Offer to Purchase and Consent Solicitation Statement

Axtel, S.A.B. de C.V.

Offer to Purchase and Solicitation of Consents For Any and All of its Outstanding 11% Senior Notes due 2013 (CUSIP Nos. 05461YAB2; P0606PAA3 and P0606PAB1)

The Consent Solicitation for the Notes will expire at 5:00 p.m., New York City time, on September 16, 2009, unless extended or earlier terminated (such date and time with respect to the Consent Solicitation, as the same may be modified, the "Consent Expiration Date"). The Offer to Purchase the Notes will expire at 12:00 midnight, New York City time, on September 30, 2009 unless extended or earlier terminated (such date and time with respect to the Offer to Purchase, as the same may be modified, the "Offer Expiration Date").

Axtel, S.A.B. de C.V., a Mexican corporation formerly known as Axtel, S.A. de C.V. (the "Company" or "Axtel"), hereby offers to purchase for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase and Consent Solicitation Statement (as it may be amended or supplemented from time to time, this "Statement") and in the related Consent and Letter of Transmittal (the "Consent and Letter of Transmittal" and, together with this Statement, the "Offer"), any and all of its outstanding 11% Senior Notes due 2013 (CUSIP Nos. 05461YAB2; P0606PAA3 and P0606PAB1) (the "Notes"), from each registered holder of any of the Notes (each a "Holder" and, collectively, the "Holders"). The aggregate principal amount of the Notes outstanding as of the date of this Statement is approximately US$162.5 million.

The total consideration (the "Total Consideration") for Notes validly tendered and not withdrawn pursuant to the Offer is 105.75% of the principal amount of such Notes. The Total Consideration includes a consent payment (the "Consent Payment") equal to 3.0% of the principal amount of Notes validly tendered and not withdrawn and as to which Consents (as defined below) to the Proposed Amendments (as defined below) are delivered on or prior to the Consent Expiration Date. **Holders must validly tender on or prior to the Consent Expiration Date and not withdraw Notes in order to be eligible to receive the Total Consideration for such Notes purchased in the Offer.** Holders who validly tender their Notes after the Consent Expiration Date and on or prior to the Offer Expiration Date will be eligible to receive an amount, paid in cash, equal to the Total Consideration less the Consent Payment (the "Purchase Price"). Holders whose Notes are accepted for payment in the Offer will also receive accrued and unpaid interest in respect of such purchased Notes from the last interest payment date to, but not including, the applicable Settlement Date, as defined below.

Holders of a majority of the outstanding principal amount of the Notes must consent (the "Requisite Consents") to the Proposed Amendments in order for them to become effective. The Company's acceptance of and payment for Notes tendered is conditioned upon, among other things, the Requisite Consents having been received (and not validly withdrawn) prior to the Consent Expiration Date. For a description of the Proposed Amendments and the conditions to the Offer, see "Proposed Amendments" and "Conditions to the Offer and Consent Solicitation." While the Company has no obligation to do so, we currently intend, subject to market conditions, to use proceeds from the Financing to optionally call for redemption, following the Offer Expiration Date, any of the Notes that are not purchased pursuant to the Offer at a redemption price equal to 103.667% of the principal amount of the Notes outstanding on the redemption date plus accrued interest to the redemption date.

Tenders of Notes may be withdrawn at any time until the earlier of (i) the Consent Expiration Date and (ii) the time at which the Supplemental Indenture is executed and becomes effective, which is expected to be promptly following receipt of the Requisite Consents, unless extended or earlier terminated (as applicable, the "Withdrawal Deadline"), but not thereafter. Holders may not withdraw Notes previously tendered without revoking the previously delivered Consents to which such tender relates and vice versa.

The Dealer Manager for the Offer and the Solicitation Agent for the Consent Solicitation is:

Credit Suisse Securities (USA) LLC

September 2, 2009

Subject to the terms and conditions of this Statement, each Holder who validly tenders on or prior to the Consent Expiration Date and does not validly withdraw such Holder's Notes will be entitled to receive the Total Consideration, plus accrued and unpaid interest to, but not including, the Initial Settlement Date, if such Notes are accepted for payment (the date of such payment, the "Initial Settlement Date"). Holders who validly tender their Notes after the Consent Expiration Date but on or prior to the Offer Expiration Date will be entitled to receive the Total Consideration minus the Consent Payment, plus accrued and unpaid interest to, but not including, the Final Settlement Date, if such Notes are accepted for payment (the date of such payment, the "Final Settlement Date" and, together with the Initial Settlement Date, each a "Settlement Date"). The Initial Settlement Date is expected to occur on the first business day on which all conditions to the Offer have been satisfied or waived. The scheduled Initial Settlement Date is September 22, 2009, unless extended by the Company. The Final Settlement Date is expected to occur promptly following the Offer Expiration Date. The scheduled Final Settlement Date is October 1, 2009, unless extended by the Company, assuming all conditions to the Offer have been satisfied or waived.

In conjunction with the Offer, the Company hereby solicits with respect to the Notes (the "Consent Solicitation"), consents (the "Consents") of Holders of the Notes to certain proposed amendments (the "Proposed Amendments") to the Indenture, dated as of December 16, 2003 (as amended and supplemented, the "Indenture"), between the Company, the Subsidiary Guarantors (as defined in the Indenture) and The Bank of New York Mellon, as trustee (the "Trustee"), pursuant to which the Notes were issued. The Proposed Amendments would amend the Indenture to eliminate substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and to modify the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety. Subject to the terms and conditions of the Offer, the Company hereby offers to pay to each registered Holder who validly delivers a Consent to the Proposed Amendments on or prior to the Consent Expiration Date a Consent Payment equal to 3.0% of the principal amount of Notes validly tendered and not withdrawn and as to which Consents to the Proposed Amendments are delivered on or prior to the Consent Expiration Date, with such payment to be made on the Initial Settlement Date for the purchase of such Notes pursuant to the Offer. The Consent Payment comprises part of the Total Consideration payable in respect of Notes validly tendered on or prior to the Consent Expiration Date and not withdrawn. The Consent Payment will only be made if the Notes are accepted for payment pursuant to the terms of the Offer. The Proposed Amendments must be consented to by the Holders of a majority of the outstanding principal amount of the Notes in order to be effective. It is expected that the Supplemental Indenture will be executed and become effective promptly following receipt of the Requisite Consents. The Proposed Amendments will become operative concurrently with the execution of the Supplemental Indenture, provided all the Notes in respect of such Requisite Consents validly tendered and not validly withdrawn are accepted for purchase pursuant to the Offer, whereupon the Proposed Amendments will apply to all Notes remaining outstanding. The Proposed Amendments constitute a single proposal, and a consenting Holder must consent to the Proposed Amendments as an entirety and may not consent selectively with respect to certain of the Proposed Amendments.

Holders who tender Notes pursuant to the Offer are obligated to deliver their Consents to the Proposed Amendments. The completion, execution and delivery of a Consent and Letter of Transmittal, or transmission of an Agent's Message (as defined below), in connection with a tender of Notes pursuant to the Offer will be deemed to constitute the delivery of Consents with respect to the Notes tendered. Holders may not deliver Consents in the Consent Solicitation without tendering their Notes in the Offer and may not revoke Consents without withdrawing the previously tendered Notes to which such Consents relate. Tendered Notes and the related Consents may not be withdrawn subsequent to the Withdrawal Deadline.

Notwithstanding any other provision of the Offer or the Consent Solicitation, the Company's obligation to accept for payment, and to pay for, Notes validly tendered pursuant to the Offer and the Company's obligation to make Consent Payments with respect to Consents delivered pursuant to the Consent Solicitation are conditioned upon the satisfaction or waiver of (i) the Consent Condition, (ii) the Supplemental Indenture Condition, (iii) the Financing Condition and (iv) the General Conditions (each as defined below). See "Conditions to the Offer and Consent Solicitation."

Concurrently with the Offer, the Company intends to issue new senior unsecured notes (the "Financing"). If the Financing is not consummated in an amount and on terms and conditions satisfactory to the Company in its sole discretion, the Company will not be required to accept for payment, purchase or pay for, any tendered Notes, subject to Rule 14e-1(c) under the Exchange Act, and may extend or terminate the Offer. The Company shall have sole discretion to determine whether this condition is satisfied and shall be entitled to determine it is not satisfied even if the Financing is consummated for an amount in excess of the Total Consideration.

The Company reserves the right to extend, terminate, withdraw or amend the Offer and the Consent Solicitation, or waive any of the conditions thereto, at any time and from time to time, as described in this Statement.

IMPORTANT INFORMATION

Neither this Statement nor any of the other documents related to the Offer have been filed with or reviewed by any federal or state securities commission or regulatory authority of any country, nor has any such commission or authority approved or disapproved of the Offer or the Consent Solicitation or passed upon the merits or fairness thereof or upon the accuracy or adequacy of this Statement or any of the other documents related to the Offer. Any representation to the contrary is unlawful and may be a criminal offense.

This Statement has not been reviewed or approved by the Mexican National Banking and Securities Commission (the "CNBV"). This Offer does not constitute a public offering in Mexico and this Statement may not be publicly distributed in Mexico.

This Statement constitutes neither an offer to purchase Notes nor a solicitation of Consents in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities or "blue sky" laws.

None of the Company, the Dealer Manager, the Depositary or the Information Agent makes any recommendation as to whether Holders should tender Notes pursuant to the Offer or deliver Consents pursuant to the Consent Solicitation. No person has been authorized to make any recommendation as to whether you should tender your Notes or deliver Consents, or to give any information or make any representation on behalf of the Company not contained in this Statement or in the Consent and Letter of Transmittal and, if given or made, such information or representation must not be relied upon as having been authorized. You should not assume that the information contained in this Statement is accurate as of any date other than the date hereof, and neither the delivery of this Statement to you nor the payment by the Company of the consideration in the Offer shall create any implication to the contrary.

This Statement (including Schedule I hereto) and the Consent and Letter of Transmittal contain important information that should be read before any decision is made with respect to the Offer and the Consent Solicitation. See "Certain Significant Considerations", "Certain United States Federal Income Tax Consequences" and "Certain Mexican Federal Income Tax Consequences" for discussions of certain factors that should be considered in evaluating the Offer and the Consent Solicitation. See "Proposed Amendments" for a description of the Proposed Amendments.

IMPORTANT DATES

Holders should take note of the following dates in connection with the Offer and Consent Solicitation:

Date	Calendar Date	Event
Commencement Date	September 2, 2009.	Commencement of the Offer and Consent Solicitation upon the terms and subject to the conditions set forth in this Statement and the Consent and Letter of Transmittal.
Consent Expiration Date	5:00 p.m., New York City time, on September 16, 2009, unless the Consent Solicitation is extended or earlier terminated.	**The last day and time for Holders to deliver their Consents pursuant to the Consent Solicitation in order to be eligible to receive the Total Consideration, which includes the Consent Payment. Holders validly tendering Notes and delivering Consents after the Consent Expiration Date and on or prior to the Offer Expiration Date will be eligible to receive only the Purchase Price, which does not include the Consent Payment.**
Withdrawal Deadline	The earlier of (i) the Consent Expiration Date and (ii) the time at which the Supplemental Indenture is executed and becomes effective, which is expected to be promptly following receipt of the Requisite Consents, unless extended or earlier terminated.	The last time for Holders to validly withdraw tendered Notes and revoke delivered Consents.
Offer Expiration Date	12:00 midnight, New York City time, on September 30, 2009, unless the Offer is extended or earlier terminated.	The last day and time for Holders to tender Notes pursuant to the Offer in order to be eligible to receive the Purchase Price pursuant to the Offer.
Settlement Dates	For Notes that have been validly tendered prior to the Consent Expiration Date and not withdrawn and that are accepted for payment, settlement will occur on the Initial Settlement Date, which is expected to be the first business day on which all conditions to the Offer have been satisfied or waived, namely September 22, 2009, unless extended by the Company.	Payment of the Total Consideration, which includes the Consent Payment, and the accrued and unpaid interest to, but not including, the Initial Settlement Date, for Notes validly tendered prior to the Consent Expiration Date and not validly withdrawn.
	For Notes that have been validly tendered after the Consent Expiration Date and on or prior to the Offer Expiration Date and that are accepted for payment, settlement will occur on the Final Settlement Date, which will be promptly after the Offer Expiration Date, namely October 1, 2009, unless extended by the Company.	Payment of the Purchase Price (namely, the Total Consideration less the Consent Payment) and the accrued and unpaid interest to, but not including, the Final Settlement Date, for Notes validly tendered after the Consent Expiration Date and on or prior to the Offer Expiration Date. If the Final Settlement Date falls on an interest payment date for the Notes, accrued and unpaid interest payable on the Final Settlement Date will be paid in the ordinary course under the Indenture (and not pursuant to the Offer).

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CERTAIN INFORMATION REGARDING THE OFFER

Any Holder desiring to tender Notes and deliver Consents should either (i) in the case of a beneficial owner who holds Notes in book-entry form, request such beneficial owner's broker, dealer, commercial bank, trust company or other nominee to effect the transaction on behalf of such beneficial owner, and to transmit an Agent's Message in connection with tenders and Consents made through ATOP (as defined below) or (ii) in the case of a Holder who holds physical certificates evidencing such Notes, complete and sign the Consent and Letter of Transmittal (or a manually signed facsimile thereof) in accordance with the instructions in the Consent and Letter of Transmittal, have the signature thereon guaranteed (if required by Instruction 1 of the Consent and Letter of Transmittal) and send or deliver such manually signed Consent and Letter of Transmittal (or such manually signed facsimile thereof), together with certificates evidencing such Notes being tendered and any other required documents to D.F. King & Co., Inc., as Depositary (the "Depositary"), at its address set forth on the back cover of this Statement. See "Procedures for Tendering Notes and Delivering Consents." Notes may only be tendered, and Consents may only be delivered, in denominations of $1,000 principal amount and integral multiples thereof.

If the Proposed Amendments are adopted, the Notes that are not tendered, or that are not accepted for payment pursuant to the Offer, will remain outstanding but will be subject to the terms of the Indenture as modified by the Supplemental Indenture described under "Proposed Amendments." **If a Holder does not properly tender Notes pursuant to the Offer on or prior to the Consent Expiration Date, or such Holder's Consent with respect to such Notes is either not properly delivered or is revoked prior to the Withdrawal Deadline and not properly redelivered on or prior to the Consent Expiration Date, such Holder will not receive the Consent Payment, even though the Proposed Amendments will be binding as to all Notes that are not purchased pursuant to the Offer if the Requisite Consents to adopt the Proposed Amendments are received on or before the Consent Expiration Date and the Supplemental Indenture has become operative. Adoption of the Proposed Amendments may have adverse consequences for Holders who do not validly tender Notes pursuant to the Offer. While the Company has no obligation to do so, we currently intend, subject to market conditions, to use proceeds from the Financing to optionally call for redemption, following the Offer Expiration Date, any of the Notes that are not purchased pursuant to the Offer at a redemption price equal to 103.667% of the principal amount of the Notes outstanding on the redemption date plus accrued interest to the redemption date.** Among other things, as a result of the adoption of the Proposed Amendments, the Indenture would be amended to eliminate substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and to modify the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety. Following the adoption and implementation of the Proposed Amendments, Holders of the Notes not tendered will no longer be entitled to the benefits of such covenants, events of default and other provisions. The adoption of the Proposed Amendments would have the effect, as regards the Notes, of permitting the Company to take certain actions previously prohibited by the Notes that could increase the credit risks with respect to the Company, adversely affect the market price and credit rating of the remaining Notes not purchased pursuant to the Offer or otherwise be materially adverse to the interests of Holders, which actions would otherwise not have been permitted pursuant to the Indenture. In addition, the trading markets for any Notes not properly tendered pursuant to the Offer are likely to be significantly more limited in the future if the Offer is consummated. See "Proposed Amendments" and "Certain Significant Considerations."

The Depository Trust Company ("DTC") participants that hold Notes on behalf of beneficial owners of Notes through DTC can tender their Notes through the DTC Automated Tender Offers Program ("ATOP"). To effect such a tender, DTC participants should transmit their acceptance through ATOP and follow the procedure for book-entry transfer set forth in "Procedures for Tendering Notes and Delivering Consents—Book-Entry Delivery Procedures." A beneficial owner of Notes that are held of record by a broker, dealer, commercial bank, trust company or other nominee must instruct such broker, dealer, commercial bank, trust company or other nominee to tender the Notes and deliver the related Consents on the beneficial owner's behalf should such beneficial owner wish to participate in any Offer and Consent Solicitation. See "Procedures for Tendering Notes and Delivering Consents—Tender of Notes Held Through a Custodian."

Holders who validly tender Notes pursuant to the Offer and deliver Consents pursuant to the Consent Solicitation may withdraw their tenders and revoke their Consents at any time before the Withdrawal Deadline but not thereafter. Holders may not withdraw Notes previously tendered without revoking the previously delivered Consents to which such tender relates and may not revoke Consents without withdrawing their tenders. For a withdrawal of a tendered Note and a revocation of a Consent to be valid, such withdrawal and revocation must comply with the procedures set forth in "Withdrawal of Tenders and Revocation of Consents." In order to validly revoke a Consent prior to the Withdrawal Deadline, a Holder must withdraw the related tendered Notes. A valid withdrawal of a Note prior to the Withdrawal Deadline will be deemed a revocation of the Consent related to such Note. If the Company makes a change to the terms of the Offer or the Consent Solicitation, or the information concerning the Offer or Consent Solicitation, or waives any condition to the Offer, in a manner determined by the Company, in its sole discretion, to constitute a material adverse change to the Holders, then the Company will, to the extent required by applicable law, disseminate additional Offer materials and will extend the Offer or Consent Solicitation to the extent required in order to permit Holders adequate time to consider such materials. In addition, if the Company decreases the principal amount of Notes subject to the Offer or increases or decreases the consideration offered to Holders, the Company will, to the extent required by applicable law, cause the Offer or Consent Solicitation to be extended, if necessary, so as to remain open at least until the expiration of ten business days from the date that such notice thereof is first published, sent or given by the Company. The Company may also extend the Offer and Consent Solicitation for any other reason.

Upon the terms and subject to the conditions of the Offer and the Consent Solicitation (including, if the Offer or Consent Solicitation is extended or amended, the terms and conditions of any such extension or amendment) and applicable law, the Company will (i) purchase Notes validly tendered on or prior to the Offer Expiration Date and not validly withdrawn, and (ii) pay for all Consents validly delivered on or prior to the Consent Expiration Date and not revoked, on the applicable Settlement Date.

Tendering Holders will not be obligated to pay brokerage fees or commissions or the fees and expenses of the Dealer Manager, the Depositary or the Information Agent, each as defined herein, in connection with the Offer and the Consent Solicitation. See "The Dealer Manager, the Depositary and the Information Agent." Questions and requests for assistance may be directed to D.F. King & Co., Inc., as Information Agent (the "Information Agent"), or to Credit Suisse Securities (USA) LLC, as Dealer Manager for the Offer and the Solicitation Agent for the Consent Solicitation, at their respective addresses and telephone numbers set forth on the back cover of this Statement. Additional copies of this Statement, the Consent and Letter of Transmittal, and any other related materials may be obtained from the Information Agent. Beneficial owners may also contact their brokers, dealers, commercial banks, trust companies or other nominees through which they hold the Notes with questions and requests for assistance.

Certain of the statements in this Statement and the documents incorporated by reference in this Statement, including, without limitation, statements regarding future transactions, constitute forward-looking statements which involve certain risks. See "Certain Significant Considerations," "Forward Looking Statements" and the Company's reports and other documents filed with the Securities and Exchange Commission (the "Commission") and incorporated by reference in this Statement.

CERTAIN INFORMATION REGARDING THE COMPANY

The Company is a Mexican corporation. The Company's principal executive offices are located at Blvd. Diaz Ordaz Km. 3.33 No. L-1, Col. Unidad San Pedro, San Pedro Garza Garcia, N.L., Mexico, CP 66215, and its telephone number is 5281-8114-0000.

In this Statement, references to "we" and "our" are to the Company and its affiliates. Additional information concerning the Company and its affiliates, their business and their financial condition is contained in the Incorporated Documents.

We are the second-largest, and one of the fastest growing, fixed-line, integrated telecommunications companies in Mexico, measured in revenues, EBITDA and lines in service. We offer a wide array of services, including local and long distance telephony, broadband Internet, data and built-to-suit communications solutions in 39 cities and long distance telephone in over 200 cities to more than 828,000 business and residential customers. For the six-month period ended on June 30, 2009, we generated revenues and operating income of Ps. 5,540.5 million (US$419.7 million) and Ps. 383.4 million (US$29.0 million), respectively. We provide local, long distance, data, internet, integrated solutions and value-added communications services in 39 of the largest metropolitan areas in the country, including Mexico City, Monterrey, Guadalajara, Puebla, Toluca, León, Querétaro, San Luis Potosí, Saltillo, Aguascalientes, Ciudad Juárez, Tijuana, Torreón (Laguna Region), Veracruz, Chihuahua, Celaya, Irapuato, Cd. Victoria, Reynosa, Tampico, Cuernavaca, Merida, Morelia, Pachuca, Hermosillo, San Juan del Rio, Xalapa, Durango, Villahermosa, Acapulco, Mexicali, Cancun, Zacatecas, Matamoros, Nuevo Laredo, Culiacan, Mazatlan, Coatzacoalcos and Minatilan. These 39 cities represent more than 47% of the total population of Mexico according to Mexico's *Instituto Nacional de Estadística Geografía e Informática*, INEGI. We estimate that our total lines represent approximately 9.3% of the lines in service of our total addressable market in the 39 cities in which we provide local services.

AVAILABLE INFORMATION

The Company files reports with and furnishes other information to the Commission in accordance with the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such reports and other information can be inspected and copied at the public reference facilities of the Commission located at 100 F Street, N.E., Washington D.C. 20549. Copies of such material may be obtained by mail, upon payment of the Commission's prescribed rates, by writing to the Public Reference Section of the Commission at 100 F Street, N.E., Washington, D.C. 20549. Copies of such material may also be obtained from the website that the Commission maintains at *http://www.sec.gov*.

INCORPORATION OF DOCUMENTS BY REFERENCE

The following documents (the "Incorporated Documents") filed with the Commission pursuant to the Exchange Act are incorporated herein by reference and shall be deemed to be a part hereof:

- The Company's Annual Report on Form 20-F for the fiscal year ended December 31, 2008;
- The Company's Reports on Form 6-K furnished on May 1, 2009 and July 24, 2009 with respect to the quarters ended March 31, 2009 and June 30, 2009, respectively; and
- The Company's Reports on Form 6-K furnished on May 15, 2009, and August 13, 2009.
- All documents and reports filed by the Company with, or furnished by the Company as Reports on Form 6-K which provide that they are to be incorporated by reference herein to, the Commission in accordance with Section 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this Statement and on or prior to the earlier of the Offer Expiration Date or termination of the Offer and Consent Solicitation shall be deemed incorporated herein by reference and shall be deemed to be a part hereof from the date of filing of such documents and reports. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Statement to the extent that a statement contained herein or in any subsequently filed document or report that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Statement.

The Company will provide without charge to each person to whom this Statement is delivered, upon the written request of such person, a copy of any or all of the documents which are incorporated by reference herein, other than exhibits to such documents which are not specifically incorporated by reference herein. Requests

should be directed to the Information Agent at its address set forth on the back cover page of this Statement. The information relating to the Company contained in this Statement does not purport to be complete and should be read together with the information contained in the incorporated documents.

No person has been authorized to give any information or to make any representation not contained in this Statement and, if given or made, such information or representation may not be relied upon as having been authorized by the Company, the Dealer Manager, the Depositary or the Information Agent.

FORWARD-LOOKING STATEMENTS

This Statement contains certain forward-looking statements within the meaning of Section 27A of the United States Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act. These forward-looking statements reflect our views with respect to our financial performance and future events. All forward-looking statements contained herein are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of factors discussed herein. Many of these statements may be identified by the use of forward-looking words such as "believe," "expect," "anticipate," "should," "planned," "estimated" and "potential," among others. The following factors, as well as other factors described or incorporated by reference in this Statement, could cause actual results to differ materially from such forward-looking statements:

- competition in local services, long distance, data, internet, voice over internet protocol, or VoIP, services and video;
- our ability to attract subscribers;
- changes and developments in technology, including our ability to upgrade our networks to remain competitive and our ability to anticipate and react to frequent and significant technological changes;
- our ability to successfully maintain the benefits from the integration of Avantel into Axtel;
- our ability to successfully implement our WiMAX network;
- our ability to manage, implement and monitor billing and operational support systems;
- an increase in churn, or subscriber cancellations;
- the control of us retained by certain of our stockholders;
- changes in capital availability or cost, including interest rate or foreign currency exchange rate fluctuations;
- our ability to service our debt;
- limitations on our access to sources of financing on competitive terms;
- our need for substantial capital;
- the effects of governmental regulation of the Mexican telecommunications industry;
- declining rates for long distance traffic;

- changes in the applicable fixed-to-mobile interconnection or termination rates; including legal challenges that could materially delay or completely cancel any benefits arising from new authorities' resolutions;

- fluctuations in labor costs;

- foreign currency exchange fluctuations relative to the U.S. dollar or the Mexican peso;

- the general political, economic and competitive conditions in markets and countries where we have operations, including competitive pricing pressures, inflation or deflation and changes in tax rates;

- significant economic or political developments in Mexico and the United States;

- the difficult economic and financial situation globally and in Mexico that could significantly reduce demand for our products and services;

- the global telecommunications downturn;

- the timing and occurrence of events which are beyond our control; and

- other factors described in our Form 20-F.

Any forward-looking statements in this Statement are based on certain assumptions and analysis made by us in light of our experience and perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the current circumstances. Forward-looking statements are not a guarantee of future performance and actual results or developments may differ materially from expectations. You are therefore cautioned not to place undue reliance on such forward-looking statements. Risks and uncertainties are detailed from time to time in Axtel's filings with and submissions to the Commission, including the Incorporated Documents. Axtel is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of changes, new information, subsequent events or otherwise.

SUMMARY

The following summary is qualified in its entirety by the more detailed information appearing elsewhere or incorporated by reference in this Statement and the Consent and Letter of Transmittal. Capitalized terms used but not defined in this summary have the meanings assigned to them elsewhere in this Statement.

Company	Axtel, S.A.B. de C.V., a Mexican corporation.
Notes	The Offer and the Consent Solicitation are being made with respect to the Company's 11% Senior Notes due 2013 (CUSIP Nos. 05461YAB2; P0606PAA3 and P0606PAB1).
Offer	Upon the terms and subject to the conditions described in this Statement, the Company is offering to purchase for cash any and all of the outstanding Notes (unless amended pursuant to the terms hereof). See "Terms of the Offer and the Consent Solicitation."
Consent Solicitation	Upon the terms and subject to the conditions described in this Statement, the Company is also soliciting the Consents to the Proposed Amendments. Each Holder who tenders Notes pursuant to the Offer is obligated to deliver a Consent to the Proposed Amendments, and the completion, execution and delivery of a Consent and Letter of Transmittal, or transmission of an Agent's Message, in connection with such Holder's tender of Notes is required to effectuate the delivery of Consents with respect to the Notes tendered. Holders may not deliver Consents in the Consent Solicitation without tendering their Notes in the Offer. **The Offer is conditioned, among other things, upon the receipt of the Requisite Consents to adopt the Proposed Amendments.** See "Conditions to the Offer and the Consent Solicitation," "Terms of the Offer and the Consent Solicitation," "Proposed Amendments" and "Acceptance for Payment and Payment for Notes; Acceptance of Consents."
Consent Payment	If, but only if, Notes are purchased in the Offer, each Holder of purchased Notes with respect to which Consents are delivered on or prior to the Consent Expiration Date and not revoked shall be entitled to receive, as part of the Total Consideration, a Consent Payment equal to 3.0% of the principal amount of such Notes.
Total Consideration	The Total Consideration offered hereby for Notes validly tendered and not withdrawn pursuant to the Offer is 105.75% of the principal amount of such Notes.

	The Total Consideration includes the Consent Payment with respect to Notes for which Consents are delivered on or prior to the Consent Expiration Date and not revoked. **Holders must validly tender on or prior to the Consent Expiration Date and not withdraw Notes in order to be eligible to receive the Total Consideration for such Notes purchased in the Offer.**
Purchase Price	Holders who validly tender their Notes after the Consent Expiration Date and on or prior to the Offer Expiration Date will be eligible to receive only the Purchase Price, namely an amount, paid in cash, equal to the Total Consideration less the Consent Payment.
Accrued and Unpaid Interest	In addition to the Total Consideration and the Purchase Price, as applicable, Holders whose Notes are validly tendered and not withdrawn and are accepted for payment in the Offer shall receive accrued and unpaid interest in respect of such purchased Notes from the last interest payment date to, but not including, the applicable Settlement Date for Notes purchased in the Offer.
Consent Expiration Date	The Consent Solicitation will expire at 5:00 p.m., New York City time, on September 16, 2009, unless extended or earlier terminated. See "Terms of the Offer and the Consent Solicitation."
Offer Expiration Date	The Offer will expire at 12:00 midnight, New York City time, on September 30, 2009, unless extended or earlier terminated. See "Terms of the Offer and the Consent Solicitation."
Settlement Dates	For Notes that have been validly tendered prior to the Consent Expiration Date and not withdrawn and that are accepted for payment, settlement will occur on the Initial Settlement Date, which is expected to be the first business day on which all conditions to the Offer have been satisfied or waived, namely September 22, 2009, unless extended by the Company. For Notes that have been validly tendered after the Consent Expiration Date and on or prior to the Offer Expiration Date and that are accepted for payment, settlement will occur on the Final Settlement Date, which will be promptly after the Offer Expiration Date, namely October 1, 2009, unless extended by the Company.
Purpose of the Offer and Consent Solicitation	The purpose of the Offer is to acquire any and all of the outstanding Notes. The purpose of the Consent Solicitation is to provide the Company with increased operating flexibility by eliminating substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and modifying the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety.

The Proposed Amendments	The Proposed Amendments would amend the Indenture to eliminate substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and to modify the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety. The Proposed Amendments are set forth in their entirety on Schedule I hereto. For a summary description of the Proposed Amendments, see "Proposed Amendments." The Proposed Amendments will not amend any of the terms of any of the Company's other securities.
Requisite Consents	The applicable Proposed Amendments must be consented to by the Holders of at least a majority of the outstanding principal amount of the Notes in order to be adopted. It is expected that the Supplemental Indenture will be executed and become effective promptly following receipt of the Requisite Consents. The Proposed Amendments will become operative concurrently with the execution of the Supplemental Indenture, provided all the Notes validly tendered are accepted for purchase pursuant to the Offer, whereupon the Proposed Amendments will apply to all Notes remaining outstanding. See "Proposed Amendments."
Conditions to the Offer and Consent Solicitation	The Offer and Consent Solicitation are conditioned upon the satisfaction or waiver of (i) the Consent Condition, (ii) the Supplemental Indenture Condition, (iii) the Financing Condition and (iv) the General Conditions. See "Conditions to the Offer and Consent Solicitation."
Acceptance for Payment and Payment for Notes; Acceptance of Consents	Under the terms of the Offer and the Consent Solicitation and upon satisfaction or waiver of the conditions thereto, the Company will accept for payment and purchase Notes validly tendered (and not withdrawn prior to the Withdrawal Deadline) on or prior to the Offer Expiration Date. Only Holders who validly tender Notes (including a properly completed, executed and delivered Consent) on or prior to the Consent Expiration Date (and do not withdraw such tender and revoke such Consent prior to the Withdrawal Deadline) will be eligible to receive the Total Consideration, which includes the Consent Payment. For Notes that have been validly tendered prior to the Consent Expiration Date and not withdrawn and that are accepted for payment, payment of the Total Consideration and the accrued and unpaid interest to, but not including, the Initial Settlement Date will occur on the Initial Settlement Date. For Notes that have been validly tendered after the Consent Expiration Date and on or prior to the Offer Expiration Date and that are accepted for payment, payment of the Purchase Price (namely, the Total Consideration less the Consent Payment) and the accrued and unpaid interest to, but not including, the Final Settlement Date will occur on the Final Settlement Date. See "Acceptance for Payment and Payment for Notes; Acceptance of Consents."

Withdrawal of Tenders and Revocation of Consents	Tenders of Notes may be withdrawn and related Consents may be revoked at any time on or prior to the Withdrawal Deadline by following the procedures described under "Withdrawal of Tenders and Revocation of Consents." A valid withdrawal of tendered Notes will constitute the concurrent valid revocation of such Holder's related Consent. In order for a Holder to revoke a Consent prior to the Withdrawal Deadline, such Holder must withdraw the related tendered Notes. Tendered Notes may not be withdrawn and the related Consents may not be revoked subsequent to the Withdrawal Deadline. Tenders of Notes may be validly withdrawn if the Offer is terminated without any Notes being purchased thereunder. In the event of a termination of the Offer, the Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders, the Supplemental Indenture will not become operative and the related Consents will be deemed revoked. See "Withdrawal of Tenders and Revocation of Consents."
Withdrawal Deadline	The earlier of (i) the Consent Expiration Date and (ii) the time at which the Supplemental Indenture is executed and becomes effective, which is expected to be promptly following receipt of the Requisite Consents, unless extended or earlier terminated.
Source of Funds	The Company expects payments for the purchase of the Notes pursuant to the Offer to be funded by the Financing. See "Source and Amount of Funds."
Certain Tax Considerations	Holders of Notes should consider the U.S. and Mexican federal income tax consequences of the Offer and the Consent Solicitation. See "Certain United States Federal Income Tax Consequences" and "Certain Mexican Federal Income Tax Consequences."
The Dealer Manager	Credit Suisse Securities (USA) LLC
The Depositary	D.F. King & Co., Inc.
The Information Agent	D.F. King & Co., Inc.
Additional Documentation; Further Information; Assistance	Any questions or requests for assistance concerning the Offer and the Consent Solicitation may be directed to the Dealer Manager at its address and telephone number set forth on the back cover of this Statement. Requests for additional copies of this Statement and the Consent and Letter of Transmittal may be directed to the Information Agent at its address and telephone numbers set forth on the back cover of this Statement. Requests for copies of the Indenture and the form of the Supplemental Indenture may also be directed to the Information Agent. Beneficial owners may also contact their custodians for assistance concerning the Offer and the Consent Solicitation.

This Statement (including Schedule I hereto) and the Consent and Letter of Transmittal contain important information that should be read carefully before any decision is made with respect to the Offer and the Consent Solicitation.

TERMS OF THE OFFER AND THE CONSENT SOLICITATION

General. The Company hereby offers, with respect to the Notes listed on the cover page of this Statement, to purchase for cash any and all of the outstanding Notes (unless amended pursuant to the terms hereof), upon the terms and subject to the conditions set forth in this Statement. The Total Consideration offered hereby for Notes validly tendered and not withdrawn pursuant to the Offer is 105.75% of the principal amount of such Notes. The Total Consideration includes the Consent Payment, equal to 3.0% of the principal amount of Notes validly tendered and not withdrawn and as to which Consents to the Proposed Amendments are delivered on or prior to the Consent Expiration Date. **Holders must validly tender on or prior to the Consent Expiration Date and not withdraw Notes in order to be eligible to receive the Total Consideration for such Notes purchased in the Offer.** Holders who validly tender their Notes after the Consent Expiration Date and on or prior to the Offer Expiration Date will be eligible to receive only the Purchase Price, equal to the Total Consideration less the Consent Payment. Holders whose Notes are accepted for payment in the Offer will also receive accrued and unpaid interest in respect of such purchased Notes from the last interest payment date to, but not including, the applicable Settlement Date.

For Notes that have been validly tendered prior to the Consent Expiration Date and not withdrawn and that are accepted for payment, payment of the Total Consideration and the accrued and unpaid interest to, but not including, the Initial Settlement Date will occur on the Initial Settlement Date, which is expected to be the first business day on which all conditions to the Offer have been satisfied or waived. For Notes that have been validly tendered after the Consent Expiration Date and that are accepted for payment, payment of the Purchase Price (namely, the Total Consideration less the Consent Payment) and the accrued and unpaid interest to, but not including, the Final Settlement Date will occur on the Final Settlement Date, which is expected to be promptly after the Offer Expiration Date. If the Final Settlement Date falls on an interest payment date for the Notes, accrued and unpaid interest payable on the Final Settlement Date will be paid in the ordinary course under the Indenture (and not pursuant to the Offer).

The purpose of the Offer is to acquire any and all of the outstanding Notes. The purpose of the Consent Solicitation is to provide the Company with increased operating flexibility by eliminating substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and modifying the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety. The Proposed Amendments will be set forth in a supplemental indenture to the Indenture (the "Supplemental Indenture"). It is expected that the Supplemental Indenture will be executed and become effective promptly following receipt of the Requisite Consents. The Proposed Amendments will become operative concurrently with the execution of the Supplemental Indenture, provided all the Notes validly tendered are accepted for purchase pursuant to the Offer, whereupon the Proposed Amendments will apply to all Notes remaining outstanding. A Holder who validly tenders Notes will, by tendering such Notes, be consenting to the Proposed Amendments. See "Proposed Amendments."

Holders who desire to tender their Notes pursuant to the Offer and to receive the Total Consideration are required to validly tender such Notes and deliver Consents on or prior to the Consent Expiration Date. The Consent Expiration Date for the Notes will be 5:00 p.m., New York City time, on September 16, 2009, unless the Consent Solicitation is extended or earlier terminated. The completion, execution and delivery of the Consent and Letter of Transmittal by a Holder in connection with the tender of Notes will constitute the delivery of the Consents of the tendering Holder. If a Holder's Notes are not properly tendered pursuant to the Offer on or prior to the Consent Expiration Date, such Holder will not receive the Consent Payment, even though the Proposed Amendments will be effective as to all such Notes that are not purchased in the Offer, assuming the Requisite Consents are received with respect to the Notes and the Offer is completed. The Company is not soliciting and will not accept Consents to the Proposed Amendments from Holders who are not also tendering their Notes pursuant to the Offer.

The Offer Expiration Date for the Offer will be 12:00 midnight, New York City time, on September 30, 2009, unless the Offer is extended or earlier terminated.

If Notes are accepted for payment pursuant to the Offer, Holders who validly tender Notes pursuant to the Offer on or prior to the Consent Expiration Date and do not withdraw such tender or revoke such Consent prior to the Withdrawal Deadline will receive the Total Consideration, plus accrued and unpaid interest on such Holder's Notes up to, but not including, the Initial Settlement Date. Holders who validly tender their Notes after the Consent Expiration Date and on or prior to the Offer Expiration Date will be eligible to receive only the Purchase Price and not the Consent Payment, plus accrued and unpaid interest on such Holder's Notes up to, but not including, the Final Settlement Date.

Holders may not deliver Consents without tendering their Notes in the Offer, and may not revoke Consents without withdrawing the previously tendered Notes to which such Consents relate. Holders may not tender Notes without delivering Consents with respect to such Notes, and may not withdraw previously tendered Notes without revoking the previously delivered Consents to which such tender relates. Tendered Notes may not be withdrawn and the related Consents may not be revoked subsequent to the Withdrawal Deadline.

Notes validly tendered in accordance with the procedures set forth under "Procedures for Tendering Notes and Delivering Consents," and not withdrawn in accordance with the procedures set forth under "Withdrawal of Tenders and Revocation of Consents," on or prior to the Offer Expiration Date will, upon the terms and subject to the conditions hereof, including satisfaction or waiver of the Consent Condition, the Supplemental Indenture Condition, the Financing Condition and the General Conditions, be accepted for payment by the Company, and payments will be made therefor on the applicable Settlement Date.

If the Requisite Consents for the Proposed Amendments are received and the Supplemental Indenture has become operative, the Proposed Amendments will be binding on all Holders of the Notes. Accordingly, the adoption of the Proposed Amendments may have adverse consequences for Holders who do not validly tender in the Offer. While the Company has no obligation to do so, we currently intend, subject to market conditions, to use proceeds from the Financing to optionally call for redemption, following the Offer Expiration Date, any of the Notes that are not purchased pursuant to the Offer at a redemption price equal to 103.667% of the principal amount of the Notes outstanding on the redemption date plus accrued interest to the redemption date. See "Certain Significant Considerations."

The Company's obligation to accept, and pay for, Notes validly tendered pursuant to the Offer is conditioned upon satisfaction or waiver of (i) the Consent Condition, (ii) the Supplemental Indenture Condition, (iii) the Financing Condition and (iv) the General Conditions. Consent payments to Holders with respect to Consents validly delivered on or prior to the Consent Expiration Date and not revoked are conditioned upon the Company's acceptance of the related Notes for purchase pursuant to the Offer.

Total Consideration. Holders must tender Notes and deliver Consents on or prior to the Consent Expiration Date in order to be eligible to receive the Total Consideration, which includes the Consent Payment in addition to the Purchase Price. Holders who tender their Notes after the Consent Expiration Date and on or prior to the Offer Expiration Date will be eligible to receive only the Purchase Price.

If the Company makes a change to the terms of the Offer or the Consent Solicitation, or the information concerning the Offer or Consent Solicitation, or waives any condition to the Offer, in a manner determined by the

Company, in its sole discretion, to constitute a material adverse change to the Holders, then the Company will, to the extent required by applicable law, disseminate additional Offer materials and will extend the Offer or Consent Solicitation to the extent required in order to permit Holders adequate time to consider such materials. In addition, if the Company decreases the principal amount of Notes subject to the Offer or increases or decreases the consideration offered to Holders, the Company will, to the extent required by applicable law, cause the Offer or Consent Solicitation to be extended, if necessary, so as to remain open at least until the expiration of ten business days from the date that such notice thereof is first published, sent or given by the Company. The Company may also extend the Offer and Consent Solicitation for any other reason.

PURPOSE OF THE OFFER AND THE CONSENT SOLICITATION

The purpose of the Offer is to acquire any and all of the outstanding Notes. The purpose of the Consent Solicitation is to provide the Company with increased operating flexibility by eliminating substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and modifying the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety.

SOURCE AND AMOUNT OF FUNDS

Assuming (i) 100% of the outstanding principal amount of the Notes is tendered and accepted for payment, (ii) all of the Notes are tendered prior to the Consent Expiration Date and each Holder receives the Total Consideration, and (iii) the actual Initial Settlement Date in respect of all Notes purchased in the Offer is September 22, 2009, approximately $171.8 million would be required to pay the Total Consideration in connection with the Offer and the Consent Solicitation, together with accrued and unpaid interest on the Notes.

The Company expects payments for the purchase of the Notes pursuant to the Offer to be funded by the Financing, which is expected to be completed on or prior to the Initial Settlement Date. If the Financing is not consummated in an amount and on terms and conditions satisfactory to the Company in its sole discretion, the Company will not be required to accept for payment, purchase or pay for, any tendered Notes, subject to Rule 14e-1(c) under the Exchange Act, and may extend or terminate the Offer. The Company shall have sole discretion to determine whether this condition is satisfied and shall be entitled to determine it is not satisfied even if the Financing is consummated for an amount in excess of the Total Consideration.

CERTAIN SIGNIFICANT CONSIDERATIONS

The following considerations, in addition to the other information described elsewhere in this Statement, should be carefully considered by each Holder before deciding whether to participate in the Offer and the Consent Solicitation.

Adverse Effects of the Proposed Amendments on Unpurchased Notes. If the Proposed Amendments become operative, Notes that are not tendered and purchased pursuant to the Offer will remain outstanding and will be subject to the terms of the Indenture as modified by the Supplemental Indenture. The Proposed Amendments will not relieve the Company from its obligation to make scheduled payments of principal and accrued interest on the remaining Notes in accordance with the terms of the Indenture as currently in effect. Among other things, as a result of the adoption of the Proposed Amendments, the Indenture would be amended to eliminate substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and to modify the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety. Following the adoption and implementation of the Proposed Amendments, Holders of the Notes not tendered will no longer be entitled to the benefits of such covenants, events of default and other provisions. The adoption of the Proposed Amendments would have the effect, as regards the Notes, of permitting the Company to take certain actions previously prohibited by the Notes that could increase the credit risks with respect to the Company, adversely affect the market price and credit rating of the remaining Notes not purchased pursuant to the Offer or otherwise be materially adverse to the interests of Holders, which actions would otherwise not have been permitted pursuant to the Indenture. See "Proposed Amendments."

Additional Indebtedness of the Company. Pursuant to the contemplated Financing, the Company's indebtedness and interest expense will increase significantly. Such increased levels of indebtedness and higher interest expense may make it difficult for the Company to service its indebtedness or incur future indebtedness at attractive terms or at all. In addition, the Company's indebtedness will be higher in relation to stockholders' equity. The foregoing could result in the Company's credit ratings being downgraded and/or the Company's indebtedness and interest expense increasing further over time.

Suspension of Periodic Reporting. If the Proposed Amendments become operative, the Company will no longer be required to furnish to the Holders or file with or furnish to the Commission periodic and other reports unless required by applicable law. **Assuming that the Requisite Consents are received and the Proposed Amendments become operative, it is expected that the Company will cease to file or furnish annual and other reports with or to the Commission.** Without such financial information, it could be difficult for the Holders to evaluate the credit quality of the Notes.

Limited Trading Market. The Notes are not listed on any national or regional securities exchange. Quotations for securities that are not widely traded, such as the Notes, may differ from actual trading prices and should be viewed as approximations. Holders are urged to contact their brokers with respect to current information regarding the Notes. To the extent that Notes are tendered and accepted in the Offer, any existing trading market for the remaining Notes may become more limited. A debt security with a smaller outstanding principal amount available for trading (a smaller "float") may command a lower price than would a comparable debt security with a greater float. The reduced float may also make the trading price of the Notes that are not tendered and accepted for payment more volatile. Consequently, the liquidity, market value and price volatility of Notes that remain outstanding may be adversely affected. Holders of unpurchased Notes may attempt to obtain quotations for the Notes from their brokers; however, there can be no assurance that any trading market will exist for the Notes following consummation of the Offer. The extent of the public market for the Notes following consummation of the Offer will depend upon the number of Holders remaining at such time, the interest in maintaining a market in such Notes on the part of securities firms and other factors.

Alternatives to the Offer and the Solicitation. Whether or not the Offer is consummated, the Company and its affiliates may from time to time acquire Notes other than pursuant to the Offer through open market purchases, privately negotiated transactions, tender offers, exchange offers, optional redemption transactions or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the prices to be paid pursuant to the Offer and could be for cash or other consideration. **While the Company has no obligation to do so, we currently intend, subject to market conditions, to use proceeds from the Financing to optionally call for redemption, following the Offer Expiration Date, any of the Notes that are not purchased pursuant to the Offer at a redemption price equal to 103.667% of the principal amount of the Notes outstanding on the redemption date plus accrued interest to the redemption date.**

Tax Matters. For a discussion of U.S. federal income tax considerations and Mexican federal income tax consequences relating to backup withholding, see "Certain United States Federal Income Tax Consequences" and "Certain Mexican Federal Income Tax Consequences."

PROPOSED AMENDMENTS

Elimination of Certain Covenants and Provisions in the Indenture (and related references in the Notes). Among other things, the Proposed Amendments would amend the Indenture to eliminate substantially all of the restrictive covenants, several affirmative covenants (including certain reporting obligations) and events of default contained in the Indenture and to modify the covenant regarding mergers, consolidations and transfers of the Company's properties and assets substantially as an entirety. The Proposed Amendments will not amend any of the terms of any of the Company's other securities.

The Proposed Amendments constitute a single proposal, and a consenting Holder must consent to the Proposed Amendments as an entirety and may not consent selectively with respect to certain of the Proposed Amendments. The valid tender by a Holder of Notes pursuant to the Offer will be deemed to constitute the valid delivery of a Consent by such Holder to the Proposed Amendments and the Indenture. Holders who tender Notes following the Consent Expiration Date, however, will not be eligible to receive the Consent Payment. The Company is not soliciting and will not accept Consents from Holders who are not tendering their Notes pursuant to the Offer. In addition to the foregoing, execution and delivery of the Consent and Letter of Transmittal will constitute an express waiver with respect to all claims against the Company arising under the Indenture or the Notes.

It is expected that the Supplemental Indenture will be executed and become effective promptly following receipt of the Requisite Consents. The Proposed Amendments will become operative concurrently with the execution of the Supplemental Indenture, provided all the Notes validly tendered are accepted for purchase pursuant to the Offer, whereupon the Proposed Amendments will apply to all Notes remaining outstanding.

If the Proposed Amendments are adopted and the Offer is completed, the Notes that are not tendered, or that are not accepted for payment pursuant to the Offer, will remain outstanding but will be subject to the terms of the Indenture, as modified by the Supplemental Indenture.

The Proposed Amendments will, if adopted, effectively eliminate (or, as indicated, modify) the following provisions of the Indenture (all section references are as they appear in the Indenture, which is publicly available on the Commission's website, *www.sec.gov*):

- Section 4.02—SEC Reports (delete, except to the extent necessary to comply with the Trust Indenture Act of 1939, as amended (the "TIA"));
- Section 4.03—Limitation on Indebtedness (delete);
- Section 4.04—Limitation on Restricted Payments (delete);
- Section 4.05—Limitation on Restrictions on Distributions from Restricted Subsidiaries (delete);
- Section 4.06—Limitation on Sales of Assets and Subsidiary Stock (delete);
- Section 4.07—Limitation on Affiliate Transactions (delete);
- Section 4.08—Limitation on Lines of Business (delete);
- Section 4.09—Limitation on the Sale or Issuance of Capital Stock of Restricted Subsidiaries (delete);
- Section 4.10—Change of Control (delete);
- Section 4.11—Limitation on Liens (delete);
- Section 4.12—Limitation on Sale/Leaseback Transactions (delete);
- Section 4.13—Future Guarantors (delete);
- Section 4.15—Compliance Certificate (delete, except to the extent necessary to comply with the TIA);
- Section 5.01—When Company May Merge or Transfer Assets (delete clauses (2) through (6) of subsection (a) and clauses (2) and (3) of subsection (b), and certain other clarifying amendments);

- Section 6.01—Events of Default (delete clauses (4) through (9) thereof);

- Section 8.01—Discharge of Liability on Securities; Defeasance (make certain conforming changes to reflect the other Proposed Amendments);

- Section 8.02—Conditions to Defeasance (delete clauses (5) and (7) thereof);

- Section 11.11—Consent to Jurisdiction; Appointment of Agent for Service of Process; Judgment Currency (make certain clarifying changes, including to reflect the current address of the agent for service of process of the Company and the Subsidiary Guarantors);

ACCEPTANCE FOR PAYMENT AND PAYMENT FOR NOTES; ACCEPTANCE OF CONSENTS

Upon the terms and subject to the conditions of the Offer and the Consent Solicitation (including if the Offer and the Consent Solicitation are extended or amended, the terms and conditions of any such extension or amendment) and applicable law, the Company will purchase, by accepting for payment, and will pay for, any and all Notes validly tendered on or prior to the Offer Expiration Date and not withdrawn, and will pay for Consents with respect to such Notes validly delivered on or prior to the Consent Expiration Date and not revoked. Payment of the Total Consideration or the Purchase Price, as applicable, together with any accrued and unpaid interest up to, but not including, the applicable Settlement Date, for Notes validly tendered and accepted for payment is expected to be made promptly following the acceptance of the Notes by the Company pursuant to the Offer.

The Depositary will act as agent for tendering Holders for the purpose of receiving payment from the Company and transmitting such payment to tendering Holders. Under no circumstances will interest on the Total Consideration or the Purchase Price, as applicable, be paid by the Company by reason of any delay on behalf of the Depositary in making such payment.

For Notes that have been validly tendered prior to the Consent Expiration Date and not withdrawn and that are accepted for payment, payment of the Total Consideration and the accrued and unpaid interest to, but not including, the Initial Settlement Date will occur on the Initial Settlement Date, which is expected to be the first business day on which all conditions to the Offer are satisfied or waived. For Notes that have been validly tendered after the Consent Expiration Date and that are accepted for payment, payment of the Purchase Price (namely, the Total Consideration less the Consent Payment) and the accrued and unpaid interest to, but not including, the Final Settlement Date will occur on the Final Settlement Date, which is expected to be promptly after the Offer Expiration Date. If the Final Settlement Date falls on an interest payment date for the Notes, accrued and unpaid interest payable on the Final Settlement Date will be paid in the ordinary course under the Indenture (and not pursuant to the Offer).

In all cases, assuming the satisfaction or waiver of all conditions to the Offer, payment by the Depositary to Holders of the Total Consideration or Purchase Price, as applicable, will be made only after timely receipt by the Depositary of (i) certificates representing such Notes or timely confirmation of a book-entry transfer of such Notes into the Depositary's account at DTC pursuant to the procedures set forth under "Procedures for Tendering Notes and Delivering Consents," (ii) a properly completed and duly executed Consent and Letter of Transmittal (or a manually signed facsimile thereof) or a properly transmitted Agent's Message, in the case of tenders through ATOP and (iii) any other documents required by the Consent and Letter of Transmittal, as applicable.

For purposes of the Offer, validly tendered Notes (or defectively tendered Notes for which the Company has waived such defect) will be deemed to have been accepted for payment by the Company if, as and when the Company gives oral notice (promptly confirmed in writing) or written notice thereof to the Depositary. For purposes of the Consent Solicitation, Consents validly delivered to the Depositary will be deemed to have been accepted by the Company if, as and when the Company and the Trustee execute the Supplemental Indenture.

If any tendered Notes are not purchased pursuant to the Offer for any reason, or certificates are submitted evidencing more Notes than are tendered, such Notes not purchased will be returned, without expense, to the tendering Holder (or, in the case of Notes tendered by book-entry transfer, such Notes will be credited to the account maintained at DTC from which such Notes were delivered) unless otherwise requested by such Holder under "Special Delivery Instructions" in the Consent and Letter of Transmittal, promptly following the Offer Expiration Date or termination of the Offer.

The Company reserves the right to transfer or assign, in whole at any time or in part from time to time, to one or more of its affiliates, the right to purchase Notes tendered pursuant to the Offer, but any such transfer or assignment will not relieve the Company of its obligations under the Offer or prejudice the rights of tendering Holders to receive the Total Consideration or Purchase Price, as applicable, pursuant to the Offer and Consent Solicitation.

EXTENSION; AMENDMENT; TERMINATION

The Company expressly reserves the right, in its sole discretion, to extend, at any time or from time to time, the period of time during which the Offer or the Consent Solicitation, are open. During any extension of the Offer, all Notes previously tendered pursuant thereto and not withdrawn will remain subject to the Offer, subject to the right, if any, of a tendering Holder to withdraw its Notes.

The Company also expressly reserves the right, subject to applicable law, to (i) delay the acceptance for purchase of any Notes, or to delay the purchase of any Notes, pursuant to the Offer, by giving oral or written notice of such delay to the Depositary; (ii) terminate the Offer and not accept for purchase any Notes, by giving oral or written notice of such termination to the Depositary; and (iii) prior to the satisfaction or waiver of the conditions of the Offer, or from time to time, amend the Offer or the Consent Solicitation in any respect, by giving oral or written notice of such amendment to the Depositary. Except as otherwise provided herein, withdrawal rights with respect to Notes tendered pursuant to the Offer will not be extended or reinstated as a result of an extension or amendment of the Offer or the Consent Solicitation.

If the Company extends the Offer or is delayed in its acceptance for purchase of Notes or is unable to purchase Notes pursuant to the Offer for any reason, then, without prejudice to the Company's rights under the Offer, the Depositary may, subject to applicable law, retain tendered Notes on behalf of the Company, and such Notes may not be withdrawn, except to the extent that tendering Holders are entitled to withdrawal rights as described herein. The reservation by the Company of the right to delay acceptance for purchase of Notes is subject to the provisions of Rule 14e-1(c) under the Exchange Act, which requires that the Company pay the consideration offered or return the Notes deposited by or on behalf of Holders thereof promptly after the termination or withdrawal, as the case may be, of the Offer.

Any extension, delay, termination or amendment of the Offer or Consent Solicitation or acceptance of tendered Notes will be followed as promptly as practicable by a public announcement thereof, with the announcement of an extension of the Offer or Consent Solicitation to be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled Offer Expiration Date or Consent Expiration Date, as the case may be. Without limiting the manner in which the Company may choose to make a public announcement of any extension, delay, termination or amendment of the Offer or Consent Solicitation, the Company shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by issuing a press release to the Dow Jones News Service or BusinessWire or another similar service.

In the event of a termination of the Offer without Notes being purchased, the Notes tendered pursuant to the Offer will be promptly returned to the tendering Holders. In the event that the Offer and the Consent Solicitation are withdrawn or otherwise not completed, the Purchase Price, Consent Payment and Accrued Interest will not be paid or become payable to Holders that have validly tendered their Notes and delivered Consents in connection with the Offer and Consent Solicitation and such Consents will be of no force or effect.

If the Company makes a change to the terms of the Offer or the Consent Solicitation, or the information concerning the Offer or Consent Solicitation, or waives any condition to the Offer, in a manner determined by the Company, in its sole discretion, to constitute a material adverse change to the Holders, then the Company will, to the extent required by applicable law, disseminate additional Offer materials and will extend the Offer or Consent Solicitation to the extent required in order to permit Holders adequate time to consider such materials. In addition, if the Company decreases the principal amount of Notes subject to the Offer or increases or decreases the consideration offered to Holders, the Company will, to the extent required by applicable law, cause the Offer or Consent Solicitation to be extended, if necessary, so as to remain open at least until the expiration of ten business days from the date that such notice thereof is first published, sent or given by the Company. The Company may also extend the Offer and Consent Solicitation for any other reason.

PROCEDURES FOR TENDERING NOTES AND DELIVERING CONSENTS

Holders will not be eligible to receive the Total Consideration unless they BOTH tender their Notes pursuant to the Offer AND deliver their Consents to the Proposed Amendments with respect to such Notes on or prior to the Consent Expiration Date. The tender of Notes pursuant to the Offer and in accordance with the procedures described below will constitute (i) a tender of the Notes and (ii) the delivery of a Consent by such Holder with respect to such Notes. The Company is not soliciting and will not accept Consents to the Proposed Amendments from Holders who are not tendering their Notes pursuant to the Offer, and will not accept tenders of Notes from Holders who do not deliver their Consents pursuant to the related Consent Solicitation. Holders who tender after the Consent Expiration Date will be eligible to receive only the Purchase Price. Notes may only be tendered, and Consents may only be delivered, in denominations of $1,000 principal amount and integral multiples thereof.

The method of delivery of Notes and Consents and Letters of Transmittal, any required signature guarantees and all other required documents, including delivery through DTC and any acceptance of an Agent's Message transmitted through ATOP, is at the election and risk of the person tendering Notes and delivering Consents and Letters of Transmittal and, except as otherwise provided in the Consent and Letter of Transmittal, delivery will be deemed made only when actually received by the Depositary. If delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested and that the mailing be made sufficiently in advance of the Consent Expiration Date or Offer Expiration Date, as applicable, to permit delivery to the Depositary on or prior to such date.

Tender of Notes and Delivery of Consents. The tender by a Holder of Notes and delivery of Consents (and subsequent acceptance of such tender by the Company) pursuant to one of the procedures set forth below will constitute a binding agreement between such Holder and the Company in accordance with the terms and subject to the conditions set forth in this Statement and in the Consent and Letter of Transmittal.

The procedures by which Notes may be tendered and Consents delivered by beneficial owners who are not registered Holders will depend upon the manner in which the Notes are held.

Tender of Notes Held Through a Custodian. Any beneficial owner whose Notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and who wishes to tender Notes and deliver Consents should contact its nominee promptly and instruct such nominee to tender Notes and deliver Consents on such beneficial owner's behalf. If such beneficial owner wishes to tender such Notes and deliver Consents itself, such beneficial owner must, prior to completing and executing the Consent and Letter of

Transmittal and delivering such Notes, make appropriate arrangements to register ownership of the Notes in such beneficial owner's name. The transfer of record ownership may take considerable time.

Tender of Notes Held Through DTC. To effectively tender Notes (and deliver the related Consents) that are held through DTC, DTC participants should electronically transmit their acceptance through ATOP, for which the transaction will be eligible. Upon receipt of such participant's acceptance through ATOP, DTC will edit and verify the acceptance and send an Agent's Message to the Depositary for its acceptance. Delivery of tendered Notes must be made to the Depositary pursuant to the book-entry delivery procedures set forth below.

Except as provided below, unless the Notes being tendered are deposited with the Depositary on or prior to the Consent Expiration Date or on or prior to the Offer Expiration Date, as the case may be (accompanied by a properly completed and duly executed Consent and Letter of Transmittal or a properly transmitted Agent's Message), the Company may, at its option, treat such tender as defective for purposes of the right to receive the Total Consideration or Purchase Price, as applicable. Payment for the Notes will be made only against deposit of the tendered Notes and delivery of any other required documents.

A DTC participant using ATOP may validly deliver a Consent through ATOP with respect to Notes tendered through ATOP. Any DTC participant which has Notes credited to its DTC account at any time (and thereby held of record by DTC's nominee) may directly deliver a Consent as though it were the registered Holder by completing, executing and delivering the Consent and Letter of Transmittal or having transmitted an Agent's Message.

Book-Entry Delivery Procedures. The Depositary will establish accounts with respect to the Notes at DTC for purposes of the Offer within three business days after the date of this Statement, and any financial institution that is a participant in DTC may make book-entry delivery of the Notes by causing DTC to transfer such Notes into the Depositary's account in accordance with DTC's procedures for such transfer. However, although delivery of Notes may be effected through book-entry transfer into the Depositary's account at DTC, an Agent's Message in connection with a book-entry transfer, and any other required documents, must, in any case, be transmitted to and received by the Depositary at its address set forth on the back cover of this Statement on or prior to the Consent Expiration Date or the Offer Expiration Date, as the case may be, in connection with the tender of such Notes. **Delivery of documents to DTC does not constitute delivery to the Depositary.** The confirmation of a book-entry transfer into the Depositary's account at DTC as described above is referred to in this Statement as a "Book-Entry Confirmation." The term "Agent's Message" means a message transmitted by DTC to, and received by, the Depositary and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the applicable participant in DTC tendering the Notes and delivering Consents that such participant has received the Consent and Letter of Transmittal and agrees to be bound by the terms of the Consent and Letter of Transmittal and the Company may enforce such agreement against such participant.

Tender of Notes Held in Physical Form. **As of the date of this Statement, the Company believes that there are no Notes held in physical form by any Holder (other than DTC).** If any Holder has acquired physical certificates, the Holder should follow the instructions in this section. To effectively tender Notes held in physical form (and deliver the related Consents), a properly completed Consent and Letter of Transmittal (or a facsimile thereof) duly executed by the Holder of such Notes, and any other documents required by the Consent and Letter of Transmittal, must be received by the Depositary at its address set forth on the back cover of this Statement, and certificates representing such Notes must be received by the Depositary at such address on or prior to the Consent Expiration Date or the Offer Expiration Date, as applicable. A tender of Notes may also be effected through depositing Notes with DTC and making book-entry delivery as described above. However, a completed and executed Consent and Letter of Transmittal is still required to effectuate the valid delivery of related Consents with respect to such Notes. In order to receive both the Consent Payment and the Purchase Price, the Notes and the Consent and Letter of Transmittal must be received by the Depositary on or prior to the Consent Expiration Date. Consents and Letters of Transmittal and Notes should be sent only to the Depositary and should not be sent to the Company, the Dealer Manager or the Information Agent.

If the Notes are registered in the name of a person other than the signer of the Consent and Letter of Transmittal, then, in order to tender such Notes pursuant to the Offer, the Notes must be endorsed or accompanied by an appropriate written instrument or instruments of transfer signed exactly as the name or names of such Holder or Holders appear on the Notes, with the signature(s) on the Notes or instrument of transfer guaranteed as provided below.

Mutilated, Lost, Stolen or Destroyed Certificates. If a Holder desires to tender Notes, but the certificates evidencing such Notes have been mutilated, lost, stolen or destroyed, such Holder should contact the Trustee to receive information about the procedures for obtaining replacement certificates for Notes.

Signature Guarantees. Signatures on all Consents and Letters of Transmittal must be guaranteed by a recognized participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchange Medallion Program (each a "Medallion Signature Guarantor"), unless the Notes tendered and Consents delivered thereby are tendered and delivered (i) by a registered Holder of Notes (or by a participant in DTC whose name appears on a security position listing as the owner of such Notes) who has not completed either or both of the boxes entitled "Special Payment Instructions" or "Special Delivery Instructions" on the Consent and Letter of Transmittal, or (ii) for the account of a member firm of a registered national securities exchange, a member of the National Association of Securities Dealers, Inc., or a commercial bank or trust company having an office or correspondent in the United States (each of the foregoing being referred to as an "Eligible Institution"). See Instruction 1 of the Consent and Letter of Transmittal. If the Notes are registered in the name of a person other than the signer of the Consent and Letter of Transmittal or if Notes not accepted for payment or not tendered are to be returned to a person other than the registered Holder, then the signature on the Consent and Letter of Transmittal accompanying the tendered Notes must be guaranteed by a Medallion Signature Guarantor as described above. See Instructions 1 and 6 of the Consent and Letter of Transmittal.

Notwithstanding any other provision hereof, payment of the Total Consideration or the Purchase Price, as applicable, for Notes tendered and accepted for payment pursuant to the Offer will, in all cases, be made only after receipt by the Depositary of the tendered Notes (or Book-Entry Confirmation of the transfer of such Notes into the Depositary's account at DTC as described above), and a Consent and Letter of Transmittal (or facsimile thereof) with respect to such Notes, properly completed and duly executed, with any signature guarantees and any other documents required by the Consent and Letter of Transmittal, or a properly transmitted Agent's Message.

Determination of Validity. All questions as to the validity, form, eligibility (including time of receipt) and acceptance of any tendered Notes or delivery of Consents pursuant to any of the procedures described above will be determined by the Company in the Company's sole discretion (whose determination shall be final and binding). The Company expressly reserves the absolute right, in its sole discretion, subject to applicable law, to reject any or all tenders of any Notes or delivery of Consents determined by it not to be in proper form or, in the case of tenders of Notes, if the acceptance for payment of, or payment for, such Notes may, in the opinion of the Company's counsel, be unlawful. The Company also reserves the absolute right, in its sole discretion, subject to applicable law, to waive any defect or irregularity in any tender with respect to Notes or delivery of Consents of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders. The Company's interpretation of the terms and conditions of the Offer and Consent Solicitation (including the Consent and Letter of Transmittal and the Instructions thereto) will be final and binding. None of the Company, the Dealer Manager, the Depositary, the Information Agent, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in tenders or will incur any liability for failure to give any such notification. If the Company waives its right to reject a defective tender of Notes, the Holder will be entitled to the Purchase Price and, if applicable, the Consent Payment.

Tax Matters. For a discussion of U.S. federal income tax considerations and Mexican federal income tax consequences relating to backup withholding, see "Certain United States Federal Income Tax Consequences" and "Certain Mexican Federal Income Tax Consequences."

No Guaranteed Delivery. **There are no guaranteed delivery procedures provided for by the Company in conjunction with the Offer. Holders must timely tender their Notes in accordance with the foregoing procedures set forth herein.**

WITHDRAWAL OF TENDERS AND REVOCATION OF CONSENTS

Tenders of Notes may be withdrawn and related Consents may be revoked at any time prior to the Withdrawal Deadline. A valid withdrawal of tendered Notes effected prior to the Withdrawal Deadline will constitute the concurrent valid revocation of such Holder's related Consent. In order for a Holder to revoke a Consent prior to the Withdrawal Deadline, such Holder must withdraw the related tendered Notes. Tendered Notes may not be withdrawn and the related Consents may not be revoked subsequent to the Withdrawal Deadline. Accordingly, tenders made after the Withdrawal Deadline will be irrevocable.

Tenders of Notes may be validly withdrawn if the Offer is terminated without any Notes being purchased thereunder. In the event of a termination of the Offer, the Notes tendered pursuant to the Offer will be promptly returned to the tendering Holder, the Consents will be deemed revoked and the Supplemental Indenture will not become operative.

For a withdrawal of tendered Notes, which will constitute the concurrent valid revocation of such Holder's related Consent, to be effective, a written or facsimile transmission notice of withdrawal must be received by the Depositary prior to the Withdrawal Deadline. Any such notice of withdrawal must (i) specify the name of the person who tendered the Notes to be withdrawn and to which the revocation of Consents relates, (ii) contain the description of the Notes to be withdrawn and identify the certificate number or numbers shown on the particular certificates evidencing such Notes (unless such Notes were tendered by book-entry transfer) and the aggregate principal amount represented by such Notes and (iii) be signed by the Holder of such Notes in the same manner as the original signature on the Consent and Letter of Transmittal or Agent's Message by which such Notes were tendered (including any required signature guarantees) and the related Consent was delivered, or be accompanied by (x) documents of transfer sufficient to have the Trustee register the transfer of the Notes into the name of the person withdrawing such Notes and revoking such Consent and (y) a properly completed irrevocable proxy authorizing such person to effect such withdrawal on behalf of such Holder. **If the Notes to be withdrawn have been delivered or otherwise identified to the Depositary, a signed notice of withdrawal is effective immediately upon receipt by the Depositary of written or facsimile notice of such withdrawal even if physical release of such Notes is not yet effected.**

Any permitted withdrawal of Notes and revocation of Consents may not be rescinded. Any Notes properly withdrawn will thereafter be deemed not validly tendered and any Consents revoked will be deemed not validly delivered for purposes of the Offer and Consent Solicitation, provided, however, that withdrawn Notes may be re-tendered and revoked Consents may be re-delivered by again following one of the appropriate procedures described herein at any time on or prior to the Offer Expiration Date.

If the Company extends the Offer or is delayed in its acceptance for purchase of Notes or is unable to purchase Notes pursuant to the Offer for any reason, then, without prejudice to the Company's rights hereunder, tendered Notes may be retained by the Depositary on behalf of the Company and may not be withdrawn (subject to Rule 14e-1(c) under the Exchange Act, which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the investor promptly after the termination or withdrawal of a tender offer), except as otherwise provided in this section.

All questions as to the validity, form and eligibility (including time of receipt) of notices of withdrawal and revocation of Consents will be determined by the Company, in the Company's sole discretion (whose determination shall be final and binding). None of the Company, the Dealer Manager, the Depositary, the Information Agent, the Trustee or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or revocation of Consents, or incur any liability for failure to give any such notification.

CONDITIONS TO THE OFFER AND CONSENT SOLICITATION

Notwithstanding any other provisions of the Offer and the Consent Solicitation (or any extensions or amendments thereof) and in addition to (and not in limitation of) the Company's right to extend or amend the Offer and the Consent Solicitation as described in this Statement, the Company will not be required to accept or pay for any Notes tendered and may terminate the Offer at any time in its sole discretion and may, subject to Rule 14e-1(c) under the Exchange Act, postpone the acceptance of any Notes tendered pursuant to the Offer or delay the payment for Notes accepted for purchase under the Offer if any of the following conditions has not been satisfied or waived by the Company:

(1) the Requisite Consents necessary for the Proposed Amendments to become effective shall have been received prior to the Consent Expiration Date (the "Consent Condition");

(2) the Supplemental Indenture shall have been executed by the parties thereto and become a legally binding agreement (the "Supplemental Indenture Condition");

(3) the Company shall have consummated the Financing in an amount and on terms and conditions satisfactory to the Company in its sole discretion (the "Financing Condition");

(4) there shall not have been any action taken or threatened, or any action pending, by or before any local, state, federal or foreign government or governmental regulatory or administrative agency or authority, or by any court or tribunal, domestic or foreign, or any statute, rule, regulation, judgment, order, stay, decree or injunction proposed, sought, promulgated, enacted, entered, enforced or deemed applicable to the Offer or the Consent Solicitation which, in the reasonable judgment of the Company, (a) might directly or indirectly prohibit, prevent, restrict or delay consummation of the Offer or the Consent Solicitation or otherwise relate in any material manner to the Offer or the Consent Solicitation; (b) could materially adversely affect the business, condition (financial or otherwise), income, operations, properties, assets, liabilities or prospects of the Company and its subsidiaries, taken as a whole, before or after giving effect to the Offer and the Consent Solicitation; or (c) could materially impair the contemplated benefits of the Offer or the Consent Solicitation to the Company;

(5) there shall not have occurred or be likely to occur any event affecting the business or financial affairs of the Company that, in the sole judgment of the Company, would or might result in any of the consequences referred to in clauses (a), (b) and (c) of paragraph (4) above;

(6) there shall not have occurred (a) any general suspension of, shortening of hours for or limitation on prices for, trading in securities in the United States or Mexican securities or financial markets (whether or not mandatory), (b) a material impairment in the trading markets for the Notes or securities generally, (c) a declaration of a banking moratorium or any suspension of payments in respect of banks in the United States or Mexico (whether or not mandatory), (d) any limitation (whether or not mandatory) by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other financial institutions in the United States or Mexico, (e) any declaration of a national emergency, attack on, outbreak or escalation of hostilities or acts of terrorism directly or indirectly involving the United States or Mexico that would reasonably be expected to have a material adverse effect on the Company's (or its affiliates') business, operations, condition or prospects, (f) any significant change in United States or Mexican currency exchange rates or a suspension of, or limitation on, the markets therefor (whether or not mandatory), (g) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof, or (h) any other change or development, including a prospective change or development, in general economic, financial, monetary or market conditions that, in the Company's reasonable judgment, has or may have a material adverse effect on the market price or trading of the Notes or upon the value of the Notes to the Company;

(7) there shall not exist, in the sole judgment of the Company, any actual or threatened legal impediment (including a default under an agreement, indenture or other instrument or obligation to which the Company is a party, or by which it or any of its properties is bound) to the acceptance for payment of, or payment for, any of the Notes or to the scope, validity or effectiveness of the Consents solicited hereby (conditions (4) through (7) collectively, the "General Conditions").

The foregoing conditions are for the sole benefit of the Company and may be waived at any time by the Company, in whole or in part, in its discretion. The Company shall have sole discretion to determine whether the Financing Condition is satisfied and shall be entitled to determine it is not satisfied even if the Financing is consummated for an amount in excess of the Total Consideration. After the Initial Settlement Date, the Company's obligation to accept further valid tenders prior to the Offer Expiration Date will be conditioned only upon the satisfaction or waiver of the General Conditions. Any determination made by the Company concerning an event, development or circumstance described or referred to above will be final and binding on all parties.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following is a summary of certain U.S. federal income tax consequences of the Offer and the adoption of the Proposed Amendments that may be relevant to U.S. Holders (as defined below). The summary is based on laws, regulations, rulings and decisions now in effect, all of which are subject to change with possible retroactive effect. The discussion does not deal with special classes of Holders, such as Holders other than U.S. Holders, dealers in securities or currencies, banks, financial institutions, insurance companies, tax-exempt organizations, entities treated as partnerships for U.S. federal income tax purposes or investors in such entities, persons subject to alternative minimum tax, U.S. expatriates, persons holding Notes as a position in a "straddle" or conversion transaction, or as part of a "synthetic security" or other integrated financial transaction or U.S. Holders that have a functional currency other than the U.S. dollar. This discussion assumes that the Notes are held as "capital assets" within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code").

The Company has not sought any ruling from the Internal Revenue Service (the "IRS") with respect to the statements made and the conclusions reached in this discussion, and there can be no assurance that the IRS will agree with such statements and conclusions. In addition, the discussion does not describe any tax consequences arising out of the laws of any state or local or non-U.S. jurisdiction. Accordingly, each Holder should consult its own tax advisor with regard to the Offer and the Proposed Amendments and the application of U.S. federal income tax laws or other tax laws, as well as the laws of any state, local or non-U.S. taxing jurisdictions, to its particular situation.

For purposes of this discussion, the term "U.S. Holder" means a beneficial owner of a Note that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust if (i)(a) a court within the United States is able to exercise primary supervision over the administration of the trust, and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust, or (ii) a valid election is in place to treat the trust as a U.S. person.

If an entity treated as a partnership for U.S. federal income tax purposes holds a Note, the tax treatment of a partner generally will depend upon the status of the partner and upon the activities of the partnership. If you are a partner in the partnership holding a Note, you should consult its own independent tax advisor.

IRS Circular 230 Notice

To ensure compliance with IRS Circular 230, Holders are hereby notified that: (a) any discussion of U.S. federal tax issues contained or referred to in this Statement or any document referred to herein is not intended or written to be used, and cannot be used, by Holders for the purpose of avoiding penalties that may be imposed on them under the Code; (b) such discussion is written for use in connection with the promotion or marketing of the transactions addressed herein; and (c) Holders should seek advice based on their particular circumstances from an independent tax advisor.

Tendering U.S. Holders

The sale of Notes pursuant to the Offer by U.S. Holders will be a taxable transaction for U.S. federal income tax purposes. Subject to the discussion below regarding market discount and consent payments, a U.S. Holder selling Notes pursuant to the Offer generally will recognize capital gain or loss in an amount equal to the difference between the amount of cash received (other than any amounts attributable to accrued and unpaid interest (including any additional amounts in respect thereof), which will be taxed as discussed below) and any additional amounts deemed to be paid in respect of the redemption premium and the U.S. Holder's adjusted tax basis in the Notes sold at the time of sale. A U.S. Holder's adjusted tax basis in a Note generally will be equal to the amount paid therefor, increased by any market discount previously included in gross income and decreased by any previously amortized bond premium. Any such capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period for the Note, as the case may be, on the date of sale was more than one year. Long-term capital gains recognized by non-corporate U.S. Holders are taxed presently at the maximum rate of 15%. The deduction of capital losses is subject to limitations. The gain or loss generally will be treated as U.S. sources for foreign tax credit purposes, unless the applicable provisions of the U.S.-Mexican income tax treaty provides otherwise. You should consult your own tax advisor regarding the possibility of claiming foreign tax credits for Mexican withholding taxes imposed with respect to any redemption premium.

An exception to the capital gain treatment described above may apply to a U.S. Holder who purchased a Note at a "market discount." Subject to a statutory *de minimis* exception, Notes have market discount if they were purchased for an amount less than the stated principal amount. In general, unless the U.S. Holder has elected to include market discount in income currently as it accrues, any gain realized by a U.S. Holder on the sale of Notes having market discount will be treated as ordinary income to the extent of the lesser of (a) the gain recognized or (b) the portion of the market discount that has accrued (on a straight-line basis or, at the election of the U.S. Holder, on a constant-yield basis) while such Notes were held by the U.S. Holder.

Any amounts received in the Offer attributable to accrued and unpaid interest (including any additional amounts in respect thereof) will be taxed as ordinary income to the extent not previously so taxed, and will be treated, for U.S. federal income tax purposes, as foreign source income and as passive income, or in the case of certain U.S. holders, general category income.

The U.S. federal income tax treatment of a Consent Payment is unclear. A Consent Payment may be part of the consideration received by a U.S. Holder in exchange for a Note, or it may be separate consideration received by a U.S. Holder in exchange for consenting to the Proposed Amendments. Because one cannot receive a Consent Payment except upon the sale of a Note pursuant to an Offer, the Company will treat a Consent Payment paid to a U.S. Holder who tendered prior to the Consent Expiration Date as additional consideration received in exchange for tendered Notes. Under that treatment, such payments would be taken into account in the manner described above. It is possible, however, that the IRS would attempt to treat the receipt of a Consent Payment as ordinary income to a U.S. Holder. U.S. Holders should consult their own tax advisors as to the proper treatment of a Consent Payment.

Non-Tendering U.S. Holders

The U.S. federal income tax consequences to U.S. Holders that do not tender their Notes pursuant to an Offer depend upon whether the adoption of the applicable Proposed Amendments results in a deemed exchange of such Notes for U.S. federal income tax purposes because the modifications that are effected by the Proposed Amendments are "significant" within the meaning of applicable Treasury regulations. Under applicable regulations, the modification of a debt instrument is a "significant" modification if, based on all the facts and circumstances (aside from certain modifications covered by specific rules), the legal rights or obligations that are altered and the degree to which they are altered is "economically significant." The applicable regulations also specifically provide that a modification that adds, deletes or alters customary accounting or financial covenants is not a significant modification.

Although it is unclear whether the adoption of the Proposed Amendments will be treated as a "significant modification" under either the general rule or the specific rule described above, the Company intends to treat the adoption of the Proposed Amendments as not constituting a "significant modification." Based on such position, non-tendering U.S. Holders would not recognize any gain or loss as a result of the adoption of the Proposed Amendments. There can be no assurance that the IRS will not successfully challenge this position.

If the IRS successfully asserted that the adoption of the Proposed Amendments resulted in a deemed exchange of the "original" Notes for "new" Notes for U.S. federal income tax purposes, such deemed exchange would be treated as a fully taxable exchange (except to the extent any recognized loss may be deferred under the "wash sale" rules of Section 1091 of the Code), unless the deemed exchange qualifies as a "recapitalization" under the Code. Regardless of whether the deemed exchange qualifies as a recapitalization, any accrued and unpaid interest will become taxable as ordinary income at the time of the deemed exchange (to the extent not previously so taxed). Non-tendering U.S. Holders are urged to consult their own tax advisors regarding the U.S. federal income tax consequences to such U.S. Holders of the adoption of the Proposed Amendments.

Information Reporting and Backup Withholding

Information reporting requirements will generally apply to the receipt of all payments made pursuant to the Offer (including any Consent Payment and any accrued interest) and any additional amounts in respect thereof.

A U.S. Holder who tenders its Notes may be subject to backup withholding on all payments made pursuant to the Offer (including any Consent Payment and any accrued interest) and any additional amounts in respect thereof unless such U.S. Holder (i) is a corporation or comes within certain other exempt categories and demonstrates this fact, or (ii) provides a correct taxpayer identification number, certifies as to no loss of exemption from backup withholding and otherwise complies with applicable requirements of the backup withholding rules. Any amounts withheld under these rules will be allowed as a credit against such U.S. Holder's federal income tax liability and may entitle such U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

CERTAIN MEXICAN FEDERAL INCOME TAX CONSEQUENCES

The following is a general summary of the relevant Mexican federal income tax consequences that would arise as a result of the acceptance of the Offer by Holders of the Notes who are not residents of Mexico for tax purposes, who do not conduct a trade or business in Mexico through a permanent establishment for tax purposes in Mexico (a "foreign holder") and who would be deemed to receive income sourced in Mexico as a result of the acceptance of the Offer, and would thus be subject to taxation in accordance with the provisions of Title V of the Mexican Income Tax Law ('Foreign residents with income from a source of wealth located in Mexican territory'). This summary is based on the Mexican Income Tax Law (*Ley del Impuesto sobre la Renta*), the Federal Fiscal Code (*Código Fiscal de la Federación)* and their corresponding regulations in effect as of the date

of this Statement, all of which are subject to change, possibly with retroactive effect, or to be interpreted in a different manner than that set forth herein. This summary does not address all of the tax consequences that may be applicable to specific Holders of the Notes and does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to accept the Offer.

Holders of the Notes are urged to consult with their own tax advisor regarding the particular consequences that would arise as a result of their acceptance of the Offer under the laws of Mexico or any other jurisdiction in which they may be subject to taxation.

For Mexican tax purposes, an individual is considered to reside in Mexico when he or she maintains a dwelling therein. When such individual also has a dwelling in another country, he or she shall be deemed to be a resident of Mexico if his or her "center of vital interest" is located in Mexico. In accordance with Mexican tax laws, a "center of vital interest" is deemed to be located in Mexico, when (a) more than the 50% of the total income obtained by such individual in the respective calendar year qualifies as Mexican source income or (b) an individual's center of professional activities is located in Mexico. Individuals that qualify as Mexican nationals who file a change of tax residence and who demonstrate that such new residence is in a country or territory where their income is subject to a preferential tax treatment pursuant to the Mexican Income Tax Law will not lose their status as residents of Mexico during the year of filing of the notice of such residence change and the three subsequent tax years; however, individuals who change their tax residence to a country with which Mexico has entered into a broad agreement for the exchange of information are not required to provide the aforementioned notice. Mexican nationals are deemed Mexican residents for tax purposes, unless such nationals can evidence otherwise; Mexican national individuals who are government officials and employees are considered Mexican residents, even if the center of their vital interests is abroad. A legal entity is a resident of Mexico for tax purposes if its seat of administration or place of effective management is established in Mexico. If a legal entity or an individual is deemed to have a permanent establishment in Mexico for Mexican tax purposes, all income attributable to that permanent establishment will be subject to Mexican taxes, in accordance with applicable tax laws. Mexican individuals or entities which cease to be residents in Mexico for tax purposes must file a notice with the tax authorities within a 15-day term following their change of residence.

Mexico has entered into tax treaties for the avoidance of double taxation with several other countries; for instance, the governments of the United States and Mexico ratified an income tax treaty, as amended from time to time, which came into effect on January 1, 1994 (the US-Mexico Tax Treaty). The United States and Mexico have also entered into an agreement that covers the exchange of information with respect to tax matters.

The summary description of the Mexican federal income tax laws set forth below is based on the laws in force as of the date of this Statement and is subject to any changes in applicable Mexican tax laws.

Holders of a Note should consult their tax advisors with respect to the tax treatment derived from the acceptance of the Offer, including, but not limited to Mexico, and any other jurisdictions in which they may be subject to taxation.

This summary of certain Mexican income tax considerations deals only with Holders of Notes that qualify as non-Mexican residents for tax purposes.

Payment of Interest

Withholding Taxes. Under Article 195 of the Mexican Income Tax Law, gains realized by a foreign holder on the sale or disposition of the Notes to the Company pursuant to the Offer will be deemed to be interest and subject to Mexican withholding taxes. Such gains should be calculated on the amount of Total Consideration or Purchase Price, as applicable, paid by the Company to the Non-Mexican Holder that exceeds the amounts received by the Company as a result of the original offering of the Notes.

Pursuant to Article 195, Section II, paragraph (a) of the Mexican Income Tax Law, payments of interest to foreign holders will be subject to Mexican withholding tax at a rate of 4.9%. Such rate is applicable provided that the following requirements have been met by the Company:

- the notice set forth in Article 7, paragraph two of the Mexican Stock Exchange Act (*Ley de Mercado de Valores*) is submitted to the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*);

- the Notes are placed outside of Mexico through banks or brokerage houses in a country with which Mexico has in force a treaty for avoidance of double taxation; and

- the Company duly and timely complies with the information requirements established in the general rules issued by the Tax Administration Service (*Servicio de Administration Tributaria*) for those purposes.

As required by the Mexican Income Tax Law in effect at the time of their issuance, the Notes were registered with the Special Section of the National Securities Registry (*Registro Nacional de Valores e Intermediarios*) and evidence of such registration was filed with the Secretaria de Hacienda y Credito Publico (the "Ministry of Finance and Public Credit"). Such registration requirement was then superseded by the notice requirement set forth in the Mexican Income Tax Law currently in force. As a result, the Company believes the aforementioned registration of the Notes results in compliance with the notice requirement currently established in the Mexican Income Tax Law.

To the extent the Ministry of Finance and Public Credit determines that any of the aforementioned requirements is not complied with, the applicable Mexican withholding tax rate will be 10.0%.

Neither the 4.9% rate nor the 10.0% rate would apply and, therefore, higher withholding tax rates would apply if the beneficial owner, directly or indirectly, individually or jointly with related parties, that receive more than 5.0% of the interest paid on the Notes (1) own directly or indirectly, individually or jointly with related parties, more than 10.0% of the Company's voting stock or (2) were entities 20.0% or more of whose stock is owned directly or indirectly, individually or jointly, by parties related to the Company.

As of the date of this prospectus, the US-Mexico Tax Treaty is not expected to have any material effect on the Mexican tax consequences described herein.

As established by Article 179 of the Mexican Income Tax Law, payments of interest on the Notes to non-Mexican pension and retirement funds will be exempt from Mexican withholding tax provided that:

- such fund is duly incorporated pursuant to the laws of its country of residence and is the beneficial owner of the interest payment;

- such income is exempt from taxes in its country of residence; and

- such fund is registered in the Registry of Foreign Banks, Financing Entities, Pension and Retirement Funds, and Investment Funds, in accordance with the relevant rules issued by the Tax Administration Service.

We will pay, subject to certain exceptions, additional amounts in respect of the above-mentioned Mexican withholding taxes. See Section 4.14 (Additional Amounts) of the Indenture.

Disposition of the Notes and consent payment

Gains resulting from the sale or other disposition of the Notes by a foreign holder when the purchaser is a resident of Mexico or a non-resident with a permanent establishment in Mexico will be characterized as interest for Mexican tax purposes and thus subject to income tax in Mexico. As a result, the withholding tax rates mentioned in "Payment of Interest" shall be applicable. In any case, the difference between the sales price over the sum of the face value will be considered as interest.

The consent payment that the Holders of the Notes will receive as a result of the acceptance of the Offer will be deemed as interest for Mexican tax purposes. As a result, the withholding tax rates mentioned in "Payment of interest" shall be applicable to such payment.

Other Mexican Taxes. There are no Mexican estate, inheritance, succession or gift taxes generally applicable to the disposition of the Notes by foreign holders under the Offer. There are no Mexican stamp, issuer registration or similar taxes or duties payable by foreign holders of the Notes.

THE DEALER MANAGER, THE DEPOSITARY AND THE INFORMATION AGENT

Credit Suisse Securities (USA) LLC has been engaged to act as Dealer Manager and Solicitation Agent in connection with the Offer and the Consent Solicitation. In such capacity, the Dealer Manager may contact Holders regarding the Offer and the Consent Solicitation and may request brokers, dealers, commercial banks, trust companies and other nominees to forward this Statement and related materials to beneficial owners of Notes.

The Company has agreed to indemnify the Dealer Manager against certain liabilities, including certain liabilities under the federal securities laws. Credit Suisse Securities (USA) LLC and its affiliates have provided in the past other investment banking and financial advisory services to the Company, for which services it received customary compensation. From time to time in the future, the Dealer Manager may provide services to the Company or its affiliates.

At any given time, the Dealer Manager, in the ordinary course of its business, may make markets in the Company's securities and, as a result, from time to time, may trade the Notes for its own account or for the accounts of its customers and, accordingly, may hold a long or short position in the Notes.

Any Holder that has questions concerning the terms of the Offer or the Consent Solicitation may contact the Dealer Manager at its address and telephone number set forth on the back cover of this Statement.

D.F. King & Co., Inc. has been appointed as Depositary for the Offer and the Consent Solicitation. Consents and Letters of Transmittal and all correspondence in connection with the Offer and the Consent Solicitation should be sent or delivered by each Holder or a beneficial owner's broker, dealer, commercial bank, trust company or other nominee to the Depositary at the address and telephone number set forth on the back cover of this Statement. Any Holder or beneficial owner that has questions concerning the procedures for tendering Notes or whose Notes have been mutilated, lost, stolen or destroyed should contact the Depositary at the addresses and telephone number set forth on the back cover of this Statement.

D.F. King & Co., Inc. has also been appointed as Information Agent for the Offer and the Consent Solicitation. Questions and requests for assistance or additional copies of this Statement, the Consent and Letter of Transmittal may be directed to the Information Agent at the address and telephone numbers set forth on the back cover of this Statement. Holders may also contact their broker, dealer, commercial bank or trust company for assistance concerning the Offer and Consent Solicitation.

None of the Dealer Manager, the Depositary nor the Information Agent assumes any responsibility for the accuracy or completeness of the information concerning the Company or its affiliates or the Notes contained or referred to in this Statement (except to the extent they have provided such information to the Company) or for any failure by the Company to disclose events that may have occurred and may affect the significance or accuracy of such information.

FEES AND EXPENSES

The Company will pay the Dealer Manager, the Depositary and the Information Agent customary fees for their services and will reimburse them for their reasonable out-of-pocket expenses in connection therewith. The Company will pay brokerage firms and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Statement and related materials to the beneficial owners of Notes. In addition, the Company will indemnify the Dealer Manager, the Depositary and the Information Agent against certain liabilities in connection with their services, including liabilities under federal securities laws.

The Company will pay all transfer taxes, if any, with respect to the Notes. If, however, Notes for principal amounts not tendered or not accepted for payment or for which payments will be made to any person other than the registered Holder thereof, or if a transfer tax is imposed other than in connection with the purchase of Notes pursuant to the Offer, then the amount of any such transfer tax (whether imposed on the Holder or any other person) will be payable by the tendering Holder. If satisfactory evidence of payment of such tax or an exemption therefrom is not submitted, then the amount of such transfer tax will be deducted from the consideration otherwise payable to such tendering Holder.

MISCELLANEOUS

Unless otherwise specifically noted herein, all references to "dollars" or "$" refer to U.S. dollars.

The Offer and the Consent Solicitation are being made to all Holders of the Notes. The Company is not aware of any jurisdiction in which the making of the Offer and the Consent Solicitation are not in compliance with applicable law. In any jurisdiction in which the Offer or the Consent Solicitation are required to be made by a licensed broker or dealer, they shall be deemed to be made by the Dealer Manager on behalf of the Company. If the Company becomes aware of any jurisdiction in which the making of the Offer and the Consent Solicitation would not be in compliance with applicable law, the Company will make a good faith effort to comply with any such law. If, after such good faith effort, the Company cannot comply with any such law, the Offer and the

Consent Solicitation will not be made to (nor will tenders of Notes and Consents be accepted from or on behalf of) the owners of Notes residing in such jurisdiction.

No person has been authorized to make any recommendation as to whether you should tender your Notes or deliver Consents, or to give any information or make any representation on behalf of the Company not contained in this Statement or in the Consent and Letter of Transmittal and, if given or made, such information or representation must not be relied upon as having been authorized.

SCHEDULE I

Proposed Amendments

The following is a description of the Proposed Amendments to delete certain restrictive covenants and event of default provisions and to amend certain other provisions of the Indenture. Such amendments will be contained and reflected in the Supplemental Indenture. The following is qualified in its entirety by reference to the Indenture. Capitalized terms used but not defined herein have the meaning ascribed to such terms in the Indenture.

If the Proposed Amendments become operative, the Indenture will be amended as set forth below to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text). The Proposed Amendments would also delete those definitions from the Indenture that are used only in provisions that would be eliminated as a result of the indicated deletions or modifications, and cross-references to provisions in the Indenture that have been deleted as a result of the Proposed Amendments will be revised to reflect such deletions.

1. The following Section 4.02 (SEC Reports) will be amended as follows:

SECTION 4.02. ~~SEC~~ Reports. ~~The Company will furnish to the Securityholders and the Trustee and make available to securities analysts and prospective investors upon request: (i) within 120 days from the end of each fiscal year, an annual report on Form 20-F containing the information required to be contained therein for such fiscal year and (ii) within 45 days after the end of each of the first three fiscal quarters in each fiscal year, quarterly reports on Form 6-K containing all the information that would be required to be contained in a filing with the SEC on Form 10-Q if the Company were required to file such Form, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations". All reports required by this paragraph will be prepared in all material respects in accordance with all the rules and regulations applicable to the relevant Form, which for purposes of filings on Form 6-K will require including all the information required to be included in such Form 6-K by the preceding sentence. In addition, whether or not the Company is subject to the periodic reporting requirements of the Exchange Act, the Company will file a copy of each of the reports with the SEC for public availability within the time periods specified above (unless the SEC will not accept such a filing). The Company agrees that it will not take any action for the purpose of causing the SEC not to accept any such filings. If, notwithstanding the foregoing, the SEC will not accept the Company's filings for any reason, the Company will post the reports referred to in this paragraph on its website within the time periods specified above.~~

~~At any time that any of the Company's Subsidiaries are Unrestricted Subsidiaries, then the quarterly and annual financial information required by the preceding paragraph will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in "Management's Discussion and Analysis of Financial Condition and Results of Operations", of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Company.~~

~~In addition, the Company will furnish to the Holders of the Securities and to prospective investors, upon the requests of such Holders, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the Securities are not freely transferable under the Securities Act.~~ The Company ~~also~~ shall comply with the ~~other~~ provisions of TIA §. 314(a) to the extent applicable.

2. The following Section 4.03 (Limitation on Indebtedness) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.03. ~~Limitation on Indebtedness~~.

~~(a) The Company shall not, and shall not permit any Restricted Subsidiary to, Incur, directly or indirectly, any Indebtedness; *provided*, *however*, that the Company and the Subsidiary Guarantors shall be entitled to Incur Indebtedness if, on the date of such Incurrence and after giving effect thereto on a *pro forma* basis, no Default has occurred and is continuing and the Consolidated Leverage Ratio would be less than 4 to 1.~~

~~(b) Notwithstanding the foregoing paragraph (a), the Company and the Restricted Subsidiaries shall be entitled to Incur any or all of the following Indebtedness:~~

~~(1) Indebtedness owed to and held by the Company or a Wholly Owned Subsidiary; *provided*, *however*, that (A) any subsequent issuance or transfer of any Capital Stock which results in any such Wholly Owned Subsidiary ceasing to be a Wholly Owned Subsidiary or any subsequent transfer of such Indebtedness (other than to the Company or a Wholly Owned Subsidiary) shall be deemed, in each case, to constitute the Incurrence of such Indebtedness by the obligor thereon, (B) if the Company is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Securities, and (C) if a Subsidiary Guarantor is the obligor on such Indebtedness, such Indebtedness is expressly subordinated to the prior payment in full in cash of all obligations of such obligor with respect to its Subsidiary Guaranty;~~

~~(2) the Securities (other than any Additional Securities);~~

~~(3) Indebtedness outstanding on the Issue Date (other than Indebtedness described in clause (1) or (2) of this Section 4.03(b));~~

~~(4) Refinancing Indebtedness in respect of Indebtedness Incurred pursuant to Section 4.03(a) or pursuant to clause (2) or (3) of this Section 4.03(b) or this clause (4);~~

~~(5) Hedging Obligations consisting of Interest Rate Agreements directly related to Indebtedness permitted to be Incurred by the Company and the Restricted Subsidiaries pursuant to this Indenture;~~

~~(6) Obligations in respect of performance, bid and surety bonds and completion guarantees provided by the Company or any Restricted Subsidiary in the ordinary course of business;~~

~~(7) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided*, *however*, that such Indebtedness is extinguished within two Business Days of its Incurrence;~~

~~(8) Purchase Money Obligations and Capital Lease Obligations, in an aggregate principal amount at any time outstanding not exceeding an amount equal to 5% of the Consolidated Total Assets at any time outstanding;~~

~~(9) Indebtedness consisting of the Subsidiary Guaranty of a Subsidiary Guarantor and any Guarantee by a Subsidiary Guarantor of Indebtedness Incurred pursuant to paragraph (a) of this Section 4.03 or pursuant to clause (1), (2), (3) above or pursuant to clause (4) above to the extent the Refinancing Indebtedness Incurred thereunder directly or indirectly Refinances Indebtedness Incurred pursuant to paragraph (a) or pursuant to clause (2) or (3); and~~

(10) Indebtedness of the Company or any of its Restricted Subsidiaries in an aggregate principal amount which, when taken together with all other Indebtedness of the Company and its Restricted Subsidiaries outstanding on the date of such Incurrence (other than Indebtedness permitted by clauses (1) through (9) of this Section 4.03(b) or Section 4.03(a)), does not exceed US$15 million.

(c) Notwithstanding the foregoing, neither the Company nor any Subsidiary Guarantor shall Incur any Indebtedness pursuant to Section 4.03(b) if the proceeds thereof are used, directly or indirectly, to Refinance any Subordinated Obligations of the Company or any Subsidiary Guarantor unless such Indebtedness shall be subordinated to the Securities or to the applicable Subsidiary Guaranty to at least the same extent as such Subordinated Obligations.

(d) For purposes of determining compliance with this Section 4.03, (1) in the event that an item of Indebtedness (or any portion thereof) meets the criteria of more than one of the types of Indebtedness described herein, the Company, in its sole discretion, shall classify such item of Indebtedness (or any portion thereof) at the time of Incurrence and shall only be required to include the amount and type of such Indebtedness in one of the above clauses and (2) the Company shall be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described herein.

(e) For purposes of determining compliance with any U.S. dollar denominated restriction on the Incurrence of Indebtedness where the Indebtedness Incurred is denominated in a different currency, the amount of such Indebtedness shall be the U.S. Dollar Equivalent determined on the date of the Incurrence of such Indebtedness; *provided*, *however*, that if any such Indebtedness denominated in a different currency is subject to a Currency Agreement with respect to U.S. dollars covering all principal, premium, if any, and interest payable on such Indebtedness, the amount of such Indebtedness expressed in U.S. dollars shall be as provided in such Currency Agreement. The principal amount of any Refinancing Indebtedness Incurred in the same currency as the Indebtedness being Refinanced shall be the U.S. Dollar Equivalent of the Indebtedness Refinanced, except to the extent that (1) such U.S. Dollar Equivalent was determined based on a Currency Agreement, in which case the Refinancing Indebtedness shall be determined in accordance with the preceding sentence, and (2) the principal amount of the Refinancing Indebtedness exceeds the principal amount of the Indebtedness being Refinanced, in which case the U.S. Dollar Equivalent of such excess shall be determined on the date such Refinancing Indebtedness is Incurred.

3. The following Section 4.04 (Limitation on Restricted Payments) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.04. Limitation on Restricted Payments.

(a) The Company shall not, and shall not permit any Restricted Subsidiary, directly or indirectly, to make a Restricted Payment if at the time the Company or such Restricted Subsidiary makes such Restricted Payment:

(1) a Default shall have occurred and be continuing (or would result therefrom);

(2) the Company is not entitled to Incur an additional US$1.00 of Indebtedness under Section 4.03(a); or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments since the Issue Date would exceed the sum of (without duplication):

(A) 50% of the Adjusted Consolidated Net Income accrued during the period (treated as one accounting period) from October 1, 2003 to the end of the most recent fiscal quarter ending at least 45 days prior to the date of such Restricted Payment (or, in case such Adjusted Consolidated Net Income shall be a deficit, minus 100% of such deficit); plus

(B) 100% of the aggregate Net Cash Proceeds received by the Company from the issuance or sale of its Capital Stock (other than Disqualified Stock) subsequent to the Issue Date (other than an issuance or sale to a Subsidiary of the Company and other than an issuance or sale to an employee stock ownership plan or to a trust established by the Company or any of its Subsidiaries for the benefit of their employees) and 100% of any cash capital contribution received by the Company from its shareholders subsequent to the Issue Date; plus

(C) the amount by which Indebtedness of the Company is reduced on the Company's balance sheet upon the conversion or exchange (other than by a Subsidiary of the Company) subsequent to the Issue Date of any Indebtedness of the Company convertible or exchangeable for Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash, or the fair value of any other property, distributed by the Company upon such conversion or exchange); *provided*, *however*, that the foregoing amount shall not exceed the Net Cash Proceeds received by the Company or any Restricted Subsidiary from the sale of such Indebtedness (excluding Net Cash Proceeds from sales to a Subsidiary of the Company or to an employee stock ownership plan or to a trust established by the Company or any of its Subsidiaries for the benefit of their employees); plus

(D) an amount equal to the sum of (i) the net reduction in the Investments (other than Permitted Investments) made by the Company or any Restricted Subsidiary in any Person resulting from repurchases, repayments or redemptions of such Investments by such Person, proceeds realized on the sale of such Investment and proceeds representing the return of capital (excluding dividends and distributions), in each case received by the Company or any Restricted Subsidiary, and (ii) to the extent such Person is an Unrestricted Subsidiary, the portion (proportionate to the Company's equity interest in such Subsidiary) of the fair market value of the net assets of such Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary; *provided*, *however*, that the foregoing sum shall not exceed, in the case of any such Person or Unrestricted Subsidiary, the amount of Investments (excluding Permitted Investments) previously made (and treated as a Restricted Payment) by the Company or any Restricted Subsidiary in such Person or Unrestricted Subsidiary.

(b) The provisions of Section 4.04(a) shall not prohibit:

(1) any Restricted Payment made out of the Net Cash Proceeds of the substantially concurrent sale of, or made by exchange for, Capital Stock of the Company (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary of the Company or an employee stock ownership plan or to a trust established by the Company or any of its Subsidiaries for the benefit of their employees) or a substantially concurrent cash capital contribution received by the Company from its shareholders; *provided*, *however*, that (A) such Restricted Payment shall be excluded in the calculation of the amount of Restricted Payments and (B) the Net Cash Proceeds from such sale or such cash capital contribution (to the extent so used for such Restricted Payment) shall be excluded from the calculation of amounts under Section 4.04(a)(3)(B);

(2) any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Obligations of the Company or a Subsidiary Guarantor made by exchange for, or out of the proceeds of the substantially concurrent sale of, Indebtedness of such Person which is permitted to be Incurred pursuant to Section 4.03; *provided*, *however*, that such purchase, repurchase, redemption, defeasance or other acquisition or retirement for value shall be excluded in the calculation of the amount of Restricted Payments;

(3) dividends paid within 60 days after the date of declaration thereof if at such date of declaration such dividend would have complied with this Section 4.04; *provided*, *however*, that at the time of payment

of such dividend, no other Default shall have occurred and be continuing (or result therefrom); *provided further*, *however*, that such dividend shall be included in the calculation of the amount of Restricted Payments;

(4) so long as no Default has occurred and is continuing, the repurchase or other acquisition of shares of Capital Stock of the Company or any of its Subsidiaries from employees, former employees, directors or former directors of the Company or any of its Subsidiaries (or permitted transferees of such employees, former employees, directors or former directors), pursuant to the terms of the agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors under which such individuals purchase or sell or are granted the option to purchase or sell, shares of such Capital Stock; *provided*, *however*, that the aggregate amount of such repurchases and other acquisitions (excluding amounts representing cancellation of Indebtedness) shall not exceed US$2 million in any calendar year; *provided further*, *however*, that such repurchases and other acquisitions shall be excluded in the calculation of the amount of Restricted Payments;

(5) payments of dividends on Disqualified Stock issued pursuant to Section 4.03; *provided*, *however*, that such dividends shall be excluded in the calculation of the amount of Restricted Payments;

(6) repurchases of Capital Stock deemed to occur upon exercise of stock options if such Capital Stock represents a portion of the exercise price of such options; *provided*, *however*, that such Restricted Payments shall be excluded in the calculation of the amount of Restricted Payments;

(7) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Company; *provided*, *however*, that any such cash payment shall not be for the purpose of evading the limitation of this Section 4.04 (as determined in good faith by the Board of Directors); *provided further*, *however*, that such payments shall be excluded in the calculation of the amount of Restricted Payments; (8) in the event of a Change of Control, and if no Default shall have occurred and be continuing, the payment, purchase, redemption, defeasance or other acquisition or retirement of Subordinated Obligations of the Company or any Subsidiary Guarantor, in each case, at a purchase price not greater than 101% of the principal amount of such Subordinated Obligations, plus any accrued and unpaid interest thereon; *provided*, *however*, that prior to such payment, purchase, redemption, defeasance or other acquisition or retirement, the Company (or a third party to the extent permitted by this Indenture) has made a Change of Control Offer with respect to the Securities as a result of such Change of Control and has repurchased all Securities validly tendered and not withdrawn in connection with such Change of Control Offer; *provided further*, *however*, that such repurchase and other acquisitions shall be included in the calculation of the amount of Restricted Payments;

(8) payments of intercompany subordinated Indebtedness, the Incurrence of which was permitted under Section 4.03(b)(3); *provided*, *however*, that no Default has occurred and is continuing or would otherwise result therefrom; *provided further*, *however*, that such payments shall be excluded in the calculation of the amount of Restricted Payments; or

(9) Restricted Payments in an amount which, when taken together with all Restricted Payments made pursuant to this Section 4.04(b)(10), does not exceed US$10 million; *provided*, *however*, that (A) at the time of each such Restricted Payment, no Default shall have occurred and be continuing (or result therefrom) and (B) such dividends shall be included in the calculation of the amount of Restricted Payments.

4. The following Section 4.05 (Limitation on Restrictions on Distributions from Restricted Subsidiaries) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.05. ~~Limitation on Restrictions on Distributions from Restricted Subsidiaries.~~

~~The Company shall not, and shall not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (a) pay dividends or make any other distributions on its Capital Stock to the Company or a Restricted Subsidiary or pay any Indebtedness owed to the Company, (b) make any loans or advances to the Company or (c) transfer any of its property or assets to the Company, except:~~

~~(1) with respect to clauses (a), (b) and (c),~~

~~(A) any encumbrance or restriction pursuant to an agreement in effect at or entered into on the Issue Date;~~

~~(B) any encumbrance or restriction with respect to a Restricted Subsidiary pursuant to an agreement relating to any Indebtedness Incurred by such Restricted Subsidiary on or prior to the date on which such Restricted Subsidiary was acquired by the Company (other than Indebtedness Incurred as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate, the transaction or series of related transactions pursuant to which such Restricted Subsidiary became a Restricted Subsidiary or was acquired by the Company) and outstanding on such date;~~

~~(C) any encumbrance or restriction pursuant to an agreement effecting a Refinancing of Indebtedness Incurred pursuant to an agreement referred to in Section 4.05(1)(A) or (B) or this clause (C) or contained in any amendment to an agreement referred to in Section 4.05(1)(A) or (B) or this clause (C); *provided*, *however*, that the encumbrances and restrictions with respect to such Restricted Subsidiary contained in any such refinancing agreement or amendment are no less favorable to the Securityholders than encumbrances and restrictions with respect to such Restricted Subsidiary contained in such predecessor agreements; and~~

~~(D) any encumbrance or restriction with respect to a Restricted Subsidiary imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all the Capital Stock or assets of such Restricted Subsidiary pending the closing of such sale or disposition; and~~

~~(2) with respect to clause (c) only,~~

~~(A) any encumbrance or restriction consisting of customary non-assignment provisions in leases governing leasehold interests to the extent such provisions restrict the transfer of the lease or the property leased thereunder; and~~

~~(B) any encumbrance or restriction contained in security agreements or mortgages securing Indebtedness of a Restricted Subsidiary to the extent such encumbrance or restriction restricts the transfer of the property subject to such security agreements or mortgages.~~

5. The following Section 4.06 (Limitation on Sales of Assets and Subsidiary Stock) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.06. ~~Limitation on Sales of Assets and Subsidiary Stock.~~

~~(a) The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, consummate any Asset Disposition unless:~~

~~(1) the Company or such Restricted Subsidiary receives consideration at the time of such Asset Disposition at least equal to the fair market value (including as to the value of all non-cash consideration), as determined in good faith by the Board of Directors, of the shares and assets subject to such Asset Disposition;~~

~~(2) except in the case of a Permitted Asset Swap, at least 75% of the consideration thereof received by the Company or such Restricted Subsidiary is in the form of cash or cash equivalents; and~~

~~(3) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Company (or such Restricted Subsidiary, as the case may be)~~

~~(A) first, to the extent the Company elects (or is required by the terms of any Indebtedness), to prepay, repay, redeem, purchase, defease or otherwise acquire Senior Indebtedness of the Company or Indebtedness (other than any Disqualified Stock) of a Wholly Owned Subsidiary (in each case other than Indebtedness owed to the Company or an Affiliate of the Company) within one year from the later of the date of such Asset Disposition or the receipt of such Net Available Cash;~~

~~(B) second, to the extent of the balance of such Net Available Cash after application in accordance with clause (A), to the extent the Company elects, to acquire Additional Assets within one year from the later of the date of such Asset Disposition or the receipt of such Net Available Cash; and~~

~~(C) third, to the extent of the balance of such Net Available Cash after application in accordance with clauses (A) and (B), to make an Offer to the holders of the Securities (and to holders of other Senior Indebtedness of the Company designated by the Company) to purchase Securities (and such other Senior Indebtedness of the Company) pursuant to and subject to the conditions of this Section 4.06; *provided*, *however*, that in connection with any prepayment, repayment, purchase, redemption, defeasance or other acquisition of Indebtedness pursuant to clause (A) or (C) above, the Company or such Restricted Subsidiary shall permanently retire such Indebtedness and shall cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid, purchased, redeemed, defeased or otherwise acquired. Notwithstanding the foregoing provisions of this Section 4.06, the Company and the Restricted Subsidiaries shall not be required to apply any Net Available Cash in accordance with this Section 4.06(a) except to the extent that the aggregate Net Available Cash from all Asset Dispositions which is not applied in accordance with this Section 4.06(a) exceeds US$5 million. Pending application of Net Available Cash pursuant to this Section 4.06(a), such Net Available Cash shall be invested in Temporary Cash Investments or applied to temporarily reduce revolving credit indebtedness.~~

~~For the purposes of this Section 4.06(a), the following are deemed to be cash or cash equivalents: (i) the assumption of Indebtedness of the Company (other than Obligations in respect of Disqualified Stock of the Company) or any Restricted Subsidiary (other than Obligations in respect of Disqualified Stock or Preferred Stock of a Subsidiary Guarantor) and the release of the Company or such Restricted Subsidiary from all liability on such Indebtedness in connection with such Asset Disposition and (ii) securities received by the Company or any Restricted Subsidiary from the transferee that are promptly converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion.~~

(b) In the event of an Asset Disposition that requires the purchase of Securities (and other Senior Indebtedness of the Company) pursuant to Section 4.06(a)(3)(C), the Company shall purchase Securities tendered pursuant to an offer by the Company for the Securities (and such other Senior Indebtedness) (the "Offer") at a purchase price of 100% of their principal amount (or, in the event such other Senior Indebtedness of the Company was issued with significant original issue discount, 100% of the accreted value thereof), without premium, plus accrued but unpaid interest (or, in respect of such other Senior Indebtedness of the Company, such lesser price, if any, as may be provided for by the terms of such Senior Indebtedness) in accordance with the procedures (including prorating in the event of oversubscription) set forth in Section 4.06(c). If the aggregate purchase price of Securities tendered pursuant to the Offer exceeds the Net Available Cash allotted to their purchase, the Company shall select the Securities to be purchased on a *pro rata* basis but in round denominations, which in the case of the Securities will be denominations of US$1,000 principal amount or multiples thereof. The Company shall not be required to make an Offer to purchase Securities (and other Senior Indebtedness of the Company) pursuant to this Section 4.06 if the Net Available Cash available therefor is less than US$2 million (which lesser amount shall be carried forward for purposes of determining whether such an Offer is required with respect to the Net Available Cash from any subsequent Asset Disposition). Upon completion of such an Offer, Net Available Cash shall be deemed to be reduced by the aggregate amount of such Offer.

(c)(1) Promptly, and in any event within 10 days after the Company becomes obligated to make an Offer, the Company shall deliver to the Trustee and send, by first-class mail to each Holder, a written notice stating that the Holder may elect to have his Securities purchased by the Company either in whole or in part (subject to prorating as described in Section 4.06(b) in the event the Offer is oversubscribed) in integral multiples of US$1,000 of principal amount, at the applicable purchase price. The notice shall specify a purchase date not less than 30 days nor more than 60 days after the date of such notice (the "Purchase Date") and shall contain such information concerning the business of the Company which the Company in good faith believes will enable such Holders to make an informed decision.

(2) Not later than the date upon which written notice of an Offer is delivered to the Trustee as provided below, the Company shall deliver to the Trustee an Officers' Certificate as to (A) the amount of the Offer (the "Offer Amount"), including information as to any other Senior Indebtedness included in the Offer, (B) the allocation of the Net Available Cash from the Asset Dispositions pursuant to which such Offer is being made and (C) the compliance of such allocation with the provisions of Section 4.06(a) and (b). On such date, the Company shall also irrevocably deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust) in Temporary Cash Investments, maturing on the last day prior to the Purchase Date or on the Purchase Date if funds are immediately available by open of business, an amount equal to the Offer Amount to be held for payment in accordance with the provisions of this Section. If the Offer includes other Senior Indebtedness, the deposit described in the preceding sentence may be made with any other paying agent pursuant to arrangements satisfactory to the Trustee. Upon the expiration of the period for which the Offer remains open (the "Offer Period"), the Company shall deliver to the Trustee for cancellation the Securities or portions thereof which have been properly tendered to and are to be accepted by the Company. The Trustee shall, on the Purchase Date, mail or deliver payment (or cause the delivery of payment) to each tendering Holder in the amount of the purchase price. In the event that the aggregate purchase price of the Securities delivered by the Company to the Trustee is less than the Offer Amount applicable to the Securities, the Trustee shall deliver the excess to the Company immediately after the expiration of the Offer Period.

(3) Holders electing to have a Security purchased shall be required to surrender the Security, with an appropriate form duly completed, to the Company at the address specified in the notice at least three Business Days prior to the Purchase Date. Holders shall be entitled to withdraw their election if the Trustee or the Company receives not later than one Business Day prior to the Purchase Date, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Security which was

delivered for purchase by the Holder and a statement that such Holder is withdrawing his election to have such Security purchased. Holders whose Securities are purchased only in part shall be issued new Securities equal in principal amount to the unpurchased portion of the Securities surrendered.

(4) At the time the Company delivers Securities to the Trustee which are to be accepted for purchase, the Company shall also deliver an Officers' Certificate stating that such Securities are to be accepted by the Company pursuant to and in accordance with the terms of this Section. A Security shall be deemed to have been accepted for purchase at the time the Trustee, directly or through an agent, mails or delivers payment therefor to the surrendering Holder.

(d) The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Securities pursuant to this Section 4.06. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section 4.06, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.06 by virtue of its compliance with such securities laws or regulations.

6. The following Section 4.07 (Limitation on Affiliate Transactions) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.07. Limitation on Affiliate Transactions.

(a) The Company shall not, and shall not permit any Restricted Subsidiary to, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property, employee compensation arrangements or the rendering of any service) with, or for the benefit of, any Affiliate of the Company (an "Affiliate Transaction") unless:

(1) the terms of the Affiliate Transaction are no less favorable to the Company or such Restricted Subsidiary than those that could be obtained at the time of the Affiliate Transaction in arm's-length dealings with a Person who is not Affiliate;

(2) if such Affiliate Transaction involves an amount in excess of US$1 million, the terms of the Affiliate Transaction are set forth in writing and two Officers of the Company have certified that the criteria set forth in this Section 4.07(a)(1) are satisfied in an Officers' Certificate;

(3) if such Affiliate Transaction involves an amount in excess of US$5 million, a majority of the directors of the Company disinterested with respect to such Affiliate Transaction have determined in good faith that the criteria set forth in this Section 4.07(a)(1) are satisfied and have approved the relevant Affiliate Transaction as evidenced by a resolution of the Board of Directors; *provided*, *however*, that a director will not be deemed disinterested with respect to transactions between the Company or a Restricted Subsidiary on the one hand and an immediate family member of such director or an entity affiliated with such immediate family member on the other hand; and

(4) if such Affiliate Transaction involves an amount in excess of US$10 million, the Board of Directors shall also have received a written opinion from an Independent Qualified Party to the effect that such Affiliate Transaction is fair, from a financial standpoint, to the Company and its Restricted Subsidiaries or is not less favorable to the Company and its Restricted Subsidiaries than could reasonably be expected to be obtained at the time in an arm's-length transaction with a Person who was not an Affiliate.

(b) The provisions of Section 4.07(a) shall not prohibit:

(1) any Investment (other than a Permitted Investment) or other Restricted Payment, in each case permitted to be made pursuant to Section 4.04 (but only to the extent included in the calculation of the amount of Restricted Payments made pursuant to Section 4.04(a)(3));

(2) any issuance of securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, employment arrangements, stock options and stock ownership plans approved by the Board of Directors;

(3) loans or advances to employees in the ordinary course of business in accordance with the past practices of the Company or its Restricted Subsidiaries, but in any event not to exceed US$2 million in the aggregate outstanding at any one time;

(4) the payment of reasonable fees to directors of the Company and its Restricted Subsidiaries who are not employees of the Company or its Restricted Subsidiaries;

(5) any transaction with a Restricted Subsidiary or joint venture or similar entity which would constitute an Affiliate Transaction solely because the Company or a Restricted Subsidiary owns an equity interest in or otherwise controls such Restricted Subsidiary, joint venture or similar entity;

(6) the issuance or sale of any Capital Stock (other than Disqualified Stock) of the Company; and

(7) transactions entered into in the ordinary course of business, consistent with past practices, on terms that are substantially similar to those that could be obtained at the time of such transactions in arm's length dealings with a Person who is not an Affiliate.

7. The following Section 4.08 (Limitation on Line of Business) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

SECTION 4.08. Limitation on Line of Business. The Company shall not, and shall not permit any Restricted Subsidiary, to engage in any business other than a Related Business.

8. The following Section 4.09 (Limitation on the Sale or Issuance of Capital Stock of Restricted Subsidiaries) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

SECTION 4.09. Limitation on the Sale or Issuance of Capital Stock of Restricted Subsidiaries. The Company:

(1) shall not, and shall not permit any Restricted Subsidiary to, sell, lease, transfer or otherwise dispose of any Capital Stock of any Restricted Subsidiary to any Person (other than to the Company or a Wholly Owned Subsidiary); and

(2) shall not permit any Restricted Subsidiary to issue any of its Capital Stock (other than, if necessary, shares of its Capital Stock constituting directors' or other legally required qualifying shares) to any Person (other than to the Company or a Wholly Owned Subsidiary) unless

(A) immediately after giving effect to such issuance, sale or other disposition, neither the Company nor any of its Subsidiaries own any Capital Stock of such Restricted Subsidiary; or

(B) immediately after giving effect to such issuance, sale or other disposition, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any Investment in such Person remaining after giving effect thereto is treated as a new Investment by the Company and such Investment would be permitted to be made under Section 4.04 if made on the date of such issuance, sale or other disposition.

For purposes of this Section 4.09, the creation of a Lien on any Capital Stock of a Restricted Subsidiary to secure Indebtedness of the Company or any of its Restricted Subsidiaries will not be deemed to be a violation of this covenant; *provided*, *however*, that any sale or other disposition by the secured party of such Capital Stock following foreclosure of its Lien will be subject to this Section 4.09.

9. The following Section 4.10 (Change of Control) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.10. Change of Control.

(a) Upon the occurrence of a Change of Control, each Holder shall have the right to require that the Company repurchase such Holder's Securities at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the terms contemplated in Section 4.10(b).

(b) Within 30 days following any Change of Control, the Company shall mail a notice to each Holder with a copy to the Trustee (the "Change of Control Offer") stating:

(1) that a Change of Control has occurred and that such Holder has the right to require the Company to purchase such Holder's Securities at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest on the relevant interest payment date);

(2) the circumstances and relevant facts regarding such Change of Control (including information with respect to *pro forma* historical income, cash flow and capitalization, in each case after giving effect to such Change of Control);

(3) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); and

(4) the instructions, as determined by the Company, consistent with this Section 4.10, that a Holder must follow in order to have its Securities purchased.

(c) Holders electing to have a Security purchased will be required to surrender the Security, with an appropriate form duly completed, to the Company at the address specified in the notice at least three Business Days prior to the purchase date. Holders will be entitled to withdraw their election if the Trustee or the Company receives not later than one Business Day prior to the purchase date, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Security which was delivered for purchase by the Holder and a statement that such Holder is withdrawing his election to have such Security purchased.

(d) On the purchase date, all Securities purchased by the Company under this Section shall be delivered by the Company to the Trustee for cancellation, and the Company shall pay the purchase price plus accrued and unpaid interest, if any, to the Holders entitled thereto.

(e) Notwithstanding the foregoing provisions of this Section 4.10, the Company shall not be required to make a Change of Control Offer following a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.10 applicable to a Change of Control Offer made by the Company and purchases all Securities validly tendered and not withdrawn under such Change of Control Offer.

(f) The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Securities pursuant to this Section 4.10. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section 4.10, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.10 by virtue of its compliance with such securities laws or regulations.

10. The following Section 4.11 (Limitation on Liens) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.11. Limitation on Liens. The Company shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, Incur or permit to exist any Lien (the "Initial Lien") of any nature whatsoever on any of its properties (including Capital Stock of a Restricted Subsidiary), whether owned at the Issue Date or thereafter acquired securing any Indebtedness, other than Permitted Liens, without effectively providing that the Securities shall be secured equally and ratably with (or prior to) the obligations so secured for so long as such obligations are so secured. Any Lien created for the benefit of the Holders of the Securities pursuant to the foregoing sentence shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon the release and discharge of the Initial Lien.

11. The following Section 4.12 (Limitation on Sale/Leaseback Transactions) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.12. Limitation on Sale/Leaseback Transactions. The Company shall not, and shall not permit any Restricted Subsidiary to, enter into any Sale/Leaseback Transaction with respect to any property unless:

(1) the Company or such Restricted Subsidiary would be entitled to (A) Incur Indebtedness in an amount equal to the Attributable Debt with respect to such Sale/Leaseback Transaction pursuant to Section 4.03 and (B) create a Lien on such property securing such Attributable Debt without equally and ratably securing the Securities pursuant to Section 4.11;

(2) the net proceeds received by the Company or any Restricted Subsidiary in connection with such Sale/Leaseback Transaction are at least equal to the fair value (as determined by the Board of Directors) of such property; and

(3) the Company applies the proceeds of such transaction in compliance with Section 4.06.

12. The following Section 4.13 (Future Guarantors) will be deleted in its entirety from the Indenture and replaced by the following: [Intentionally Omitted].

Section 4.13. Future Guarantors.

The Company shall cause each Restricted Subsidiary that Incurs any Indebtedness to, at the same time, execute and deliver to the Trustee a Guaranty Agreement pursuant to which such Restricted Subsidiary will Guarantee payment of the Securities on the same terms and conditions as those set forth in this Indenture.

13. The following Section 4.15 (Compliance Certificate) will be amended as follows:

Section 4.15. Compliance Certificate.

~~The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company an Officers' Certificate stating that in the course of the performance by the signers of their duties as Officers of the Company they would normally have knowledge of any Default and whether or not the signers know of any Default that occurred during such period. If they do, the certificate shall describe the Default, its status and what action the Company is taking or proposes to take with respect thereto.~~ The Company ~~also~~ shall comply with TIA §. 314(a)(4) to the extent applicable.

14. The following Section 5.01 (When Company May Merge or Transfer Assets) will be amended as follows:

Section 5.01. When Company May Merge or Transfer Assets.

(a) The Company shall not consolidate with or merge with or into, or convey, transfer or lease, in one transaction or a series of transactions, directly or indirectly, all or substantially all its assets to, any Person, unless~~:~~

~~(1)~~ the resulting, surviving or transferee Person (the "Successor Company") shall be a Person organized and existing under the laws of the United Mexican States or the laws of any political subdivision thereof, the laws of the United States of America, any State thereof or the District of Columbia, ~~or~~ the European Union or any if its member nations or any other country that, in each case, would not materially adversely affect the interests of the Securityholders and the Successor Company (if not the Company) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of the predecessor Company under the Securities and this Indenture~~;~~.

~~(2) immediately after giving pro forma effect to such transaction (and treating any Indebtedness which becomes an obligation of the Successor Company or any Subsidiary as a result of such transaction as having been Incurred by the Successor Company or such Subsidiary at the time of such transaction), no Default shall have occurred and be continuing;~~

~~(3) immediately after giving pro forma effect to such transaction, the Successor Company would be able to Incur an additional US$1.00 of Indebtedness pursuant to Section 4.03(a);~~

~~(4) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture;~~

~~(5) the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such transaction and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such transaction had not occurred; and~~

~~(6) the Company shall have delivered an Opinion of Counsel in the United Mexican States to the effect that the holders of the Securities will not recognize income, gain or loss for income tax purposes of such jurisdiction as a result of such transaction and will be subject to income tax in such jurisdiction on the same amounts, in the same manner and at the same times as would have been the case if such transaction had not occurred;~~

~~provided, however, that clause (3) will not be applicable to (A) a Restricted Subsidiary consolidating with, merging into or transferring all or part of its properties and assets to the Company or (B) the Company merging with an Affiliate of the Company solely for the purpose and with the sole effect of reincorporating the Company in another jurisdiction.~~

~~For purposes of this Section 5.01(a), the sale, lease, conveyance, assignment, transfer or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Company, which properties and assets, if held by the Company instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Company on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.~~

The Successor Company shall be the successor to the Company and shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture, and the predecessor Company, except in the case of a lease, shall be released from the obligation to pay the principal of and interest on the Securities.

(b) The Company shall not permit any Subsidiary Guarantor to consolidate with or merge with or into, or convey, transfer or lease, in one transaction or series of transactions, all or substantially all of its assets to any Person unless~~:~~

~~(1)~~ except in the case of a Subsidiary Guarantor (x) that has been disposed of in its entirety to another Person (other than to the Company or an Affiliate of the Company), whether through a merger, consolidation or sale of Capital Stock or assets or (y) that, as a result of a disposition of all or a portion of its Capital Stock, ceases to be a Subsidiary, the resulting, surviving or transferee Person (if not such Subsidiary) shall be a Person organized and existing under the laws of the jurisdiction under which such Subsidiary was organized or under the laws of the United States of America, or any State thereof or the District of Columbia, ~~or~~ the United Mexican States or any political subdivision thereof, the European Union or any if its member nations or any other country that, in each case, would not materially adversely affect the interests of the Securityholders and such Person shall expressly assume, by a Guaranty Agreement, in a form satisfactory to the Trustee, all the obligations of such Subsidiary, if any, under its Subsidiary Guaranty~~;~~.

~~(2) immediately after giving effect to such transaction or transactions on a pro forma basis (and treating any Indebtedness which becomes an obligation of the resulting, surviving or transferee Person as a result of such transaction as having been issued by such Person at the time of such transaction), no Default shall have occurred and be continuing; and~~

~~(3) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such Guaranty Agreement, is legal, valid and binding and is enforceable against the successor Subsidiary Guarantor and complies with this Indenture.~~

15. The following clauses of Section 6.01 (Events of Default) will be deleted in their entirety from the Indenture and replaced by the following: [Intentionally Omitted].

~~(4) the Company fails to comply with Section 4.02, 4.03, 4.04, 4.05, 4.06, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13 or 4.14 (other than a failure to purchase Securities when required under Section 4.06 or 4.10) and such failure continues for 30 days after the notice specified below;~~

~~(5) the Company or any Subsidiary Guarantor fails to comply with any of its agreements in the Securities or this Indenture (other than those referred to in clause (1), (2), (3) or (4) above) and such failure continues for 60 days after the notice specified below;~~

~~(6) Indebtedness of the Company, any Subsidiary Guarantor or any Significant Subsidiary is not paid within any applicable grace period after final maturity or is accelerated by the holders thereof because of a default and the total amount of such Indebtedness unpaid or accelerated exceeds US$10 million, or its foreign currency equivalent at the time;~~

~~(7) the Company, a Subsidiary Guarantor or any Significant Subsidiary pursuant to or within the meaning of any Bankruptcy Law:~~

~~(A) commences a voluntary case;~~

~~(B) consents to the entry of an order for relief against it in an involuntary case;~~

~~(C) consents to the appointment of a Custodian of it or for any substantial part of its property; or~~

~~(D) makes a general assignment for the benefit of its creditors;~~

~~or takes any comparable action under any foreign laws relating to insolvency;~~

~~(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:~~

~~(A) is for relief against the Company, a Subsidiary Guarantor or any Significant Subsidiary in an involuntary case;~~

~~(B) appoints a Custodian of the Company, a Subsidiary Guarantor or any Significant Subsidiary or for any substantial part of its property; or~~

~~(C) orders the winding up or liquidation of the Company, a Subsidiary Guarantor or any Significant Subsidiary;~~

~~or any similar relief is granted under any foreign laws and the order or decree remains unstayed and in effect for 60 days;~~

~~(9) any judgment or decree for the payment of money in excess of US$10 million or its foreign currency equivalent at the time is entered against the Company, a Subsidiary Guarantor or any Significant Subsidiary, remains outstanding for a period of 60 days following the entry of such judgment or decree and is not discharged, waived or the execution thereof stayed; or~~

16. Section 8.01 (Discharge of Liability on Securities; Defeasance) will be amended as follows:

Section 8.01. Discharge of Liability on Securities; Defeasance. (a) When (1) the Company delivers to the Trustee all outstanding Securities (other than Securities replaced pursuant to Section 2.07) for cancellation or (2) all outstanding Securities have become due and payable, whether at maturity or on a redemption date as a result of the mailing of a notice of redemption pursuant to Article 3 hereof and the Company irrevocably deposits with the Trustee funds sufficient to pay at maturity or upon redemption all outstanding Securities, including interest thereon to maturity or such redemption date (other than

Securities replaced pursuant to Section 2.07), and if in either case the Company pays all other sums payable hereunder by the Company, then this Indenture shall, subject to Section 8.01(c), cease to be of further effect. The Trustee shall acknowledge satisfaction and discharge of this Indenture on demand of the Company accompanied by an Officers' Certificate and an Opinion of Counsel and at the cost and expense of the Company.

(b) Subject to Sections 8.01(c) and 8.02, the Company at any time may terminate ~~(1)~~ all its obligations under the Securities and this Indenture ("legal defeasance option") ~~or (2) its obligations under Sections 4.02, 4.03, 4.04, 4.05, 4.06, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12 and 4.13 and the operation of Sections 6.01(4), 6.01(6), 6.01(7), 6.01(8), 6.01(9) and 6.01(10) (but, in the case of Sections 6.01(7) and (8), with respect only to Significant Subsidiaries and Subsidiary Guarantors) and the limitation contained in Sections 5.01(a)(3) ("covenant defeasance option"). The Company may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option.~~

If the Company exercises its legal defeasance option, payment of the Securities may not be accelerated because of an Event of Default with respect thereto. ~~If the Company exercises its covenant defeasance option, payment of the Securities may not be accelerated because of an Event of Default specified in Sections 6.01(4) (except an Event of Default attributable to a breach of Section 4.14), 6.01(6), 6.01(7), 6.01(8), 6.01(9) and 6.01(10) (but, in the case of Sections 6.01(7) and (8), with respect only to Significant Subsidiaries and Subsidiary Guarantors) or because of the failure of the Company to comply with Section 5.01(a)(3).~~ If the Company exercises its legal defeasance option or its covenant defeasance option, each Subsidiary Guarantor, if any, shall be released from all its obligations with respect to its Subsidiary Guaranty.

Upon satisfaction of the conditions set forth herein and upon request of the Company, the Trustee shall acknowledge in writing the discharge of those obligations that the Company terminates.

(c) Notwithstanding clauses (a) and (b) above, the Company's obligations in Sections 2.03, 2.04, 2.05, 2.06, 2.07, 2.08, 7.07 and 7.08 and in this Article 8 shall survive until the Securities have been paid in full. Thereafter, the Company's obligations in Sections 7.07, ~~8.04~~ and 8.05 shall survive such payment.

17. The following clauses of Section 8.02 (Conditions to Defeasance) will be deleted in their entirety from the Indenture and replaced by the following: [Intentionally Omitted]:

~~(5) the Company delivers to the Trustee an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the Investment Company Act of 1940.~~

~~(7) in the case of the covenant defeasance option, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Securityholders will not recognize income, gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred; and~~

18. Section 11.11 (Consent to Jurisdiction; Appointment of Agent for Service of Process; Judgment Currency) will be amended as follows:

(a) each of the Company and the Subsidiary Guarantors, by the execution and delivery of this Indenture, irrevocably agrees that service of process may be made upon CT Corporation System ("CT Corporation"), with offices at ~~1633 Broadway, 23rd Floor, New York~~111 Eighth Avenue, New York ~~10019~~, New York 10011 (or its successors as agent for service of process), in the County, City and State of New York, United States of America, in any suit or proceeding against it instituted by the Trustee,

based on or arising under this Indenture or the Securities and the transactions contemplated hereby in any federal or state court in the State of New York, County of New York, and each party hereto ~~of the Company and the Subsidiary Guarantors~~ hereby irrevocably consents and submits to the exclusive jurisdiction of, any such court ~~and to the courts of its own corporate domicile~~ in respect of actions brought against it as a defendant generally and unconditionally in respect of any such suit or proceeding and all parties hereto hereby expressly waive their rights to any other jurisdiction that may apply by virtue of their present or future domiciles, or for any other reason.

(b) each of the Company and the Subsidiary Guarantors further, by the execution and delivery of this Indenture, irrevocably designates, appoints and empowers CT Corporation, with offices at ~~1633 Broadway, 23rd Floor, New York~~111 Eighth Avenue, New York ~~10019,~~, New York 10011, as its designee, appointee and authorized agent to receive for and on its behalf service (i) of any and all legal process, summons, notices and documents that may be served in any action, suit or proceeding brought against it with respect to its obligations, liabilities or any other matter arising out of or in connection with this Indenture or the Securities and the transactions contemplated hereby and (ii) that may be made on such designee, appointee and authorized agent in accordance with legal procedures prescribed for such courts, and it being understood that the designation and appointment of CT Corporation as such authorized agent shall become effective immediately without any further action on its part. Each of the Company and the Subsidiary Guarantors represents to the Trustee that it has notified CT Corporation of such designation and appointment and that CT Corporation has accepted the same, and that CT Corporation has been paid its full fee for such designation, appointment and related services through the date that is one year from the date of this Indenture. Each of the Company and the Subsidiary Guarantors further agrees that, to the extent permitted by law, service of process upon CT Corporation (or its successors as agent for service of process) and written notice of said service to the Company or a Subsidiary Guarantor, as applicable, pursuant to Section 11.02 of this Indenture, shall be deemed in every respect effective service of process upon it in any such suit or proceeding. If for any reason such designee, appointee and agent hereunder shall cease to be available to act as such, each of the Company and the Subsidiary Guarantors agrees to designate a new designee, appointee and agent in The City of New York, New York on the terms and for the purposes of this Section reasonably satisfactory to the Trustee. Each of the Company and the Subsidiary Guarantors further hereby irrevocably consents and agrees to the service of any and all legal process, summons, notices and documents in any such action, suit or proceeding against the it by serving a copy thereof upon the relevant agent for service of process referred to in this Section (whether or not the appointment of such agent shall for any reason prove to be ineffective or such agent shall accept or acknowledge such service) and by mailing copies thereof by registered or certified air mail, postage prepaid, to the it at its address specified in or designated pursuant to this Indenture. Each of the Company and the Subsidiary Guarantors agrees that the failure of any such designee, appointee and agent to give any notice of such service to it shall not impair or affect in any way the validity of such service or any judgment rendered in any action or proceeding based thereon. Nothing herein shall in any way be deemed to limit the ability of the Trustee to serve any such legal process, summons, notices and documents in any other manner permitted by applicable law. Each of the Company and the Subsidiary Guarantors hereby irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any of the aforesaid actions, suits or proceedings arising out of or in connection with this Indenture brought in federal or state court in the State of New York, County of New York, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

[*the remainder of Section 11.11 will not be amended*]

19. In addition, the Supplemental Indenture will provide as follows:

All references in the Indenture (or the Notes) to any of the provisions deleted hereby shall also be deleted. All definitions in the Indenture that relate to defined terms used solely in provisions deleted hereby shall also be deleted.

Subject to the last sentence of Section 6.04 of the Indenture (to the extent it may be applicable), all Defaults and Events of Default that may exist under the Indenture at the time the Supplemental Indenture becomes effective are hereby waived.

The Depositary for the Offer and the Consent Solicitation is:

D.F. King & Co., Inc.

By Regular, Registered or Certified Mail; Hand or Overnight Courier:

48 Wall Street, 22nd Floor
New York, New York 10005
Attn: Elton Bagley

By Facsimile Transmission: (for Eligible Institutions Only)

(212) 809-8838

To Confirm by Telephone or for Information Call:

(212) 493-6996

Any questions or requests for assistance or additional copies of this Statement and the Consent and Letter of Transmittal may be directed to the Information Agent at the telephone numbers and address listed below. A Holder may also contact the Dealer Manager at its telephone numbers set forth below or such Holder's broker, dealer, commercial bank or trust company or nominee for assistance concerning the Offer and the Consent Solicitation.

The Information Agent for the Offer and the Consent Solicitation is:

D.F. King & Co., Inc.

48 Wall Street, 22nd Floor
New York, New York 10005
Banks and brokers call: (212) 269-5550 (collect)
All others call: (800) 967-4607 (toll-free)

The Dealer Manager for the Offer and the Solicitation Agent for the Consent Solicitation is:

Credit Suisse Securities (USA) LLC

Eleven Madison Avenue
New York, New York 10010
(212) 538-1862 (collect)
(800) 820-1653 (toll-free)