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COMPANIES FORM No. 395

365432

104

Particulars of a mortgage or charge

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

118

01309629

Name of company

* Mitel Networks Limited (the "Chargor")

Date of creation of the charge

16 August 2007

Description of the instrument (if any) creating or evidencing the charge (note 2)

A debenture made between (1) the Chargor and (2) the Security Trustee (as defined below) (the "Debenture")

Amount secured by the mortgage or charge

Please see Part 1 of the attached continuation sheets, to be read in conjunction with Part 4, which contains applicable definitions

Names and addresses of the mortgagees or persons entitled to the charge

Morgan Stanley & Co Incorporated (the "Security Trustee") 1585 Broadway,
New York NY 10036

Postcode

Presentor's name address and
reference (if any)

Mayer Brown International LLP

11 Pilgrim Street
London
EC4V 6RW

21196/07043239

Time critical reference

For official Use (06/2005)

Mortgage Section

Post room

THURSDAY



L0ZODSQ3

LD5

06/09/2007

498

COMPANIES HOUSE

Short particulars of all the property mortgaged or charged

Please see Part 2 of the attached continuation sheets to be read in conjunction with Part 4, which contains applicable definitions

Please see Part 3 of the attached continuation sheets, which contains a summary of certain covenants contained in the Debenture

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Mercurius Investment LLP

Date

5 September 2007

On behalf of ~~XXXXXXXXXXXXXXXXXXXX~~ [chargee] †

A fee is payable to Companies House in respect of each register entry for a mortgage or charge (See Note 5)

† delete as appropriate

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395) If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398) A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No 398 is submitted
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return The rate of interest payable under the terms of the debentures should not be entered
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge Cheques and Postal Orders must be made payable to **Companies House**
- 6 The address of the Registrar of Companies is **Companies House, Crown Way, Cardiff CF14 3UZ**

MITEL NETWORKS LIMITED

Schedule to Form M395

Part 1

Amount secured by the mortgage or charge

The "**Secured Liabilities**", defined in Clause 1 2 (*Definition of "Secured Liabilities"*) of the Debenture to mean all moneys from time to time due or owing by any Obligor to the Secured Parties and all other actual or contingent liabilities from time to time incurred by any Obligor to the Secured Parties, including

- (a) moneys due or owing under the Loan Documents and the Transaction Documents or on any account or in any other manner,
- (b) moneys or liabilities due, owing or incurred in sterling or any other currency, alone or jointly with others and whether as principal, surety or otherwise, and
- (c) moneys or liabilities originally owing or incurred to the Secured Parties and those purchased or transferred to the Secured Party,

together in each case with interest, commission and bank fees and charges but excluding any money, obligation or liability which would cause the covenant set out in Clause 2 1 (*Covenant to pay*) of the Debenture or the Security which would otherwise be constituted by the Debenture to be unlawful or prohibited by any applicable law or regulation

Part 2

Short particulars of all the property mortgaged or charged

1 1 Fixed charges

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Security Trustee by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor as at the date of this Debenture will be a charge by way of first legal mortgage)

- (a) Chattels all of its rights in any plant, real property, machinery, vehicles, equipment, and other chattels, and
- (b) Other Debts all of its rights in its Debts
- (c) Goodwill all of its right in its goodwill and uncalled capital from time to time and all its rights to future calls in respect of capital,
- (d) Bank accounts all of its rights in any credit balance on any bank account and the indebtedness represented by those accounts,
- (e) Shares all of its rights in any shares, stocks, debentures, bonds and other securities of any kind, together with any associated dividends, interest and

other rights and all of its other rights in any company, firm, consortium, joint venture or entity,

- (f) Intellectual property rights all of its rights in any intellectual property, including (without limitation) all present and future patents, patent applications, trade and service marks, trade names, registered designs, confidential information and copyrights (including those in computer software) and in any licences and ancillary and connected rights relating to intangible property,
- (g) Licences all licences, consents and authorisations (statutory or otherwise) held in connection with its business or the use of any Security Assets and all rights of the Chargor in connection with them, and
- (h) Other documents all of its rights in any agreements, reports and other documents from time to time relating to all or any part of the Security Assets

1 2 Assignments

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns absolutely to the Security Trustee all of its rights in its Insurances and in any Insurance Proceeds

1 3 Floating charge

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Security Trustee by way of first floating charge the whole of its undertaking, inventory and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3 1 and 3 2 of the Debenture by way of fixed security) Schedule B1, Paragraph 14 1A shall apply to the floating charge contained in the Debenture

Part 3 Covenants

- 1 In Clause 6 1 (*Negative pledge*) of the Debenture, the Chargor undertakes that it will not, at any time prior to the Discharge Date, create or permit to subsist any Security Interest over any Secured Asset, except as permitted under the First Lien Credit Agreement
- 2 In Clause 6 2 (*No disposals*) of the Debenture, the Chargor undertakes that it will not, at any time prior to the Discharge Date, dispose of (or agree to dispose of) any Secured Asset, except as permitted under the First Lien Credit Agreement
- 3 In Clause 5 3 (*Further assurance*) of the Debenture, the Chargor covenants that it shall, at the request of the Security Trustee and at its own expense, promptly execute (in such form as the Security Trustee may require) any Instruments or other documents and otherwise do any acts and things which the Security Trustee may require to improve, preserve, perfect or protect the Security created (or intended to be created) by the Debenture or the priority of it or to facilitate the realisation or enforcement of it or to exercise any of the rights of the Security Trustee or any Receiver in relation to the same

Part 4 Definitions

"Borrowers" means Mitel Networks Corporation, Mitel Networks Incorporated, Mitel US Holdings Incorporated and Arsenal Acquisition Corporation (to be merged with and into Inter-Tel (Delware) Incorporated) **"Borrower"** means any of them

"Collateral Agent" means Morgan Stanley & Co Incorporated

"First Lien Credit Agreement" means the Agreement dated 16 August 2007 (as amended, supplemented, amended and restated or otherwise modified from time to time) between, among others, Mitel Networks Corporation as Parent, various financial institutions as Lenders and Morgan Stanley & Co Incorporated as the U S Administrative Agent and the Collateral Agent (as the terms "Parent", "Lenders", "Administrative Agent" and "Collateral Agent" are defined in the First Lien Credit Agreement)

"Debts" means any book or other debt, revenue or claim (and the proceeds of any debt, revenue or claim) and the benefit of any Security Interest, guarantee or other right of any nature in relation to any of them and in relation to the Chargor, **"its Debts"** means all Debts in which it has any rights

"Discharge Date" means the date on which

- (a) all of the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full to the satisfaction of the Security Trustee, and
- (b) the Security Trustee is satisfied that each Secured Party has ceased to have any commitment, obligation or other liability (whether actual or contingent) to

make any credit or provide any other accommodation to any Obligor under any Loan Document or Transaction Document or otherwise or to any other person in respect of whose liabilities the Chargor has undertaken a liability to a Secured Party under any Loan Documents or Transaction Document

"First Lien Credit Agreement" means the Agreement dated 16 August 2007 (as amended, supplemented, amended and restated or otherwise modified from time to time) between, among others, Mitel Networks Corporation as Parent, various financial institutions as Lenders and Morgan Stanley & Co Incorporated as the U S Administrative Agent and the Collateral Agent (as the terms "Parent", "Lenders", "Administrative Agent" and "Collateral Agent" are defined in the First Lien Credit Agreement)

"IA" means the Insolvency Act 1986

"Instrument" means any document (which term includes any form of writing) under which any obligation is evidenced or undertaken or any Security Interest (or right in any Security Interest) is granted or perfected or purported to be granted or perfected

"Insurance" means any policy or contract of insurance in relation to the Secured Assets and including, for the avoidance of doubt, any renewal of or replacement for any policy or contract of insurance and in relation to the Chargor **"its Insurances"** means all Insurances in which it has any rights (including as loss payee or additional insured)

"Insurance Proceeds" means any monies which may from time to time be payable to or received by the Chargor (whether as an insured party, beneficiary or as loss payee) under any Insurance and the proceeds of all claims made by the Chargor under any Insurance

"Intercreditor Agreement" means the Intercreditor Agreement, dated 16 August 2007 executed and delivered by the Obligors, the administrative agent under the Second Lien Credit Agreement, the Administrative Agent, the Collateral Agent, the Second Lien Agent and Morgan Stanley & Co , as Control Agent, pursuant to the terms of the First Lien Credit Agreement, as amended, supplemented, amended and restated or otherwise modified from time to time (as the terms, "Administrative Agent", "Second Lien Agent", and "Control Agent" are defined in the First Lien Credit Agreement)

"Loan Documents" means, collectively, the First Lien Credit Agreement, the Notes, the Letters of Credit, the Acceptance Notes, the Canadian BAs, each Rate Protection Agreement, the Fee Letter, each Guaranty, each Security Agreement, each other agreement pursuant to which the Collateral Agent is granted a Lien to secure the Obligations, the Intercreditor Agreement and each other agreement, certificate, document or instrument delivered in connection with any Loan Document, whether or not specifically mentioned within the First Lien Credit Agreement or otherwise (as each of the terms is defined in the First Lien Credit Agreement)

"Obligations" means all obligations (monetary or otherwise, whether absolute or contingent, matured or unmatured) of each Borrower and each other Obligor arising under or in connection with a Loan Document, including Reimbursement Obligations

and the principal of and premium, if any, and interest (including interest accruing during the pendency of any proceeding of the type described in Section 8.1.9 of the First Lien Credit Agreement, whether or not allowed in such proceeding) on the Loans (as the term "Loans" is defined in the First Lien Credit Agreement)

"Obligor" means, as the context may require, each Borrower and each other Person (other than (i) a Secured Party and (ii) in the case of the Intercreditor Agreement, the Second Lien Agent and the Control Agent) obligated under any Loan Document (as the term Control Agent is defined in the Intercreditor Agreement)

"Person" means any natural person, corporation, limited liability company, partnership, joint venture, association, trust or unincorporated organisation, Governmental Authority or any other legal entity, whether acting in an individual, fiduciary or other capacity (as the term Governmental Authority is defined in the First Lien Credit Agreement)

"Receiver" means any receiver, receiver and manager or administrative receiver appointed by the Secured Party over all or any of the Secured Assets under the Debenture whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time

"Reimbursement Obligation" means The obligation of the applicable Borrowers under Section 2.6.2 (*Disbursements*) of the First Lien Credit Agreement to reimburse an Issuer with respect to each Disbursement (including interest thereon) (as the terms "Issuer" and "Disbursement" are defined in the First Lien Credit Agreement)

"Second Lien Credit Agreement" means the Second Lien Credit Agreement, dated 16 August 2007, among the Parent, Holdings, the various financial institutions from time to time party thereto as lenders, MSSF as administrative agent, MS&Co, as collateral agent (in such capacity, the **"Second Lien Agent"**), MSSF and Merrill Lynch as co-syndication agents and joint lead arrangers and joint bookrunners, as amended, supplemented, amended and restated or otherwise modified from time to time (as the terms "Parent", "Holdings" and "Second Lien Agent" are defined in the First Lien Credit Agreement)

"Secured Assets" means all assets from time to time the subject of the Security, and **"Secured Asset"** means any of them and any reference to one or more of the Secured Assets includes all or any part of it or each of them

"Secured Parties" means, collectively, the Lenders, the Issuers, the Collateral Agent, each Administrative Agent, each counterparty to a Rate Protection Agreement that is (or at the time such Rate Protection Agreement was entered into, was) a Lender or an Affiliate thereof and (in each case), each of their respective successors, transferees and assigns) (as the terms "Lenders", "Issuers", Administrative Agent", "Rate Protection Agreement" and "Affiliate" are defined in the First Lien Credit Agreement)

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"this Security" is to the Debenture and includes each separate or independent stipulation or agreement in the Debenture and the Security Interests created by, pursuant to or supplemental to it

"Transaction Documents" means, collectively, the Merger Agreement and all exhibits and schedules thereto, the Convertible Preferred Stock Documents and all exhibits and schedules thereto, the Second Lien Loan Documents and all exhibits and schedules thereto, and the Refinancing Documents and all exhibits and schedules thereto, in each case as amended, supplemented, amended and restated or otherwise modified from time to time in accordance with Section 7.2.12 of the First Lien Credit Agreement (as the terms "Merger Agreement", "Convertible Preferred Stock Documents", "Second Lien Loan Documents" and "Refinancing Documents" are defined in the First Lien Credit Agreement)

"U.S. Person" means any person that is a "United States person", as defined under Section 7701(a)(30) of the Internal Revenue Code of 1986

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No 01309629

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEBENTURE DATED THE 16th AUGUST 2007 AND CREATED BY MITEL NETWORKS LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM ANY OBLIGORS TO THE SECURED PARTIES ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 6th SEPTEMBER 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 11th SEPTEMBER 2007

PO
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Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES