy to:

O'Sullivan Graev & Karabell, LLP
30 Rockefeller Plaza
New York, NY 10018
Attention: Harvey M. Eisenberg, Esq.
Telephone: 212 408-2400
Telecopier: 212 728-5950

Any such communication shall be deemed to have been validly and effectively given (i) if personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (local time in the place of the recipient) and otherwise on the next Business Day, or (ii) if transmitted by telecopy or similar means of recorded communication on the Business Day following the date of transmission. Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

Section 13.3 Time of the Essence. Time shall be of the essence of this Agreement.

Section 13.4 Brokers. Each Party hereby represents, warrants to and covenants with the other Party that no brokers, agents or other intermediaries, other than in the case of the Issuer Chase Securities Inc. ("CSI") have been retained by that Party in connection with the transaction of purchase and sale contemplated by this Agreement and that it shall be solely responsible for the payments of any fees, commissions, charges or other expenses of each such agent.

Section 13.5 Third Party Beneficiaries. Each Party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person, other than the Parties hereto, and no Person, other than the Parties hereto, will be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

Section 13.6 Expenses. The Issuer shall be responsible for and promptly pay any and all reasonable out-of-pocket costs (including reasonable fees and disbursements of legal counsel) incurred by the Purchaser in connection with the preparation, execution and delivery of this Agreement and the Ancillary Agreements.

Section 13.7 Enurement. This Agreement shall enure to the benefit of and be binding upon the Parties, their successors and any permitted assigns. This Agreement may only be assigned to any Affiliate of the Purchaser.

Section 13.8 Waiver. No waiver of any of the provisions of this Agreement or any Ancillary Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar); nor shall such waiver be binding unless executed in writing by the Party to be bound by the waiver.

Section 13.9 Governing Law. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE DOMESTIC LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OR CONFLICTING PROVISION OR RULE (WHETHER OF THE STATE OF NEW YORK, OR ANY OTHER JURISDICTION) THAT WOULD CAUSE THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK TO BE APPLIED. IN FURTHERANCE OF THE FOREGOING, THE INTERNAL LAW OF THE STATE OF NEW YORK WILL CONTROL THE INTERPRETATION AND CONSTRUCTION OF THIS AGREEMENT, EVEN IF UNDER SUCH JURISDICTION'S CHOICE OF LAW OR CONFLICT OF LAW ANALYSIS, THE SUBSTANTIVE LAW OF SOME OTHER JURISDICTION WOULD ORDINARILY APPLY. ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY RELATED DOCUMENT MAY BE BROUGHT EXCLUSIVELY IN EITHER THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK OR IN THE COURTS OF COMPETENT JURISDICTION OF THE PROVINCE OF QUEBEC AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY HERETO HEREBY IRREVOCABLY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY AND ASSETS, GENERALLY AND UNCONDITIONALLY THE JURISDICTION OF THE AFORESAID COURTS.

Section 13.10 Waiver of Jury Trial. BECAUSE DISPUTES ARISING IN CONNECTION WITH COMPLEX FINANCIAL TRANSACTIONS ARE MOST QUICKLY AND ECONOMICALLY RESOLVED BY AN EXPERIENCED AND EXPERT PERSON AND THE PARTIES WISH APPLICABLE LAWS TO APPLY (RATHER THAN ARBITRATION RULES), THE PARTIES DESIRE THAT THEIR DISPUTES BE RESOLVED BY A JUDGE APPLYING SUCH APPLICABLE LAWS. THEREFORE, TO ACHIEVE THE BEST COMBINATION OF THE BENEFITS OF THE JUDICIAL SYSTEM AND OF ARBITRATION, THE PARTIES HERETO WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING BROUGHT TO ENFORCE OR DEFEND

ANY RIGHTS OR REMEDIES UNDER THIS AGREEMENT OR ANY DOCUMENTS RELATED HERETO.

Section 13.11 Conversion of Currency. The parties covenant and agree that the following provisions shall apply to conversion of currency in the case of this Agreement:

(a) (i) If, for the purpose of obtaining judgement in, or enforcing the judgment of, any court in any country against a Party (the "**Debtor**"), it becomes necessary to convert into any other currency (the "**judgment currency**") an amount due in U.S. Dollars, then the conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which the judgment is given or the order of enforcement is made, as the case may be (unless a court shall otherwise determine).

(ii) If there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgement is given or an order of enforcement is made, as the case may be (or such other date as a court shall determine), and the date of receipt of the amount due, the Debtor will pay such additional (or, as the case may be, such lesser) amount, if any, as may be necessary so that the amount paid in the judgment currency when converted at the rate of exchange prevailing on the date of receipt will produce the amount in U.S. Dollars originally due.

(b) In the event of the winding-up of the Debtor at any time while any amount or damages owing under this Agreement or any Ancillary agreement, or any judgment or order rendered in respect thereof, shall remain outstanding, the Debtor shall indemnify and hold the Holders and the Trustee harmless against any deficiency arising or resulting from any variation in rates of exchange between (1) the date as of which the equivalent of the amount in U.S. Dollars due or contingently due under this Agreement (other than this Subsection (b)) is calculated for the purposes of such winding-up and (2) the final date for the filings of proofs of claim in the winding-up. For the purpose of this Subsection (b), the final date for the filing of proofs of claim in the winding-up of the Debtor shall be the date fixed by the liquidator or otherwise in accordance with the relevant provisions of applicable law as being the latest practicable date as at which liabilities of the Debtor may be ascertained for such winding-up prior to payment by the liquidator or otherwise in respect thereto.

(c) The obligations contained in Subsections (a) (ii) and (b) of this Section 13.11 shall constitute separate and independent obligations of the Debtor from its other obligations under this Agreement, shall give rise to separate and independent cause of action against the Debtor, shall apply irrespective of any waiver or extension granted by the other Party from time to time (except with respect to a waiver of the Debtor's obligations under this Section 13.11) and shall continue in full force and effect notwithstanding any judgment or order or the filing of any proof of claim in the winding-up of the Debtor for a liquidated sum in respect of amounts due hereunder (other than under Subsection (b) above) or under any such judgment or order. Any such deficiency as aforesaid shall be deemed to constitute a loss suffered by the other Party and no proof or evidence of any actual loss shall be required by the other Party or the liquidator or otherwise or any of them. In the case of Subsection (b) above, the amount of such deficiency shall not be deemed to be reduced by any variation in rates of exchange occurring between the said final date and the date of any liquidating distribution.

(d) The term "rate(s) of exchange" shall mean the Official Noon Spot Rate quoted by the Bank of Canada at 12:00 noon (Montreal time) for purchases of U.S. Dollars with the judgment currency other than U.S. Dollars referred to in Subsections (a) and (b) above and includes any premiums and costs of exchange payable.

Section 13.12 Entire Agreement. This Agreement and the Ancillary Agreements, including the exhibits, schedules, and other documents referred to herein and therein which form a part hereof and thereof, contain the entire understanding of the parties hereto with respect to the subject matter contained herein and therein. This Agreement and the Ancillary Agreements supersede all prior agreements and understandings between the parties with respect to such subject matter.

Section 13.13 Announcements. Except as required by applicable laws, or as required by any competent Governmental Entity, or in accordance with the requirements of any stock exchange on which a Party's securities are listed, neither Party shall make any public statement with respect to this Agreement, any Ancillary Agreements or the Debentures without the prior approval of the other. The Parties agree to consult with each other prior to issuing each public announcement or statement with respect to this Agreement or the Ancillary Agreements.

Section 13.14 Counterparts. This Agreement may be executed in any number of counterparts, including by facsimile, and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their respective duly authorized officers.

TELESYSTEM INTERNATIONAL WIRELESS INC.

By: ______________________
Authorized Signing Officer

By: ______________________
Authorized Signing Officer

CCP OVERSEAS EQUITY PARTNERS I, L. P.

By: Chase Capital Partners,
its General Partner

By: ______________________
Name: Michael R. Hannon
Title: General Partner

SCHEDULE "A"

[FORM OF TRUST INDENTURE]

[See Tab 11]

SCHEDULE 8.2(3)

[FORM OF CONFIDENTIALITY AGREEMENT]

SCHEDULE 5.1(d)

DETAILS OF OPTIONS, ETC.

1. Shares reserved for issuance under the Issuer's Employee Stock Option Plan – 5,934,735.

2. Shares reserved for issuance under the Issuer's Directors Stock Option Plan – 395,939.

3. The right of exchange under the Shareholders Agreement for TIW Asia dated November 1999.

4. Minimum dividend payment obligations relating to the Brazilian A Band Associates.

5. The option arrangements with Baron von Ribbentrop, et.al.

6. Pre-emptive and conversion rights attaching to the Multiple Voting Shares.

information or (ii) a person acting as an advisor to HWL or its co-investor, Chase Capital Partners in connection with such potential investment, except (a) with the consent of the Company or (b) pursuant to a subpoena or similar process, order, statute, rule or other legal requirement promulgated or imposed by a court or by a judicial, regulatory, self-regulatory or legislative body, organization, agency or committee or otherwise in connection with any judicial or administrative proceeding (including, in response to oral questions, interrogatories or requests for information or documents) in which an HWL Entity is involved.

If Confidential Information is to be disclosed pursuant to (b) of the foregoing paragraph, HWL shall promptly notify the Company and cooperate with the Company to the extent legally permissible if it should seek to obtain an order or other reliable assurance that confidential treatment will be accorded to designated portions of the Confidential Information. HWL shall be entitled to reimbursement from the Company for reasonable expenses incurred by it or any other HWL Entity, including the fees and expenses of counsel, in connection with any action taken pursuant to this paragraph.

Information will not be deemed Confidential Information if it (i) was already available to, or in the possession of, HWL prior to its disclosure by, or at the direction of, the Company in connection with HWL's evaluation of a potential investment in the Company, (ii) is or becomes available in the public domain on or after the date hereof (other than as a result of a disclosure by any HWL Entity or any of its advisors), or (iii) is not acquired from a person known by HWL to be in breach of an obligation of confidentiality to the Company.

All written Confidential Information supplied by the Company to HWL in connection with the evaluation of a potential investment by HWL or its affiliates in the Investment and all copies or translations thereof made by HWL (excluding the Documents) shall, upon written request by the Company, be destroyed by HWL, returned by HWL to the Company, or, at the election of HWL, retained in accordance with the terms of this agreement.

HWL agrees that the Company, without prejudice to any rights to judicial relief it may otherwise have, shall be entitled to seek equitable relief, including injunction, in the event of a breach of any provisions of this agreement and that HWL will not resist such application for relief on the basis that the Company has an adequate remedy at law.

HWL acknowledges that the Company has endeavoured to include in the Confidential Information known to it which it believes to be relevant for the purpose of HWL's investigation. HWL acknowledges that neither the Company nor any of its representatives or advisors have made or make any representation or warranty under this letter as to the accuracy or completeness of the Confidential Information and shall have no liability to HWL or to any HWL Entity resulting from their use of the Confidential Information.

The provisions of this agreement shall remain in effect until the earlier of the date (i) that such information is no longer Confidential Information and (ii) that is two years from the date of the execution of this agreement.

22nd Floor, Hutchison House
10 Harcourt Road
Hong Kong
Telex 73176 HWLHK HX
Tel: (852) 2128 1188
Fax: (852) 2128 1705

Hutchison Whampoa Limited

21st February, 2000

Telesystem International Wireless Inc.
1000 de la Gauchetière ouest, 16è étage,
Montréal, Québec
H3B 4W5 Canada

Attention: Ms. Margriet Zwarts

Dear Sirs,

Re: Confidentiality Agreement

Certain non-public, confidential, proprietary information ("Confidential Information") will be furnished orally or in writing to Hutchison Whampoa Limited ("HWL") by Telesystem International Wireless Inc. (the "Company") in connection with a potential investment in the Company (the "Investment"). For purposes of this agreement, Confidential Information shall include any memoranda, notes, analyses, reports, compilations or studies prepared by the Company or such affiliates that contain or are derived from such information (the "Documents").

Each of HWL and the Company acknowledge and agree that the Company shall not disclose to HWL any information concerning the price, business plan or auction strategy in the bid by the Company's subsidiary, TIW UMTS (UK) Ltd., in an auction for a third generation mobile telecommunications licence being conducted pursuant to the Wireless Telegraph (Third Generation Licences) Notice 1999 in any circumstance where the disclosure of such information would disqualify TIW UMTS (UK) Ltd. from bidding for, or being awarded, a third generation licence.

HWL agrees, and shall cause the HWL Entities (as hereinafter defined), to use the Confidential Information only for purposes of evaluating a potential investment in the Company and not to disclose any Confidential Information or the fact that discussions or negotiations are taking place concerning the subject of such a potential investment to any person who is not (i) an affiliate of HWL or a partner, director, officer or employee of HWL or its affiliates (HWL and such persons and affiliates are hereinafter collectively referred to as "HWL Entities") who is involved in such potential investment, who is consulted with respect to such potential investment, or who HWL determines otherwise needs to know such

Very truly yours,
Hutchison Whampoa Limited

Per: ______________________
Authorized Signatory

Agreed and acknowledged this 21st day of February, 2000.

Telesystem International Wireless Inc.

Per: ______________________
Authorized Signatory

SCHEDULE 9.1(d)(iv)

New York Opinion

1. The Indenture has been duly authorized, executed and delivered by the Issuer and assuming due authorization, execution and delivery by the Trustee, constitutes a valid and legally binding instrument of the Issuer , enforceable in accordance with its terms.

2. The Purchase Agreement has been duly authorized, executed and delivered by the Issuer and assuming due authorization, execution and delivery by the Purchaser, constitutes a valid and legally binding instrument of the Issuer, enforceable in accordance with its terms.

3. The Debentures have been duly authorized and executed by the Company and assuming due authentication by the Trustee, will be duly issued and delivered and constitute a valid and legally binding obligation of the Issuer, entitled to the benefits of the Indenture and enforceable against the Issuer in accordance with their terms.

4. Neither the execution and delivery by the Issuer of the Indenture, the Purchase Agreement and the Debentures, nor the consummation of the transactions contemplated therein will contravene any provision of New York law applicable to the Company.

5. Neither the execution and delivery by the Company of the Ancillary Agreements to which the Company is a party, nor the consummation of the transaction contemplated therein will contravene any provision of New York law applicable to the Issuer.

6. No consent, approval, authorization, filing with or order of any New York court or governmental agency or body is required in connection with the due authorization, execution and delivery of the Indenture, the Purchase Agreement, the Debentures and the Ancillary Agreements by the Issuer, or for the offering, issuance, sale or delivery of the Debentures in accordance with the terms of the Purchase Agreement.

Canadian Opinion

1. The Issuer is a corporation incorporated and existing under the Canada Business Corporations Act and has the corporate power to carry on the Business now being conducted by it and to enter into and perform its obligations under the Purchase Agreement, the Indenture and the Debentures.

2. The execution and delivery of and performance by the Issuer of the Purchase Agreement, the Indenture and the Debentures and the transactions contemplated thereby have been authorized by all necessary corporate action on the part of the Issuer.

3. The execution, delivery and performance by the Issuer of the Purchase Agreement, the Indenture and the Debentures do not (or would not with the passage of time or the giving of notice, or both) constitute or result in a violation or a breach of or a default under:

(i) its certificate and articles of incorporation; or

(ii) any law, rule or regulation having the force of law.

4. Other than the filing required pursuant to s.12 of the Securities Act (Québec), which filing has been made Valeurs, no authorization, consent or approval of, or filing, registration, qualification or recording with any governmental entity is required in connection with the execution and delivery by the Issuer of the Purchase Agreement, the Indenture or the Debentures or the issuance and sale to the Purchaser of the Debentures.

5. Each of the Purchase Agreement, the Indenture and the Debentures has been duly executed and delivered by the Issuer.

6. The Subordinate Voting Shares issuable pursuant to the Indenture and the Debentures will, when issued, be validly issued and non-assessable shares in the capital of the Issuer.

7. The Subordinate Voting Shares issuable pursuant to the Indenture and the Debenture have been conditionally listed on The Toronto Stock Exchange.

8. Opinion on Enforcement of New York judgement in Québec.

9. Section 212(1)(b)(vii), Income Tax Act (Canada) opinion.