

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2001

Commission File Number 001-08106

MASTEC, INC.

(Exact name of registrant as specified in its charter)

Florida

State or other jurisdiction
of incorporation or organization)

65-0829355

(I.R.S. Employer Identification No.)

3155 N.W. 77th Avenue, Miami, FL 33122-1205
(Address of principal executive offices)

(305) 599-1800
(Registrant's telephone number,
including area code)

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class

Name of each exchange on
which registered

Common Stock, \$.10 Par Value

New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Exchange Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

The number of shares of common stock outstanding as of March 25, 2002 was 47,914,099. The aggregate market value of the voting stock held by non-affiliates of the registrant based on the \$7.47 closing price for the registrant's common stock on the New York Stock Exchange on March 25, 2002 was approximately \$200,834,812. Directors, executive officers and 10% or greater shareholders are considered affiliates for purposes of this calculation but should not necessarily be deemed affiliates for any other purpose.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's Proxy Statement relating to the 2002 Annual Meeting of Shareholders are incorporated by reference in Part III of this Annual Report on Form 10-K.

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Except for historical information, the matters discussed below may contain forward-looking statements, such as statements regarding our future growth and profitability, growth strategy and anticipated trends in the industries and economies in which we operate. These forward-looking statements are based on our current expectations and are subject to a number of risks, uncertainties, and assumptions, including that our revenue or profit may differ from that projected, that we may be further impacted by slowdowns in our clients' businesses or deterioration in our clients' financial condition, that our reserves may be inadequate or our equity investments may be impaired, that the outcome of pending litigation may be adverse to us, and that we may experience increased costs associated with realigning our business or may be unsuccessful in those efforts. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from results expressed or implied in any forward-looking statements made by us. These and other risks are detailed in this annual report and in other documents filed by us with the Securities and Exchange Commission, including our registration statement on Form S-3 (No. 333-90027). We do not undertake any obligation to revise these forward-looking statements to reflect future events or circumstances.

BUSINESS

General

We are a leading end-to-end communication, broadband and energy infrastructure service provider for a broad range of clients in North America and Brazil.

We design, build, install, maintain, upgrade and monitor internal and external networks and other facilities for our clients. We are one of the few national, multi-disciplinary infrastructure providers that furnishes a comprehensive solution to our clients' infrastructure needs ranging from basic installation and construction to sophisticated engineering, design and integration. Our diverse and long-standing client base, experienced management and integrated value added service offering provide a stable base of repeat business and enable us to quickly and efficiently meet client demands.

Our strategy is to use these competitive strengths to increase market share in the fragmented network infrastructure industry by expanding relationships across multiple service offerings with long-time clients and selected new clients who have both financial liquidity and end-user customers. We target predictable recurring maintenance and upgrade work under exclusive, multiple year master service and other agreements. We are also focused on leveraging our administrative base and achieving other cost savings and efficiencies through better utilization of our equipment, facilities and personnel and through economies of scale.

Clients

Our clients include some of the largest and most prominent companies in the communications, broadband and energy fields, including:

- - incumbent local exchange carriers,
- - cable television operators,
- - long distance carriers,
- - wireless service providers,
- - government agencies such as departments of transportation,
- - public and private energy companies and
- - financial institutions and other corporate clients.

We have over 200 clients, none of which accounted for 10% or more of our revenue in 2001. Our top 10 clients combined accounted for approximately 40.3% of our revenue in 2001. Representative clients include:

Adelphia Communications Corporation
BellSouth Corporation
Carolina Power and Light Company
Charter Communications, Inc.
Comcast Corporation
Cox Communications, Inc.
DirectTV, Inc.
Florida Department of Transportation
Georgia Department of Transportation
SBC Communications, Inc.
Sprint Corp.
Texas Utilities Company

Time Warner, Inc.
Qwest Communications International, Inc. (US West)
Verizon Communications, Inc.
Wachovia Corp.

Services

We market our services individually and in combination to provide the most efficient and effective solution to meet our clients' demands, which increasingly require resources from multiple disciplines. Through our unified "MasTec"(R) brand and an integrated organizational structure designed to permit rapid deployment of labor, equipment and materials, we are able quickly and efficiently to allocate resources to meet client needs.

We design, build, install, maintain, upgrade and monitor the physical facilities used to provide end-to-end voice, video and data service from the provider's central office, switching center or cable television head-end to the ultimate consumer's home or business. We provide similar services to electrical and other utility providers. We provide these services both externally on public or private rights-of-ways or in our clients' premises. Our services include:

- - comprehensive project management, coordination, consulting and administration,
- - designing, installing, testing and documenting switching and transmission equipment and supporting components at point-of-presence locations,
- - network route development, right of way and other site acquisition, and permitting,
- - designing conduit networks and fiber rings,
- - placing and splicing fiber optic, coaxial and copper cable; excavating trenches in which to place the cable; and furnishing and placing related structures such as poles, anchors, conduits, manholes, cabinets and closures,
- - overhead and underground installation and maintenance of electrical and other utilities' transmission and distribution networks, substation construction and maintenance, and right-of-way maintenance and restoration,
- - placing drop lines from our clients' main distribution terminals to their customer's home or business,
- - installing set-top boxes, satellite dishes and other connection devices in homes and businesses,
- - erecting wireless communication towers, constructing related structures and installing associated equipment,
- - designing and installing intelligent traffic networks,
- - engineering, furnishing and installing integrated voice, video and data networks inside client premises,
- - systems integration, which includes selecting, configuring and installing software, hardware and other computing and communications equipment and cabling to provide an integrated computing and communications system,
- - monitoring, maintaining and restoring clients' networks 24 hours a day, seven days a week,
- - network device security and optimization,
- - procuring materials,
- - providing acceptance testing and as-built documentation, and
- - maintaining, upgrading, removing and replacing these systems.

Backlog

At December 31, 2001 and 2000, we had a backlog in our domestic operations of approximately \$1.4 billion and \$1.5 billion, respectively. Our backlog consists of the uncompleted portion of services we are to perform under project-specific contracts as well as estimated work on master service agreements. We expect to complete substantially all of our backlog at December 31, 2001 during the next 18 months.

Sales and Marketing

We have developed a marketing plan emphasizing the "MasTec"(R) registered service mark and an integrated service offering to position ourselves as a seamless, end-to-end nationwide infrastructure services solution, providing services ranging from basic installation to sophisticated engineering, design and integration. We believe our long-standing relationships with our clients and reputation for reliability and efficiency facilitate our repeat business. Our marketing efforts are principally carried out by the management of our service offerings, most of whom have many years' experience in the industries they serve, both at the service provider level and in some

cases with the clients we serve. Our service offering leadership markets to existing and potential clients to negotiate new contracts or to be placed on lists of vendors invited to submit proposals for master service agreements and individual projects. Our executive management supplements their efforts at the national level. We also market through commissioned salespeople and our corporate marketing department.

Safety and Insurance

Performance of our services require the use of equipment and exposure to conditions that can be dangerous. Although we are committed to a policy of operating safely and prudently, we have been and will continue to be subject to claims by team members, customers and third parties for property damage and personal injuries resulting from the performance of our services. We perform on-site services using team members who have completed our applicable safety and training programs. Our policies require that team members complete the prescribed training and service program for which they work in addition to those required by applicable law.

We are committed to ensuring that our team members perform their work safely and strive to instill safe work habits in all of our team members. We evaluate our team members not only on the basis of the efficiency and quality of their work but also on their safety records and the safety records of the team members they supervise. We also hold regular training sessions and seminars with our team members devoted to safe work practices. We have established a company-wide safety committee to share best practices and to monitor and improve compliance with safety regulations.

The primary claims we face in our operations are workers' compensation, automobile liability and various general liabilities. We maintain insurance policies with respect to these claims, but these policies are subject to deductibles for workers' compensation, automobile liability and general liability up to \$250,000 per claim. We have umbrella coverage up to a policy limit of \$100 million and stop loss coverage of \$24.8 million for the 2001-2002 policy period. An independent third party actuarially determines any liabilities for unpaid claims and associated expenses, including incurred but not reported losses, and we reflect those liabilities in our balance sheet as an accrued liability. We continually review these claims and expenses and the appropriateness of the accrued liability.

Suppliers and Materials

Our clients supply the majority of the raw materials and supplies necessary to carry out our contracted work. We obtain materials and supplies for our own account from independent third-party providers and do not manufacture any significant amount of materials or supplies for resale. We are not dependent on any one supplier for any materials or supplies that we obtain for our own account. We have not experienced any significant difficulty in obtaining an adequate supply of materials and supplies.

We also use independent contractors to perform portions of our services and to manage work flow. These independent contractors typically are sole proprietorships or small business entities. Independent contractors typically provide their own employees, vehicles, tools and insurance coverage. We are not dependent on any single independent contractor. Our contracts with our subcontractors typically contain provisions limiting our obligation to pay the subcontractor if our client has not paid us. These provisions may not be available to us in certain cases.

Competition

There is no dominant provider in the network infrastructure services industry. The industry is highly fragmented and we compete with other companies in most of the markets in which we operate ranging from small independent firms servicing local markets to larger firms servicing regional and national markets. Despite the current trend toward outsourcing, we also face competition from existing or prospective clients who employ in-house personnel to perform some of the same types of services we provide. Historically, there have been relatively few significant barriers to entry into the markets in which we operate and, as a result, any organization that had adequate financial resources and access to technical expertise may become one of our competitors. We are, however, one of the few providers with a nationwide comprehensive services offering.

We believe our clients consider a number of factors in choosing a

service provider, including technical expertise and experience, financial and operational resources, nationwide presence, industry reputation and dependability. A significant portion of our revenue is currently derived from unit price agreements and price historically has often been the principal factor in determining whether the services provider is awarded the work on smaller, less complex projects. Smaller competitors are sometimes able to win bids for these projects based on price alone due to their lower costs and financial return requirements. We believe our size, nationwide presence, integrated value added service offering, financial strength and reputation provide a competitive advantage in obtaining larger, more complex infrastructure projects and gaining market share in the fragmented infrastructure services industry. There can be no assurance, however, that our competitors will not develop the expertise, experience and resources to provide services that are superior in both price and quality to our services or that we will be able to maintain or enhance our competitive position.

Regulation

Our operations are subject to various federal, state and local laws, including:

- - Contractor licensing requirements,
- - Building and electrical codes,
- - Permitting and inspection requirements, and
- - Regulations related to labor relations, worker safety, and environmental protection.

We believe we have all material licenses and permits required to conduct our operations and that we are in substantial compliance with all applicable regulatory requirements.

Employees

As of December 31, 2001, we had approximately 8,200 team members in North American operations and approximately 2,200 in Brazil. Approximately 300 of our team members are represented by labor unions, principally the Communication Workers of America or the International Brotherhood of Electrical Workers. We believe that our employee relations are good.

Recruiting. Our primary hiring sources for our team members include promotion from within, team member referrals, print and Internet advertising and direct recruiting. We attract and retain team members by offering technical training opportunities, bonus opportunities, stock ownership, competitive salaries, and a comprehensive benefits package. Our "MasTec"(R) brand and integrated service offering also has created a unified corporate culture that we believe helps attract and retain team members. Team members are exposed to numerous technologies being deployed by our clients which serves as a recruitment tool. We attract talent from numerous sources including higher learning institutions, colleges, and industry.

Training and Career Development. We believe that our continuous focus on training and career development helps us to retain our team members. Team members participate in on-going educational programs, many of which are internally developed, to enhance their technical and management skills through classroom and field training. Manufacturers of telecommunications equipment also sponsor training programs covering the installation and maintenance of their equipment, which our team members regularly attend. We also provide opportunities for promotion and mobility within our integrated service organization that we believe helps retain our team members.

We believe our corporate culture and organizational structure creates a cooperative, entrepreneurial atmosphere and shared vision. We are dedicated to maintaining an innovative, creative and empowering corporate culture that provides our team members with personal and professional growth opportunities.

Other

We are organized as a Florida corporation. Our predecessor company was formed in 1969, and we have operated as "MasTec" since 1994.

PROPERTIES

Our corporate headquarters is located in a 60,000 square foot building owned by us in Miami, Florida. Our principal operations are conducted from approximately 200 service facilities, none of which we believe is material to our operations because most of our services are performed in the clients' premises or on public rights of way. In addition, we believe that equally suitable alternative locations are available in all areas where we currently conduct business.

We also own a substantial amount of machinery and equipment, which at December 31, 2001 had a gross value of \$290.6 million (see Note 5 to Notes to Consolidated Financial Statements). This machinery and equipment includes vans, trucks, tractors, trailers, bucket trucks, backhoes, bulldozers, directional boring machines, digger derricks, cranes and testing equipment. We obtain our equipment from various third-party vendors, none of which we depend upon, and have not experienced any difficulties in obtaining desired equipment.

LEGAL PROCEEDINGS

We have two lawsuits pending in the U.S. District Court for the Southern District of Florida against Sintel International Corp., a subsidiary of Artcom Technologies, Inc., to recover more than \$5.0 million due under a promissory note and for breach of contract. We are also pursuing other claims in Spain against Artcom affiliates totaling approximately \$4.0 million. In February 2002, we tentatively settled the breach of contract lawsuit against Sintel International for \$180,000 payable to us. On January 29, 2001, subsequent to the filing of our lawsuit against Sintel International under the promissory note, Artcom sued us in the U.S. District Court for the Southern District of Florida, alleging fraud, negligent misrepresentation, breach of fiduciary duty, unjust enrichment, conspiracy and violation of the federal and Florida Racketeer Influenced and Corrupt Organizations Act. The suit seeks to recover approximately \$6.0 million (subject to trebling) that we allegedly received as a result of certain allegedly unauthorized transactions by two former employees of Artcom.

In a related matter, the labor union representing the workers of Sistemas e Instalaciones de Telecomunicacion S.A. ("Sintel"), a sister company of Sintel International, has instigated an investigative action with a Spanish federal court commenced in July 2001 alleging that five former members of the board of directors of Sintel, including Jorge Mas, the Chairman of the Board of MasTec, and his brother Juan Carlos Mas, a MasTec executive, approved a series of allegedly unlawful transactions that led to the bankruptcy of Sintel. We are also named as a potentially liable party. The union alleges Sintel and its creditors were damaged in the approximate amount of 13 billion pesetas (\$69.5 million at December 31, 2001 exchange rates). The Spanish court is seeking a bond from the subjects of the inquiry in this amount as well as security for the bond. Neither we nor our executives have been served in the action.

In November 1997, we filed a suit against Miami-Dade County in Florida state court in Miami alleging breach of contract and seeking damages exceeding \$3.0 million in connection with the county's refusal to pay amounts due to us under a multi-year agreement to perform road restoration work for the Miami-Dade Water and Sewer Department, a department of the county. The county has counterclaimed against us seeking unspecified damages.

On January 9, 2002, Harry Schipper, a MasTec shareholder, filed a shareholder derivative lawsuit in the U.S. District Court for the Southern District of Florida against us as nominal defendant and against certain current and former members of the Board of Directors and senior management, including Jorge Mas, our Chairman of the Board, and Austin Shanfelter, our President and Chief Executive Officer. The lawsuit alleges mismanagement, misrepresentation and breach of fiduciary duty as a result of a series of allegedly fraudulent and criminal transactions, including the matters described above, the severance we paid our former chief executive officer, and our investment in and financing of a client that subsequently filed for bankruptcy protection, as well as certain other matters. The lawsuit seeks damages and injunctive relief against the individual defendants on MasTec's behalf. The Board of Directors has formed a special committee, as contemplated by Florida law, to investigate the allegations of the complaint and to determine whether it is in the best interests of MasTec to pursue the lawsuit. An unopposed motion to stay the action for six months to permit the committee to complete its investigation is pending before the court.

We are vigorously pursuing and believe we have meritorious defenses to the actions described above. We are also a party to other pending legal proceedings arising in the normal course of business, none of which we believe is material to our financial position or results of operations.

EXECUTIVE OFFICERS

The following is a list of the names and ages of our executive officers as of March 11, 2002, indicating all positions and offices they hold with us. Our executive officers hold office for one year or until their successors are elected by our Board of Directors.

Name	Age	Position
Austin J. Shanfelter	44	President and Chief Executive Officer
Jose R. Mas	30	Executive Vice President-Business Development
Donald P. Weinstein	37	Executive Vice President and Chief Financial Officer
Jose Sariego	47	Senior Vice President and General Counsel
Arlene Vargas	35	Vice President and Controller

Austin J. Shanfelter has been our Chief Executive Officer and President since August 2001. From February until August 2001, Mr. Shanfelter was our Chief Operating Officer. Prior to being named Chief Operating Officer, he served as President of one of our service offerings from January 1997. Mr. Shanfelter has been in the infrastructure industry since 1981. Mr. Shanfelter has been a member of the Board of Directors of the Power and Communications Contractors Association (PCCA), an industry trade group, since 1993. He is also the Chairman of the Cable Television Contractors Council of the PCCA. Mr. Shanfelter is also a member of the Society of Cable Television Engineers since 1982 and the National Cable Television Association since 1991.

Jose R. Mas has been our Executive Vice President-Business Development since September 2001. Mr. Mas has served in a number of capacities at the operating level with us since 1991, most recently as President of one of our service offerings from May 1999 to August 2001.

Donald P. Weinstein has been our Executive Vice President and Chief Financial Officer since January 2002. From November 1999 to April 2001, Mr. Weinstein was Senior Vice President and Chief Financial Officer of AGL Resources, Inc., a publicly traded energy services holding company, as well as President of the company's telecommunications subsidiary, AGL Networks. From August 1989 to November 1999, Mr. Weinstein was employed by Citizens Communications Co., a telecommunications and utility company, the last two years as Vice President - Planning and Development.

Jose Sariego has been our Senior Vice President and General Counsel since September 1995. Prior to joining us, Mr. Sariego was Senior Corporate Counsel and Secretary of Telemundo Group, Inc., a Spanish language television network, from August 1994 to August 1995. From January 1990 to August 1994, Mr. Sariego was a partner in the Miami office of Kelley Drye & Warren, an international law firm.

Arlene Vargas has been our Vice President and Controller since September 1998. Prior to joining us, Ms. Vargas was a Senior Manager from July 1997 to September 1998 and a Manager from July 1994 to July 1997 with PricewaterhouseCoopers LLP, a public accounting firm.

SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Information. Our common stock currently is listed on the New York Stock Exchange under the symbol "MTZ." The following table sets forth, for the quarters indicated, the high and low sale prices of the common stock, as reported by the New York Stock Exchange.

	Year Ended December 31,			
	2000		2001	
	High	Low	High	Low
First Quarter	\$ 57.52	\$ 27.81	\$ 24.75	\$ 12.26

Second Quarter	\$ 58.96	\$ 32.63	\$ 19.45	\$ 11.40
Third Quarter	\$ 43.19	\$ 27.31	\$ 15.42	\$ 4.30
Fourth Quarter	\$ 34.16	\$ 19.25	\$ 6.95	\$ 3.98

Holders. As of March 25, 2002, there were 3,259 shareholders of record of the common stock.

Dividends. We have not declared cash dividends since our inception and we do not anticipate paying any cash dividends, but intend instead to retain any future earnings for reinvestment in our business. On February 28, 1997 and June 19, 2000 we effected three-for-two splits of our outstanding shares of common stock by paying each of our shareholders a stock dividend of one share of common stock for every two shares of common stock held by the shareholder on the record date for each split. We paid cash in lieu of fractional shares resulting from the stock splits based on the last sale price as reported on the New York Stock Exchange on the record date. All references in this Annual Report to shares of common stock or share prices have been adjusted to give retroactive effect to the stock splits.

Any future determination as to the payment of dividends will be made at the discretion of our Board of Directors and will depend upon our operating results, financial condition, capital requirements, general business conditions and such other factors as the Board of Directors deem relevant. In addition, certain credit agreements to which we are a party restrict us from paying cash dividends or making other distributions on the common stock except in certain circumstances. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-Liquidity and Capital Resources."

SELECTED FINANCIAL DATA

The following table sets forth certain selected financial data, which are derived from our audited consolidated financial statements. The operating data for 1997 and 1998 includes the results of our Spanish operations, 87% of which we sold effective December 31, 1998. You should read the following selected financial data together with our consolidated financial statements and their notes as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations." Historical results are not necessarily indicative of results to be expected in the future.

	Year Ended December 31,				
	1997 (1)	1998 (2)	1999	2000	2001
(dollars in thousands, except per share amounts)					
Statement of Operations Data:					
Revenue	\$ 659,439	\$1,048,922	\$1,059,022	\$1,330,296	\$1,222,580
Costs of revenue (2)	495,840	803,112	803,799	1,017,878	988,198
Depreciation	17,222	32,288	46,447	52,413	51,707
Amortization	6,633	11,025	9,701	11,042	10,810
General and administrative expenses (2)(7)	82,261	140,472	91,898	98,521	290,040
Interest expense	11,541	29,580	26,673	18,283	20,426
Interest income	1,783	9,093	9,398	4,973	5,775
Other income (expense), net (2)(3)(4)(5)(6)(7)	8,332	(38,920)	(10,092)	(25,756)	(14,618)
Income (losses) before (provision) benefit for income taxes, equity in earnings (losses) of unconsolidated companies and minority interest	56,057	2,618	79,810	111,376	(147,444)
(Provision) benefit for income taxes (2)	(20,944)	(12,550)	(33,266)	(45,877)	54,858
Equity in earnings (losses) of unconsolidated companies and minority interest	(449)	(3,983)	(1,818)	(352)	232
Net income (loss)	\$ 34,664	\$ (13,915)	\$ 44,726	\$ 65,147	\$ (92,354)
Basic weighted average common shares outstanding (8)	39,690	41,234	41,714	46,390	47,790
Basic earnings (loss) per share	\$ 0.87	\$ (0.34)	\$ 1.07	\$ 1.40	\$ (1.93)

Diluted weighted average common shares outstanding (8)	40,529	41,234	42,624	48,374	47,790
Diluted earnings (loss) per share	\$ 0.86	\$ (0.34)	\$ 1.05	\$ 1.35	\$ (1.93)

Balance Sheet Data:	December 31,				
	1997 (1)	1998 (2)	1999	2000	2001
	(in thousands)				
Working capital	\$124,088	\$197,587	\$169,619	\$242,437	\$248,062
Property and equipment, net	86,109	137,382	153,527	159,673	151,774
Total assets	630,224	732,221	728,409	956,345	851,372
Total debt	149,057	321,832	279,658	209,483	269,749
Total shareholders' equity	223,697	204,273	256,833	500,328	406,803

- (1) Our Brazilian operations began August 1, 1997.
- (2) Included in 1998 are severance charges relating to our Spanish operations of \$13.4 million, of which \$1.9 million is reflected in costs of revenue and \$11.5 million in general and administrative expenses, and a loss of \$9.2 million related to the sale of our Spanish subsidiary. Our effective tax rate for the year ended December 31, 1998 was mainly affected by a tax liability of approximately \$7.8 million resulting from the sale of 87% of our Spanish subsidiary, the non-deductibility of the amortization of intangibles and the non-deductibility of other expenses. Because of the sale, the balance sheet data as of December 31, 1998 does not include the financial position of our Spanish operations.
- (3) Included in 1998 is a charge for payments to operational management of \$33.8 million.
- (4) Included in 1997 results of operations is a gain of \$7.1 million from the partial sale of our interest in an Ecuadorian cellular company.
- (5) Included in 1999 is a write-down of \$10.2 million related to non-core international assets.
- (6) Included in 2000 is a net write-down and other charges of \$26.3 million related primarily to non-core assets.
- (7) Included in 2001 is a \$16.5 million charge in other expense and \$193.7 million in selling general and administrative expense for bad debt expense related to clients who filed for bankruptcy protection and for severance charges.
- (8) Amounts have been adjusted to reflect the three-for-two stock splits effected on February 28, 1997 and June 19, 2000.

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

General

We are a leading end-to-end communication, broadband and energy infrastructure service provider for a broad range of clients in North America and Brazil.

We design, build, install, maintain, upgrade and monitor internal and external networks and other facilities for our clients. We are one of the few national, multi-disciplinary infrastructure providers that furnishes a comprehensive solution to our clients' infrastructure needs ranging from basic installation and construction to sophisticated engineering, design and integration. Our diverse and long-standing client base, experienced management and integrated value added service offering provide a stable base of repeat business and enable us to quickly and efficiently meet client demands.

Our primary types of contracts with our clients include:

- - master service agreements for all specified design, installation and maintenance services within a defined geographic territory,
- - design and installation contracts for specific projects, and
- - turnkey agreements for comprehensive design, engineering, installation, procurement and maintenance services.

The majority of our contracts provide that we will furnish a specified unit of service for a price per unit. We recognize revenue as the related work is performed. A portion of our work during 2001 was performed under percentage-of-completion contracts. Under this method, revenue is recognized on a cost-to-cost method based on the percentage of total cost incurred to date in proportion to total estimated cost to complete the contract. We anticipate that percentage-of-completion contracts will constitute a smaller percentage of our total contracts in 2002 as compared to prior years. We also recognize revenue for monitoring services and project management services ratably over the term of the agreement. Clients are billed with varying frequency-weekly, monthly or upon attaining specific milestones.

We perform a significant portion of our services under master service agreements, which typically are exclusive service agreements to provide all of the client's network requirements up to a specified dollar amount per job within defined geographic areas. These contracts are generally for two to three years but are typically subject to termination at any time upon 90 to 180 days prior notice. Each master service agreement consists of hundreds of individual projects generally valued at less than \$100,000 each. These master service agreements are frequently awarded on a competitive bid basis, although clients are often willing to negotiate contract extensions beyond their original terms without re-bidding. Master service agreements are invoiced on a unit basis as work is completed. In addition, we have a significant number of long-term maintenance and upgrade contracts with our broadband clients that are similar to master service agreements except they typically are not exclusive. Taken together, our master service agreements and master service-like agreements constitute a majority of our contracts by prior years volume.

We derive a significant amount of our revenue from telecommunications clients. During the latter part of 2000 and all of 2001, certain segments of the telecommunications industry suffered a severe downturn that resulted in a number of our clients filing for bankruptcy protection or experiencing financial difficulties. As a result, we incurred a net loss of \$92.4 million for the year ended December 31, 2001, primarily attributable to increases in bad debt expense of \$182.2 million during the year. The downturn adversely affected capital expenditures for infrastructure projects even among clients that did not experience financial difficulties. Capital expenditures by telecommunications clients in 2002 are expected to remain at low levels in comparison with prior years, and there can be no assurance that additional clients will not file for bankruptcy protection or otherwise experience financial difficulties in 2002. Although we refocused our business on long-time, stable telecommunications and other clients, there can be no assurance that these clients will continue to fund capital expenditures for infrastructure projects at current levels or that we will be able to increase our market share with these stronger clients. Additional bankruptcies or further decreases in our client's

capital expenditures could reduce our cash flows and adversely impact our liquidity.

Direct costs include:

- - operations payroll and benefits,
- - fuel,
- - subcontractor costs,
- - equipment rental,
- - materials not provided by our clients, and
- - insurance.

Our clients generally supply materials such as cable, conduit and telephone equipment.

General and administrative costs include all costs of our management personnel, severance, reserves for bad debts, rent, utilities, travel and business development efforts and back office administration such as financial services, insurance administration, professional costs and clerical and administrative overhead.

Some of our contracts require performance and payment bonds. Bonding capacity in the infrastructure industry has become increasingly difficult to obtain, and bonding companies are denying or restricting coverage to certain contractors. We are currently negotiating our bonding agreements with our carriers. There can be no assurance that we will be able to maintain the same level of bonding capacity in the future, which could adversely impact our ability to seek work from certain clients.

Contracts often include retainage provisions under which 5% to 10% of the contract price is withheld from us until the work has been completed and accepted by the client. We typically agree to indemnify our clients against adverse claims and warrant the workmanship of our services for specified time periods, usually one year.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to revenue recognition, allowance for doubtful accounts, intangible assets, income taxes, and litigation and contingencies. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

We recognize revenue and profits as work progresses on long-term, fixed price contracts using the percentage-of-completion method, which relies on estimates of total expected contract revenue and costs. We follow this method since reasonably dependable estimates of the revenue and costs applicable to various stages of a contract can be made. Recognized revenues and profits are subject to revisions as the contract progresses to completion. Revisions in profit estimates are charged to income in the period in which the facts that give rise to the revision become known. If we do not accurately estimate costs, the profitability of such contracts can be affected adversely.

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our clients to make required payments. Our management must make estimates of the uncollectability of our accounts receivables. Management specifically analyzes accounts receivable and analyzes historical bad debts, client concentrations, client credit-worthiness and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. If the financial condition of our clients were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. Prior to 2001, provisioning for bad debts have averaged approximately \$3.0 to \$6.0 million annually, as we have not incurred significant bad debts or experienced significant client bankruptcies. However, during

2001, we recorded a bad debt reserve of \$182.2 million primarily due to clients that filed for bankruptcy protection.

Intangibles, long-lived assets and goodwill are recorded at estimated fair value and then amortized on a straight-line basis over periods of between five and 40 years. We assess the impairment of identifiable intangibles, long-lived assets and related goodwill whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Some of these events or changes include:

- significant underperformance relative to expected historical or projected future operating results,
- significant changes in the manner of our use of the acquired assets or the strategy for our overall business,
- significant decline in our stock price for a sustained period, and
- our market capitalization relative to net book value.

When we determine that the carrying value of intangibles, long-lived assets and related goodwill may not be recoverable based upon the existence of one or more of the above indicators of impairment, we measure any impairment based on projected undiscounted cash flows. In 2002, Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" ("SFAS No. 142"), became effective and as a result, we will cease to amortize goodwill. In lieu of amortization, we are required to perform an initial impairment review of our goodwill in 2002 and an annual impairment review thereafter. We are currently evaluating the impact that SFAS No. 142 will have on our financial position or results of operations. However, with the recent decline in our market capitalization and other factors affecting our industry, the application of the methodology within SFAS No. 142 may result in the write-down of a portion of our goodwill.

As part of the process of preparing our consolidated financial statements we are required to estimate our income taxes in each of the jurisdictions in which we operate. This process involves estimating our actual current tax exposure together with assessing temporary differences resulting from differing treatment of items, such as deferred revenue, for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are included within our consolidated balance sheet. We may not be able to realize all or part of our deferred tax assets in the future and an adjustment would be charged to income in the period such determination was made.

Litigation and contingencies are reflected in our consolidated financial statements based on managements' assessment, along with legal counsel, of the expected outcome from such litigation. If the final outcome of such litigation and contingencies differs adversely from that currently expected, it would result in a charge to earnings when determined.

Results of Operations

The following tables state for the periods indicated our consolidated operations in dollar and percentage of revenue terms for 1999, 2000 and 2001 (dollars in thousands):

	Year Ended December 31,		
	1999	2000	2001

Revenue	\$1,059,022	\$1,330,296	\$1,222,580
Costs of revenue	803,799	1,017,878	988,198
Depreciation	46,447	52,413	51,707
Amortization	9,701	11,042	10,810
General and administrative expenses	91,898	98,521	290,040
Interest expense, net of interest income	17,275	13,310	14,651
Other expense, net	(10,092)	(25,756)	(14,618)
	-----	-----	-----
Income (loss) before (provision) benefit for income taxes and minority interest	79,810	111,376	(147,444)
(Provision) benefit for income taxes	(33,266)	(45,877)	54,858
Minority interest	(1,818)	(352)	232
	-----	-----	-----
Net income (loss)	\$ 44,726	\$ 65,147	\$ (92,354)

Year Ended December 31,

	1999	2000	2001
	-----	-----	-----
Revenue	100.0%	100.0%	100.0%
Costs of revenue	75.9	76.5	80.8
Depreciation	4.4	4.0	4.2
Amortization	0.9	0.8	0.9
General and administrative expenses	8.7	7.4	23.7
Interest expense, net of interest income	1.6	1.0	1.2
Other expense, net	(1.0)	(1.9)	(1.3)
	-----	-----	-----
Income (loss) before (provision) benefit for income taxes, and minority interest	7.5	8.4	(12.1)
(Provision) benefit for income taxes	(3.1)	(3.4)	4.4
Minority interest	(0.2)	(0.1)	0.1
	-----	-----	-----
Net income (loss)	4.2%	4.9%	(7.6)%
	=====	=====	=====

Our revenue was \$1.2 billion for the year ended December 31, 2001, compared to \$1.3 billion for the same period in 2000, representing a decrease of \$107.7 million or 8.1%. The decline was primarily due to a reduction in capital expenditures by telecommunications clients and a downturn in the economy generally.

Our costs of revenue were \$988.2 million or 80.8% of revenue for the year ended December 31, 2001, compared to \$1.0 billion or 76.5% of revenue for the same period in 2000. In 2001, margins were impacted by under-utilization of personnel, leased equipment and other properties; losses related to our internal network service offerings; and demobilization and redeployment costs, all related to reduced capital spending by telecommunication carriers.

Depreciation was \$51.7 million or 4.2% of revenue for the year ended December 31, 2001, compared to \$52.4 million or 4.0% of revenue for the same period in 2000. The decrease in the amount of depreciation expense in 2001 was due primarily to reduced capital expenditures.

Amortization of goodwill was \$10.8 million or 0.9% of revenue for the year ended December 31, 2001, compared to \$11.0 million or 0.8% of revenue for the same period in 2000. Beginning January 1, 2002, we will no longer be amortizing goodwill as a result of the adoption of SFAS 142.

General and administrative expenses were \$290.0 million or 23.7% of revenue for the year ended December 31, 2001, compared to \$98.5 million or 7.4% of revenue for the same period in 2000. Included in general and administrative expense in 2001 is a reserve for bad debt of \$182.2 million related to receivables from clients that have filed for bankruptcy protection or are experiencing financial difficulties and a charge of \$11.5 million primarily related to severance for our former president and chief executive officer. Excluding these charges and reserves, general and administrative expenses were \$96.3 million or 7.9% of revenue, a reduction of \$2.2 million from the prior year.

Interest expense, net of interest income, was \$14.7 million or 1.2% of revenue for the year ended December 31, 2001, compared to \$13.3 million or 1.0% of revenue for the same period in 2000. The increase in net interest expense of \$1.4 million was due primarily to higher debt balances in 2001.

Other expense was \$14.6 million or 1.3% of revenue for the year ended December 31, 2001, compared to \$25.8 million or 1.9% of revenue for the same period in 2000. In 2001, we recorded an impairment charge of \$6.5 million related to our equity investment in a client and a \$10.0 million write-down of non-core international assets. In 2000, we recognized a net charge of \$26.3 million primarily related to write-downs of non-core international assets.

For the year ended December 31, 2001, our effective tax rate was approximately 37.2%, compared to 41.2% in 2000. The decline in effective

rate was due to the nondeductibility of certain expenses which reduced the overall tax benefit in 2001 proportionately more than increased the tax provision in 2000 due to the greater amount of the loss in 2001 compared to the amount of income in 2000.

Year Ended December 31, 2000 Compared to Year Ended December 31, 1999

Our revenue was \$1.3 billion for the year ended December 31, 2000, compared to \$1.1 billion for the same period in 1999, representing an increase of \$271.3 million or 25.6% primarily from organic growth and acquisitions. The increased growth resulted primarily from increased demand for bandwidth by end-users which has spurred increased network construction and upgrades by our clients. We also experienced growth in services provided at central office facilities resulting from regulatory co-location requirements to open central office facilities to new competitors. Revenue generated by our energy service offering decreased because we did not pursue certain less profitable work in an effort to improve margins in the future.

Our costs of revenue were \$1.0 billion or 76.5% of revenue for the year ended December 31, 2000, compared to \$803.8 million or 75.9% of revenue for the same period in 1999. In 2000, margins were impacted by adverse weather conditions.

Depreciation was \$52.4 million or 4.0% of revenue for the year ended December 31, 2000, compared to \$46.4 million or 4.4% of revenue for the same period in 1999. The decline in depreciation as a percentage of revenue in 2000 was due to our ability to more efficiently utilize our equipment.

Amortization was \$11.0 million or 0.8% of revenue for the year ended December 31, 2000, compared to \$9.7 million or 0.9% of revenue for the same period in 1999.

General and administrative expenses were \$98.5 million or 7.4% of revenue for the year ended December 31, 2000, compared to \$91.9 million or 8.7% of revenue for the same period in 1999. The decline in general and administrative expenses as a percentage of revenue in 2000 was due primarily to our ability to support higher revenue with a comparatively lower administrative base.

Interest expense, net of interest income, was \$13.3 million or 1.0% of revenue for the year ended December 31, 2000, compared to \$17.3 million or 1.6% of revenue for the same period in 1999. The decrease in net interest expense of \$4.0 million was due primarily to the repayment of debt under our revolving credit facility with a portion of the \$126.0 million in net proceeds from our offering of 3.75 million shares in February 2000.

Other expense in 2000 included net write-downs of \$26.3 million of international non-core assets. Reflected in other expense, net for the year ended December 31, 1999, are charges related to non-core assets of approximately \$13.8 million due to disposal or write-down to net realizable value. We also reserved \$1.0 million for a 1994 lawsuit from a predecessor company following a \$1.1 million judgment awarded in October 1999. Offsetting these amounts were fees of \$4.8 million collected from a telecommunications client related to extensions to the maturity date of a client financing arrangement.

For the year ended December 31, 2000, our effective tax rate was approximately 41.2%, compared to 41.7% in 1999.

Financial Condition, Liquidity and Capital Resources

Our primary liquidity needs are for working capital, capital expenditures, acquisitions (including the payment of contingent consideration related to prior acquisitions) and debt service. Our primary sources of liquidity are cash flows from operations and borrowings under our revolving credit facility.

Net cash provided by operating activities was \$54.8 million for the year ended December 31, 2001, compared to \$11.9 million used in 2000. The net cash provided by operating activities in 2001 changed in part due to collection of receivables and changes in working capital. In February 2002, we received a \$42.9 million income tax refund resulting from losses incurred in 2001.

We completed a new credit facility in February 2002 that provides for borrowings up to an aggregate of \$125.0 million, based on a percentage of eligible accounts receivable and work in process as well as a fixed amount of equipment. Although the credit facility provides

for borrowings of up to \$125.0 million, the amount that can actually be borrowed at any given time is based upon a formula that takes into account, among other things, our eligible accounts receivable, which can result in borrowing availability of less than the full amount of the facility. Amounts outstanding under the revolving credit facility mature on January 22, 2007. The credit facility is collateralized by a first priority security interest on substantially all of our assets and a pledge of the stock of our operating subsidiaries. Interest under the facility accrues at rates based, at our option, on the agent bank's base rate plus a margin of between 0.50% and 1.50% depending on certain financial covenants or its LIBOR rate (as defined in the credit facility) plus a margin of between 2.0% and 3.0%, depending on certain financial covenants. The facility includes an unused facility fee of 0.50%, which may be adjusted to as low as 0.375% or as high as 0.625% depending on the achievement of certain financial thresholds.

The credit facility contains customary events of default (including cross-default) provisions and covenants related to our North American operations that prohibit, among other things, making investments and acquisitions in excess of a specified amount, incurring additional indebtedness in excess of a specified amount, paying cash dividends, making other distributions in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including our 7.75% senior subordinated notes, and engaging in certain mergers or combinations without the prior written consent of the lenders. The credit facility also contains financial covenants that require us to maintain (a) tangible net worth on or after March 31, 2002 of \$180.0 million plus an amount equal to 50% of net income from North American operations after January 1, 2002 and (b) a fixed charge coverage ratio of at least 2:1 (all as defined in the credit facility) for the successive periods of three, four, five, six, seven, eight, nine, ten and eleven consecutive calendar months beginning January 1, 2002 and each period of 12 consecutive calendar months ending on or after December 31, 2002. Failure to achieve certain results could cause us not to meet these covenants. There can be no assurance that we will meet these covenant tests. If we violate one or more of these covenants in the future, and we are unable to cure or obtain waivers from our lenders or amend or otherwise restructure the credit facility, we could be in default under the facility and we may be required to sell assets for less than their carrying value to repay this indebtedness. As a result of these covenants, our ability to respond to changing business and economic conditions and to secure additional financing, if needed, may be restricted significantly, and we may be prevented from engaging in transactions that might otherwise be considered beneficial to us. Further, to the extent additional financing is needed, there can be no assurance that such financing would be available at all or on terms favorable to us. In addition, a deterioration in the quality of our receivables or work in process will reduce availability under our credit facility.

Our North American operations typically are seasonally slower in the first quarter of the year primarily as the result of client budgetary constraints and preferences and the effect of winter weather on external network activities. Because our new credit facility measures the fixed charge coverage ratio described above for the first time during the seasonally slower first quarter of 2002, a delay or reduction in our client's capital expenditures in the first quarter of 2002 from those projected could affect our ability to meet the required coverage ratio.

We also have \$200.0 million, 7.75% senior subordinated notes due in February 2008, with interest due semi-annually, of which \$195.8 million is outstanding. The notes also contain default (including cross-default) provisions and covenants restricting many of the same transactions as under our credit facility.

During the year ended December 31, 2001, we invested \$35.4 million primarily in our fleet to replace or upgrade equipment, \$8.5 in technology enhancement and \$11.5 million primarily to acquire an additional 36.5% interest in our Brazilian operations. During 2001, our financing activities primarily consisted of borrowings under our credit facility to fund working capital needs.

The following table sets forth our contractual commitments as of December 31, 2001 (in thousands):

Contractual Obligations	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Long-term debt	\$195,832	\$ -	\$ -	\$ -	\$195,832

Other obligations	3,070	1,746	1,324	-	-
Obligations related to acquisitions(1)	21,246	21,246	-	-	-
Obligations related to severance(2)	7,250	7,250	-	-	-
Capital leases	847	596	251	-	-
Operating leases	36,597	12,874	17,871	5,058	794
	-----	-----	-----	-----	-----
Total	\$264,842	\$43,712	\$19,446	\$5,058	\$196,626
	=====	=====	=====	=====	=====

(1) Primarily related to contingent consideration for acquisitions.

(2) Severance for our former president and chief executive officer.

Other Commercial Commitments	Total Amounts Committed	Less than 1 year	1-3 years	4-5 years	Over 5 years
Credit facility	\$70,000	\$ -	\$ -	\$ -	\$70,000
Standby letters of credit	7,024	7,024	-	-	-
	-----	-----	-----	-----	-----
Total	\$77,024	\$7,024	\$ -	\$ -	\$70,000
	=====	=====	=====	=====	=====

Seasonality

Our North America operations typically are seasonally slower in the first and fourth quarters of the year. This seasonality is primarily the result of client budgetary constraints and preferences and the effect of winter weather on external network activities. Some of our clients, particularly the incumbent local exchange carriers, tend to complete budgeted capital expenditures before the end of the year and defer additional expenditures until the following budget year. Revenue in local currency from our Brazilian operations is not expected to fluctuate seasonally.

Impact of Inflation

The primary inflationary factor affecting our operations is increased labor costs. We have not experienced significant increases in labor costs to date. Our Brazilian operations may be exposed to risks associated with high inflation.

Recently Issued Accounting Pronouncements

In July 2001, the Financial Accounting Standards Board (the "FASB") issued SFAS No. 141, Business Combinations. SFAS No. 141 requires that all business combinations initiated after June 30, 2001, be accounted for using the purchase method. The FASB also issued SFAS No. 142, Goodwill and Other Intangible Assets. SFAS No. 142 requires that goodwill be assessed at least annually for impairment by applying a fair-value based test. Goodwill will no longer be amortized over its estimated useful life. In addition, acquired intangible assets are required to be recognized and amortized over their useful lives if the benefit of the asset is based on contractual or legal rights. While we will be subject to most provisions of SFAS No. 142 beginning January 1, 2002, goodwill and intangible assets acquired after June 30, 2001, became subject to the statement immediately.

We are currently evaluating the impact that SFAS No. 142 will have on our financial position or results of operations. However, with the recent decline in our market capitalization and other factors affecting our industry, the application of the methodology within SFAS No. 142 may result in the write-down of a portion of our goodwill.

In October 2001, the FASB issued FAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS 144"). SFAS 144 addresses financial accounting and reporting for the impairment or disposal of long-lived assets. This statement supersedes SFAS 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" ("SFAS 121") and establishes a single accounting model, based on the framework established in SFAS 121, for long-lived assets to be disposed of by sale. We adopted SFAS 144 effective January 1, 2002.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Notes 1 and 6 of Notes to Consolidated Financial Statements for disclosures about market risk.

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and
Shareholders of MasTec, Inc.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, changes in shareholders' equity and cash flows present fairly, in all material respects, the financial position of MasTec, Inc. and its subsidiaries at December 31, 2000 and 2001, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2001 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Miami, Florida
February 18, 2002

MASTEC, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands except per share amounts)

	Year Ended December 31,		
	1999	2000	2001
Revenue	\$1,059,022	\$1,330,296	\$1,222,580
Costs of revenue	803,799	1,017,878	988,198
Depreciation	46,447	52,413	51,707
Amortization	9,701	11,042	10,810
General and administrative expenses	91,898	98,521	290,040
Interest expense	26,673	18,283	20,426
Interest income	9,398	4,973	5,775
Other expense, net	(10,092)	(25,756)	(14,618)
Income (loss) before (provision) benefit for income taxes and minority interest	79,810	111,376	(147,444)
(Provision) benefit for income taxes	(33,266)	(45,877)	54,858
Minority interest	(1,818)	(352)	232
Net income (loss)	\$ 44,726	\$ 65,147	\$ (92,354)
Basic weighted average common shares outstanding	41,714	46,390	47,790
Basic earnings (loss) per share	\$ 1.07	\$ 1.40	\$ (1.93)
Diluted weighted average common shares outstanding	42,624	48,374	47,790
Diluted earnings (loss) per share	\$ 1.05	\$ 1.35	\$ (1.93)

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.

CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31	
	2000	2001
Assets		
Current assets:		
Cash and cash equivalents	\$ 18,457	\$ 48,478
Accounts receivable, unbilled revenue and retainage, net	392,585	251,715
Inventories	19,643	25,697
Income tax refund receivable	-	44,904
Other current assets	23,079	23,078
	-----	-----
Total current assets	453,764	393,872
Property and equipment, net	159,673	151,774
Intangibles, net	262,398	264,826
Other assets	80,510	40,900
	-----	-----
Total assets	\$ 956,345	\$ 851,372
	=====	=====
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities of debt	\$ 3,323	\$ 1,892
Accounts payable	85,797	75,508
Other current liabilities	122,207	68,410
	-----	-----
Total current liabilities	211,327	145,810
Other liabilities	38,530	30,902
Long-term debt	206,160	267,857
	-----	-----
Commitments and contingencies		
Shareholders' equity:		
Common stock	4,770	4,791
Capital surplus	346,099	348,022
Retained earnings	166,350	73,996
Foreign currency translation adjustments	(16,891)	(20,006)
	-----	-----
Total shareholders' equity	500,328	406,803
	-----	-----
Total liabilities and shareholders' equity	\$956,345	\$851,372
	=====	=====

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In thousands)

	Common Stock			Foreign Currency		Accumulated Other Comprehensive	
	Shares	Amount	Capital Surplus	Retained Earnings	Adjustments	Total	Income
	-----	-----	-----	-----	-----	-----	-----
Balance December 31, 1998	41,073	\$4,107	\$148,110	\$ 56,477	\$ (4,421)	\$204,273	\$ 52,056
Net income	-	-	-	44,726	-	44,726	44,726
Foreign currency translation							

adjustment	-	-	-	-	(11,571)	(11,571)	(11,571)
Stock issued, primarily for acquisitions and stock options exercised	1,277	128	17,344	-	-	17,472	-
Tax benefit resulting from stock option plan	-	-	1,933	-	-	1,933	-
	-----	-----	-----	-----	-----	-----	-----
Balance December 31, 1999	42,350	\$4,235	\$167,387	\$101,203	\$(15,992)	\$256,833	\$ 85,211
Net income	-	-	-	65,147	-	65,147	65,147
Foreign currency translation adjustment	-	-	-	-	(899)	(899)	(899)
Stock issued, primarily for acquisitions and stock options exercised	5,352	535	173,804	-	-	174,339	-
Tax benefit resulting from stock option plan	-	-	4,908	-	-	4,908	-
	-----	-----	-----	-----	-----	-----	-----
Balance December 31, 2000	47,702	\$4,770	\$346,099	\$166,350	\$(16,891)	\$500,328	\$149,459
Net loss	-	-	-	(92,354)	-	(92,354)	(92,354)
Foreign currency translation adjustment	-	-	-	-	(3,115)	(3,115)	(3,115)
Stock issued, primarily for acquisitions and stock options exercised	203	21	1,923	-	-	1,944	-
	-----	-----	-----	-----	-----	-----	-----
Balance December 31, 2001	47,905	\$4,791	\$348,022	\$ 73,996	\$(20,006)	\$406,803	\$ 53,990
	=====	=====	=====	=====	=====	=====	=====

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	1999	2000	2001
Cash flows from operating activities:			
Net income (loss)	\$ 44,726	\$ 65,147	\$(92,354)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:			
Depreciation and amortization	56,148	63,455	62,517
Minority interest	1,818	352	(232)
Gain on sale of assets	-	(450)	(863)
Bad debts related to bankrupt clients	-	-	182,200
Write-down of assets	9,798	23,024	16,500
Changes in assets and liabilities net of effect of acquisitions:			
Accounts receivable, unbilled revenue and retainage, net	5,707	(109,470)	(17,121)
Inventories	4,527	(4,347)	(5,807)
Income tax refund receivable	-	-	(44,904)
Other assets, current and non-current portion	(5,909)	(56,665)	(525)
Accounts payable	(2,858)	(1,433)	(3,701)
Other liabilities, current and non-current portion	6,178	8,516	(40,898)
Net cash provided by (used in) operating activities	120,135	(11,871)	54,812
Cash flows from investing activities:			
Capital expenditures	(69,507)	(52,638)	(43,915)
Cash paid for acquisitions and contingent consideration, net of cash acquired	(18,706)	(55,303)	(30,313)
Investments in unconsolidated companies and distribution to joint venture partner	(25,528)	(4,900)	(11,450)
Repayment of notes receivable	15,667	1,100	-
Net proceeds from sale of assets	27,791	54,065	2,336
Net cash used in investing activities	(70,283)	(57,676)	(83,342)
Cash flows from financing activities:			
Proceeds (repayments) from revolving credit facilities, net	(45,384)	(71,538)	58,645
Proceeds from issuance of common stock	6,593	133,695	1,146
Net cash (used in) provided by financing activities	(38,791)	62,157	59,791
Net increase (decrease) in cash and cash equivalents	11,061	(7,390)	31,261
Net effect of translation on cash	(3,290)	(1,788)	(1,240)
Cash and cash equivalents--beginning of period	19,864	27,635	18,457
Cash and cash equivalents--end of period	\$ 27,635	\$ 18,457	\$ 48,478
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	\$ 25,510	\$ 18,042	\$ 20,115
Income taxes	\$ 9,726	\$ 44,618	\$ 10,016

The accompanying notes are an integral part of these consolidated financial statements.

MASTEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS-(Continued)

During the year ended December 31, 1999, we completed certain acquisitions which have been accounted for as purchases. The fair value of the net assets acquired excluding goodwill totaled \$3.75 million and was comprised primarily of \$7.0 million of accounts receivable, \$2.4 million of property and equipment, \$0.68 million of other assets and \$0.27 million in cash, offset by \$6.6 million of assumed liabilities. The excess of the purchase price over the fair value of net assets acquired was \$7.4 million and was allocated to goodwill. The total purchase price of \$11.2 million was primarily paid in cash. We also issued 0.53 million shares of common stock with a value of \$11.3 million related to the payment of contingent consideration from earlier acquisitions. Of the \$11.3 million, \$2.3 million was recorded as a reduction of other current liabilities and \$9.0 million as additional goodwill. Additionally, \$7.8 million of contingent consideration was paid in cash and was recorded as goodwill.

During the year ended December 31, 2000, we completed certain acquisitions which have been accounted for as purchases. The fair value of the net assets acquired excluding goodwill totaled \$16.2 million and was comprised primarily of \$26.9 million of accounts receivable, \$9.4 million of property and equipment, \$1.1 million of other assets and \$5.8 million in cash, offset by \$27.0 million of assumed liabilities. The excess of the purchase price over the net assets acquired was \$73.4 million and was allocated to goodwill. The total purchase price of \$89.6 million was paid by issuing \$36.5 million of common stock (0.6 million shares) and notes and \$53.1 million in cash. We also issued 207,171 shares of common stock with a value of \$15.8 million related to the payment of contingent consideration from earlier acquisitions. Of the \$15.8 million, \$0.2 million was recorded as a reduction of other current liabilities and \$15.6 million as additional goodwill. Additionally, \$8.0 million of contingent consideration was paid in cash and was recorded as goodwill.

During the year ended December 31, 2001, we completed certain acquisitions which have been accounted for as purchases. The fair value of the net assets excluding goodwill acquired totaled \$2.6 million and was comprised primarily of \$3.0 million of accounts receivable, \$2.0 million of property and equipment, \$0.5 million of other assets and \$0.2 million in cash, offset by \$3.1 million of assumed liabilities. The excess of the purchase price over the fair value of net assets acquired was \$2.7 million and was allocated to goodwill. The total purchase price of \$5.3 million is comprised of \$4.0 million in cash and the balance in seller financing. We also paid approximately \$25.9 million related to contingent consideration from earlier acquisitions of which \$0.6 million was reflected as additional goodwill and \$25.3 million reflected as a reduction in other current liabilities.

The accompanying notes are an integral part of these consolidated financial statements.

Note 1 - Nature of the Business and Summary of Significant Accounting Policies

We are a leading end-to-end communication, broadband and energy infrastructure service provider for a broad range of clients in North America and Brazil.

We design, build, install, maintain, upgrade and monitor internal and external networks and other facilities for our clients. We are one of the few national, multi-disciplinary infrastructure providers that furnishes a comprehensive solution to our clients' infrastructure needs ranging from basic installation and construction to sophisticated engineering, design and integration. Our diverse and long-standing client base, experienced management and integrated value added service offering provide a stable base of repeat business and enable us to quickly and efficiently meet client demands.

A summary of the significant accounting policies followed in the preparation of the accompanying consolidated financial statements is presented below:

Management estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant estimates relate to our revenue recognition, allowance for doubtful accounts, intangible assets, income taxes, and litigation and contingencies. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Principles of consolidation. The consolidated financial statements include MasTec, Inc. and its subsidiaries. All material intercompany accounts and transactions have been eliminated. Certain prior year amounts have been reclassified to conform to the current year presentation.

Comprehensive income (loss). As reflected in the consolidated statements of changes in shareholders' equity, comprehensive income is a measure of net income and all other changes in equity that result from transactions other than with shareholders. Comprehensive income (loss) consists of net income (loss) and foreign currency translation adjustments.

Foreign currency. We operate in Brazil, which is subject to greater political, monetary, economic and regulatory risks than our domestic operations. During January 1999, the Brazilian government allowed its currency to trade freely against other currencies resulting in an immediate devaluation of the Brazilian real. Assets and liabilities of foreign subsidiaries and equity with a functional currency other than U.S. dollars are translated into U.S. dollars at exchange rates in effect at the end of the reporting period. Foreign entity revenue and expenses are translated into U.S. dollars at the average rates that prevailed during the period. The resulting net translation gains and losses are reported as foreign currency translation adjustments in shareholders' equity as a component of other accumulated comprehensive income. Exchange gains and losses on transactions and equity investments denominated in a currency other than their functional currency are included in results of operations as incurred.

Revenue recognition. Revenue and related costs for short-term construction projects (i.e., generally projects with a duration of less than one month) are recognized as the services are rendered. Revenue generated by certain long-term construction contracts are accounted for by the percentage of completion method under which income is recognized based on the ratio of estimated cost incurred to total estimated contract cost. Monitoring service and support revenue is recognized ratably over the term of the agreement. We also provide management, coordination, consulting and administration services for network infrastructure projects. Compensation for such services is recognized ratably over the term of the service agreement.

Losses, if any, on contracts are provided for in full when they become known. Billings in excess of costs and estimated earnings on

uncompleted contracts are classified as current liabilities. Any costs in excess of billings are classified as current assets. Work in process on contracts is based on work performed but not billed to clients as per individual contract terms.

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our clients to make required payments. Our management must make estimates of the uncollectability of our accounts receivables. Management specifically analyzes accounts receivable and analyzes historical bad debts, client concentrations, client credit-worthiness and current economic trends when evaluating the adequacy of the allowance for doubtful accounts.

Earnings per share. Basic earnings per common share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding. Diluted earnings per common share include the dilutive effect of stock options using the treasury stock method. The difference between the weighted average common shares outstanding used to calculate basic and diluted earnings per share relates to stock options assumed exercised under the treasury method of accounting of approximately 910,000 and 1,984,000 at December 31, 1999 and 2000, respectively. Included in the diluted earnings per share computation are approximately 167,000 shares for the year ended December 31, 2000, to be issued in connection with an acquisition of a network service provider. Potentially dilutive shares as of December 31, 2001 totaling 199,000 shares were not included in the diluted per share calculation because their effect would be anti-dilutive as we incurred a loss that year. Accordingly, for 2001 diluted net loss per common share is the same as basic net loss per common share.

Cash and cash equivalents. We consider all short-term investments with maturities of three months or less when purchased to be cash equivalents. At December 31, 2000 and 2001, we had cash and cash equivalents denominated in Brazilian reais that translate to approximately \$6.0 million and \$4.0 million, respectively.

Inventories. Inventories (consisting principally of materials and supplies) are carried at the lower of first-in, first-out cost or market.

Property and equipment. Property and equipment are recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized over the shorter of the term of the lease or the estimated useful lives of the improvements. Expenditures for repairs and maintenance are charged to expense as incurred. Expenditures for betterments and major improvements are capitalized. The carrying amounts of assets sold or retired and related accumulated depreciation are eliminated in the year of disposal and the resulting gains and losses are included in other income or expense.

Intangibles and other long lived assets. Assets and liabilities acquired in connection with business combinations accounted for under the purchase method are recorded at their respective estimated fair values. Goodwill represents the excess of the purchase price over the estimated fair value of net assets acquired, including the recognition of applicable deferred taxes, and is amortized on a straight-line basis over a period ranging from 5 to 40 years, with a weighted average amortization period of 33 years. At December 31, 2000 and 2001, we had recorded intangibles primarily consisting of goodwill of \$262.4 million and \$264.8 million, respectively (net of accumulated amortization of \$35.5 million in 2000 and \$46.3 million in 2001). As of December 31, 2001, we reflected in other current liabilities additional consideration related to earnouts for acquisitions completed in prior years of approximately \$19.4 million, which we expect will be paid primarily during the first six months of 2002.

We review long-lived assets, identifiable intangibles and goodwill and record an impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets or expected future cash flows on an undiscounted basis. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Accrued insurance. We maintain insurance policies subject to deductibles of \$250,000 per occurrence for certain property and casualty and worker's compensation claims and, accordingly, accrue the estimated losses. As of December 31, 2001, we have an aggregate stop loss

coverage of \$24.8 million and our insurance accrual is reflected in current and non-current liabilities.

Income taxes. We record income taxes using the liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequence of temporary differences between the financial statement and income tax bases of our assets and liabilities. A valuation allowance is established when it is more likely than not that any or all of the deferred tax assets will not be realized.

Stock based compensation. We adopted the disclosure provision of Statement of Financial Accounting Standard No. 123, Accounting for Stock Based Compensation ("SFAS 123") and retained the intrinsic value method of accounting for such stock based compensation (see Note 8).

Fair value of financial instruments. We estimate the fair market value of financial instruments through the use of public market prices, quotes from financial institutions and other available information. Judgment is required in interpreting data to develop estimates of market value and, accordingly, amounts are not necessarily indicative of the amounts that we could realize in a current market exchange. Our short-term financial instruments, including cash and cash equivalents, accounts and notes receivable, accounts payable and other liabilities, consist primarily of instruments without extended maturities, the fair value of which, based on management's estimates, equaled their carrying values. Long-term debt is carried at face value less unamortized discount. The fair value of our 7.75% senior subordinated notes was approximately \$163.7 million at December 31, 2001. We use letters of credit to back certain insurance policies. The letters of credit reflect fair value as a condition of their underlying purpose and are subject to fees competitively determined in the marketplace.

New pronouncements. In July 2001, the Financial Accounting Standards Board (the "FASB") issued SFAS No. 141, Business Combinations. SFAS No. 141 requires that all business combinations initiated after June 30, 2001, be accounted for using the purchase method. The FASB also issued SFAS No. 142, Goodwill and Other Intangible Assets. SFAS No. 142 requires that goodwill be assessed at least annually for impairment by applying a fair-value based test. Goodwill will no longer be amortized over its estimated useful life. In addition, acquired intangible assets are required to be recognized and amortized over their useful lives if the benefit of the asset is based on contractual or legal rights. While we will be subject to most provisions of SFAS No. 142 beginning January 1, 2002, goodwill and intangible assets acquired after June 30, 2001, became subject to the statement immediately.

We are currently evaluating the impact that SFAS No. 142 will have on our financial position or results of operations. However, with the recent decline in our market capitalization and other factors affecting our industry, the application of the methodology within SFAS No. 142 may result in the write-down of a portion of our goodwill.

In October 2001, the FASB issued SFAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" ("SFAS 144"). SFAS 144 addresses financial accounting and reporting for the impairment or disposal of long-lived assets. This statement supersedes SFAS 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" ("SFAS 121") and establishes a single accounting model, based on the framework established in SFAS 121, for long-lived assets to be disposed of by sale. We adopted SFAS 144 effective January 1, 2002.

Stock split. On June 19, 2000, we effected a three-for-two split of our common stock in the form of a stock dividend to shareholders of record as of May 29, 2000. To reflect the split, common stock was increased and capital surplus was decreased by \$1.6 million. All references in the consolidated financial statements to shares and related prices, weighted average number of shares, per share amounts and stock plan data have been adjusted to reflect the stock split on a retroactive basis.

Investing Activities. Since January 1, 2000, we have completed 15 acquisitions and increased our ownership in our Brazilian operations during 2001. These acquisitions have been accounted for under the purchase method of accounting. Accordingly, the results of operations of acquired companies have been included in our consolidated results of operations from their respective acquisition dates. If the acquisitions had been made at the beginning of 2000 or 2001, pro forma results of operations would not have differed materially from actual results based on historical performance prior to their acquisition by

us. The most significant adjustments to the balance sheet resulting from these acquisitions are disclosed in the supplemental disclosure of non-cash investing and financing activities in the accompanying statement of cash flows. Common stock issued in acquisitions is valued based upon the market price of the common stock around the date of purchase or the date the purchase price is determined. Certain agreements include provisions for contingent payments, depending on future performance. If future performance thresholds are met, goodwill is adjusted for the amount of such payments.

Note 2 - Liquidity

We derive a significant amount of our revenue from telecommunications clients. During the latter part of 2000 and all of 2001, certain segments of the telecommunications industry suffered a severe downturn that resulted in a number of our clients filing for bankruptcy protection or experiencing financial difficulties. As a result, we incurred a net loss of \$92.4 million for the year ended December 31, 2001, primarily attributable to increases in bad debt expense of \$182.2 million during the year. The downturn adversely affected capital expenditures for infrastructure projects even among clients that did not experience financial difficulties. Capital expenditures by telecommunications clients in 2002 are expected to remain at low levels in comparison with prior years, and there can be no assurance that additional clients will not file for bankruptcy protection or otherwise experience financial difficulties in 2002. Although we refocused our business on long-time, stable telecommunications and other clients, there can be no assurance that these clients will continue to fund capital expenditures for infrastructure projects at current levels or that we will be able to increase our market share with these stronger clients. Additional bankruptcies or further decreases in our client's capital expenditures could reduce our cash flows and adversely impact our liquidity.

Our primary liquidity needs are for working capital, capital expenditures, acquisitions (including the payment of contingent consideration related to prior acquisitions) and debt service. Our primary sources of liquidity are cash flows from operations and borrowings under our revolving credit facility.

As discussed in Note 6 to the Consolidated Financial Statements, we completed a new five-year credit facility in February 2002 that provides for borrowings up to an aggregate of \$125.0 million, based on a percentage of eligible accounts receivable and work in process as well as a fixed amount of equipment. Although the credit facility provides for borrowings of up to \$125.0 million, the amount that can actually be borrowed at any given time is based upon a formula that takes into account, among other things, our eligible accounts receivable which can result in borrowing availability of less than the full amount of the facility. Amounts outstanding under the revolving credit facility mature on January 22, 2007. The credit facility is collateralized by a first priority security interest on substantially all of our assets and a pledge of the stock of our operating subsidiaries.

The credit facility contains financial covenants that require us to maintain (a) tangible net worth on or after March 31, 2002 of \$180.0 million plus an amount equal to 50% of net income from North American operations generated after January 1, 2002 and (b) a fixed charge coverage ratio of at least 2:1 (all as defined in the credit facility) for the successive periods of three, four, five, six, seven, eight, nine, ten and eleven consecutive calendar months beginning January 1, 2002 and each period of 12 consecutive months ending on or after December 31, 2002.

Our North American operations typically are seasonally slower in the first quarter of the year primarily as the result of client budgetary constraints and preferences and the effect of winter weather on external network activities. Because our new credit facility measures the fixed charge coverage ratio described above for the first time during the seasonally slower first quarter of 2002, a delay or reduction in our client's capital expenditures in the first quarter of 2002 from those projected could affect our ability to meet the required coverage ratio.

There can be no assurance that we will meet these covenant tests. If we violate one or more of these covenants in the future, and we are unable to cure or obtain waivers from our lenders or amend or otherwise restructure or replace the credit facility, we could be in default under the facility and could be required to seek alternative sources of financing to conduct our business. There can be no assurances that such financing would be available at all or on terms favorable to us. Alternatively, we may be required to sell assets for less than their carrying value to repay required obligations or meet our liquidity

requirements.

Note 3 - Other assets and liabilities

Other current assets as of December 31, 2000 and 2001 of \$23.1 million for each year consists primarily of miscellaneous short-term receivables, security deposits and prepaids.

Other non-current assets consists of the following as of December 31, 2000 and 2001(in thousands):

	2000	2001
Long-term receivables, including retainage	\$45,822	\$12,236
Non-core investments	19,589	10,132
Real estate held for sale	5,473	5,473
Deferred finance costs	3,131	2,616
Cash surrender value of insurance policies	1,594	1,774
Non-compete agreement	1,835	1,323
Other	3,066	7,346
Total	\$80,510	\$40,900

Other current and non-current liabilities consists of the following as of December 31, 2000 and 2001 (in thousands):

Current liabilities	2000	2001
Obligations related to acquisitions	\$ 38,493	\$21,246
Accrued compensation	33,461	20,727
Accrued insurance	9,434	10,448
Accrued severance	-	7,250
Accrued interest	6,458	6,819
Other	34,361	1,920
Total	\$122,207	\$68,410

Non-current liabilities	2000	2001
Accrued insurance	\$ 12,747	\$15,626
Net deferred tax liability	9,039	10,011
Minority interest	16,150	2,170
Other	594	3,095
Total	\$ 38,530	\$30,902

Note 4 - Accounts Receivable

Accounts receivable is presented net of an allowance for doubtful accounts of \$9.7 million, \$11.0 million, and \$20.0 million at December 31, 1999, 2000 and 2001, respectively. We recorded a provision for doubtful accounts of \$4.7 million, \$6.6 million and \$185.5 million during 1999, 2000 and 2001, respectively. In addition, we recorded write-offs of \$2.3 million, \$5.3 million and \$176.8 million during 1999, 2000 and 2001, respectively.

Accounts receivable includes retainage, which has been billed but is not due until completion of performance and acceptance by clients, and claims for additional work performed outside original contract terms. Retainage aggregated \$24.6 million and \$18.2 million at December 31, 2000 and 2001, respectively. Retainage is expected to be collected within one year. Any retainage expected to be collected beyond a year is recorded in long-term other assets.

Included in accounts receivable is unbilled revenue of \$98.8 million and \$66.4 million at December 31, 2000 and 2001, respectively. Such unbilled amounts represent work performed but not billable to clients as per individual contract terms, of which \$23.2 million and \$7.9 million at

December 31, 2000 and 2001, respectively, are related to our Brazilian operations. Unbilled revenue is typically billed within one to two months.

Certain of our clients, primarily competitive telecommunications carriers, have filed for bankruptcy or have been experiencing financial difficulties. We review all our clients on a regular basis, and as a result we recognized bad debt expense of \$182.2 million for these clients for the year ended December 31, 2001. Should additional clients file for bankruptcy or experience difficulties, or should other workout situations fail to materialize, we could experience reduced cash flows and losses in excess of current reserves.

Note 5 - Property and Equipment

Property and equipment is comprised of the following as of December 31, 2000 and 2001 (in thousands):

	2000	2001	Estimated Useful Lives (In Years)
	-----	-----	
Land	\$ 6,892	\$ 6,892	
Buildings and improvements	12,624	12,953	5 -30
Machinery and equipment	268,969	290,606	3 -10
Office furniture and equipment	18,734	29,544	3 - 5
	-----	-----	
	307,219	339,995	
Less-accumulated depreciation	(147,546)	(188,221)	
	-----	-----	
	\$159,673	\$151,774	
	=====	=====	

Note 6 - Debt

Debt is comprised of the following at December 31, 2000 and 2001 (in thousands):

	2000	2001
	-----	-----
Revolving credit facility at LIBOR plus 1.0% for 2000 and 2.25% for 2001 (7.64% at December 31, 2000 and 4.18% at December 31, 2001)	\$ 7,000	\$ 70,000
Notes payable for equipment, at interest rates from 7.5% to 8.5% due in installments through the year 2004	6,678	3,917
7.75% senior subordinated notes due February 2008	195,805	195,832
	-----	-----
Total debt	209,483	269,749
Less current maturities	(3,323)	(1,892)
	-----	-----
Long-term debt	\$206,160	\$267,857
	=====	=====

We completed a new credit facility in February 2002 that provides for borrowings up to an aggregate of \$125.0 million, based on a percentage of eligible accounts receivable and work in process as well as a fixed amount of equipment. Although the credit facility provides for borrowings of up to \$125.0 million, the amount that can actually be borrowed at any given time is based upon a formula that takes into account, among other things, our eligible accounts receivable, and which can result in borrowing availability of less than the full amount of the facility. Amounts outstanding under the revolving credit facility mature on January 22, 2007. The credit facility is collateralized by a first priority security interest on substantially all of our assets and a pledge of the stock of our operating subsidiaries. Interest under the facility accrues at rates based, at our option, on the agent bank's base rate plus a margin of between 0.50% and 1.50% depending on certain financial covenants or its LIBOR rate (as defined in the credit facility) plus a margin of between 2.0% and 3.0%, depending on certain financial covenants. The facility includes an unused facility fee of 0.50%, which may be adjusted to as low as 0.375% or as high as 0.625% depending on the achievement of certain financial thresholds. As of December 31, 2001, we had outstanding \$7.0 million in standby letters of credit.

The credit facility contains customary events of default (including cross-default) provisions and covenants related to our North American operations that prohibit, among other things, making investments and acquisitions in excess of a specified amount, incurring additional indebtedness in excess of a specified amount, paying cash dividends, making other distributions in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including our 7.75% senior subordinated notes, and engaging in certain mergers or combinations without the prior written consent of the lenders. The credit facility also contains financial covenants that require us to maintain (a) tangible net worth on or after March 31, 2002 of \$180.0 million plus an amount equal to 50% of net income from North American operations after January 1, 2002 and (b) a fixed charge coverage ratio of at least 2:1 (all as defined in the credit facility) for the successive periods of three, four, five, six, seven, eight, nine, ten and eleven consecutive calendar months beginning January 1, 2002 and each period of 12 consecutive calendar months ending on or after December 31, 2002. Failure to achieve certain results could cause us not to meet these covenants. There can be no assurance that we will continue to meet these covenant tests in future periods. If we violate one or more of these covenants in the future, and we are unable to cure or obtain waivers from our lenders or amend or otherwise restructure the credit facility, we could be in default under the facility and we may be required to sell assets for less than their carrying value to repay this indebtedness. As a result of these covenants, our ability to respond to changing business and economic conditions and to secure additional financing, if needed, may be restricted significantly, and we may be prevented from engaging in transactions that might otherwise be considered beneficial to us. Further, to the extent additional financing is needed, there can be no assurance that such financing would be available at all or on terms favorable to us. In addition, a deterioration in the quality of our receivables or work in process will reduce availability under our credit facility.

We also have \$200.0 million, 7.75% senior subordinated notes due in February 2008, with interest due semi-annually, of which \$195.8 million is outstanding. The notes also contain default (including cross-default) provisions and covenants restricting many of the same transactions as under our credit facility.

Note 7 - Lease Commitments

We have operating lease agreements for our premises and equipment that expire on various dates. The operating lease agreements are subject to escalation. Rent expense for the years ended December 31, 2000 and 2001 was approximately \$14.4 million and \$19.0 million, respectively.

Minimum future lease commitments under non-cancelable operating leases in effect at December 31, 2001 were as follows (in thousands):

2002	\$ 12,874
2003	10,629
2004	7,242
2005	3,164
2006	1,894
Thereafter	794

Total minimum lease payments..	\$ 36,597
	=====

Note 8 - Retirement and Stock Option Plans

We have a 401(k) plan covering all eligible employees. Subject to certain dollar limits, eligible employees may contribute up to 15% of their pre-tax annual compensation to the plan. We currently match in stock 50% of the employee contributions up to 2% of their gross salary and may make discretionary contributions in amounts determined by the Board of Directors. Our matching contributions charged to earnings were approximately \$547,000, \$2,077,000 and \$1,997,000 for the years ended December 31, 1999, 2000 and 2001, respectively.

We have three stock option plans currently in effect: the 1994 Stock Incentive Plan (the "1994 Plan"), the 1994 Stock Option Plan for Non-Employee Directors (the "Directors' Plan") and the 1999 Non-Qualified Employee Stock Option Plan (the "Non-Qualified Plan"). Typically, options under these plans are granted at fair market value at the date of grant, vest between three to five years and terminate no later than 10 years from the date of grant.

Under these plans there were a total of 1,030,055, 2,028,798 and

1,118,253 options available for grant at December 31, 1999, 2000 and 2001, respectively. In addition, there are 292,100 options outstanding under individual option agreements with varying vesting schedules at exercise prices ranging from \$2.56 to \$17.67 with terms up to 10 years. We also have a non-qualified stock purchase plan under which eligible employees may purchase common stock through payroll deductions or in a lump sum at a 15% discount from fair market value.

The following is a summary of all stock option transactions:

	Stock Options	Weighted Average Exercise Price	Weighted Average Fair Value of Options Granted
Outstanding December 31, 1998	3,943,656	\$12.21	
Granted	2,774,933	21.77	\$10.69
Exercised	(610,604)	10.81	
Canceled	(252,045)	14.84	
Outstanding December 31, 1999	5,855,940	16.81	
Granted	711,820	32.28	\$20.39
Exercised	(584,794)	10.98	
Canceled	(151,604)	20.44	
Outstanding December 31, 2000	5,831,362	19.07	
Granted	1,341,794	10.88	\$ 7.79
Exercised	(7,693)	11.26	
Canceled	(440,076)	23.15	
Outstanding December 31, 2001	6,725,387	\$17.18	

The following table summarizes information about stock options outstanding at December 31, 2001:

Range of Exercise Prices	Stock Options Outstanding		Options Exercisable		
	Number of Stock Options	Weighted Average Contractual Life	Weighted Average Exercise Price	Number of Stock Options	Weighted Average Exercise Price
\$ 2.56 - 2.56	45,000	2.19	\$ 2.56	45,000	\$ 2.56
3.53 - 4.78	318,076	4.97	4.50	141,076	4.72
5.18 - 7.73	158,390	5.01	5.99	79,890	5.90
9.75 - 14.06	2,812,137	6.08	12.68	1,767,576	13.05
14.17 - 21.25	2,070,154	7.30	18.85	1,692,991	19.07
25.58 - 37.96	1,273,130	5.29	28.49	533,676	28.03
39.91 - 45.08	48,500	5.39	43.24	16,168	43.24
\$ 2.56 - 45.08	6,725,387	6.20	\$ 17.18	4,276,377	\$16.90

We have elected to follow Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for our employees' stock options. Pursuant to APB No. 25, no compensation cost has been recognized.

We have reflected below the 1999, 2000 and 2001 earnings as if compensation expense relative to the fair value of the options granted had been recorded under the provisions of SFAS No. 123 "Accounting for Stock- Based Compensation." The fair value of each option grant was estimated using the Black-Scholes option-pricing model with the following assumptions used for grants in 1999, 2000 and 2001, respectively: a six, five and five year expected life; volatility factors of 41%, 60% and 79%; risk-free interest rates of 5.9%, 5.75% and 3.50%; and no dividend payments.

1999	2000	2001
------	------	------

Net income (loss) (in thousands):			
As reported	\$44,726	\$65,147	\$(92,354)
	=====	=====	=====
Pro forma	\$32,980	\$41,707	\$(106,944)
	=====	=====	=====
Basic earnings (loss) per share:			
As reported	\$ 1.07	\$ 1.40	\$ (1.93)
Pro forma	0.79	\$ 0.90	\$ (2.24)
Diluted earnings (loss) per share:			
As reported	\$ 1.05	\$ 1.35	\$ (1.93)
Pro forma	\$ 0.77	\$ 0.86	\$ (2.24)

Note 9 - Income Taxes

The provision (benefit) for income taxes consists of the following (in thousands):

	1999	2000	2001
	-----	-----	-----
Current:			
Federal	\$ 32,069	\$ 36,669	\$ (46,068)
Foreign	214	354	220
State and local	3,770	7,873	(9,729)
	-----	-----	-----
	36,053	44,896	(55,577)
	-----	-----	-----
Deferred:			
Federal	(5,889)	727	508
Foreign	1,740	-	-
State and local	1,362	254	211
	-----	-----	-----
	(2,787)	981	719
	-----	-----	-----
Provision (benefit) for income taxes	\$ 33,266	\$ 45,877	\$ (54,858)
	=====	=====	=====

The tax effects of significant items comprising our net deferred tax liability as of December 31, 2000 and 2001 are as follows (in thousands):

	2000	2001
	-----	-----
Deferred tax assets:		
Non-compete	\$ 6,661	\$ 6,211
Bad debts	4,400	6,710
Accrued self insurance	6,526	7,484
Operating loss and tax credit carry forward	766	974
All other	4,087	2,674
	-----	-----
Total deferred tax assets	22,440	24,053
	-----	-----
Deferred tax liabilities:		
Accounts receivable retainage	12,092	10,187
Property and equipment	12,755	15,946
Basis differences in acquired assets	1,968	2,027
All other	4,664	5,904
	-----	-----
Total deferred tax liabilities	31,479	34,064
	-----	-----
Net deferred tax liability	\$(9,039)	\$(10,011)
	=====	=====

The net deferred tax liability includes deferred items resulting from acquisitions made during the period which are not reflected as part of the deferred tax provision. Certain of the acquired entities were S corporations for income tax purposes and, accordingly, any income tax liabilities for the periods prior to the acquisitions are the responsibility of the respective shareholders.

A reconciliation of U.S. statutory federal income tax expense on

the earnings from continuing operations is as follows:

	1999	2000	2001
	-----	-----	-----
U.S. statutory federal rate applied to pretax income	35%	35%	(35)%
State and local income taxes	4	5	(4)
Amortization of intangibles	2	1	1
Non-deductible expenses	2	1	1
Other	(1)	(1)	-
	-----	-----	-----
Provision (benefit) for income taxes	42%	41%	(37)%
	=====	=====	=====

The Internal Revenue Service ("IRS") examined our federal income tax returns for the years ended December 31, 1995 and 1996. The IRS has agreed not to audit the years ended December 31, 1997 and 1998. The IRS is currently auditing the year ended December 31, 1999. Assessments made for the years 1995 through 1996 are presently being negotiated at the appellate level. We believe we have legal defenses to reduce the proposed deficiency, although there can be no assurance in this regard. We believe that the ultimate disposition of this matter will not have a material adverse effect on our consolidated financial statements.

Note 10 - Capital Stock

We have authorized 100,000,000 shares of common stock, \$0.10 par value. At December 31, 2000 and 2001, approximately 47,702,000 shares and 47,905,000 shares, respectively, of common stock were issued and outstanding. At December 31, 2000 and 2001, we had 5,000,000 shares of authorized but unissued preferred stock.

Note 11 - Operations by Geographic Areas and Segments

We operate in one reportable segment as a specialty contractor. We provide engineering, placement and maintenance of aerial, underground, and buried fiber-optic, coaxial and copper cable systems owned by local and long distance communications carriers, and cable television multiple system operators. Additionally, we provide similar services related to the installation of integrated voice, data and video local and wide area networks within office buildings and similar structures and also provide underground locating services to various utilities and provide construction and maintenance services to electrical and other utilities. All of our operating units have been aggregated into one reporting segment due to their similar customer bases, products and production methods and distribution methods. We also operate in Brazil through an 87.5% joint venture which we consolidate net of a 12.5% minority interest after tax. Our Brazilian operations perform similar services and for the year ended December 31, 1999, 2000 and 2001 had revenue of \$55.2 million, \$55.3 million and \$57.9 million, respectively. Total assets for Brazil totaled as of December 31, 1999, 2000, and 2001, \$52.6 million, \$48.8 million and \$33.9 million, respectively.

Note 12 - Commitments and Contingencies

We have two lawsuits pending in the U.S. District Court for the Southern District of Florida against Sintel International Corp., a subsidiary of Artcom Technologies, Inc., to recover more than \$5.0 million due under a promissory note and for breach of contract. We are also pursuing other claims in Spain against Artcom affiliates totaling approximately \$4.0 million. In February 2002, we tentatively settled the breach of contract lawsuit against Sintel International for \$180,000 payable to us. On January 29, 2001, subsequent to the filing of our lawsuit against Sintel International under the promissory note, Artcom sued us in the U.S. District Court for the Southern District of Florida, alleging fraud, negligent misrepresentation, breach of fiduciary duty, unjust enrichment, conspiracy and violation of the federal and Florida Racketeer Influenced and Corrupt Organizations Act. The suit seeks to recover approximately \$6.0 million (subject to trebling) that we allegedly received as a result of certain allegedly unauthorized transactions by two former employees of Artcom.

In a related matter, the labor union representing the workers of Sistemas e Instalaciones de Telecomunicacion S.A. ("Sintel"), a sister company of Sintel International, has instigated an investigative action with a Spanish federal court commenced in July 2001 alleging that five former members of the board of directors of Sintel, including Jorge Mas,

the Chairman of the Board of MasTec, and his brother Juan Carlos Mas, a MasTec executive, approved a series of allegedly unlawful transactions that led to the bankruptcy of Sintel. We are also named as a potentially liable party. The union alleges Sintel and its creditors were damaged in the approximate amount of 13 billion pesetas (\$69.5 million at December 31, 2001 exchange rates). The Spanish court is seeking a bond from the subjects of the inquiry in this amount as well as security for the bond. Neither we nor our executives have been served in the action.

In November 1997, we filed a suit against Miami-Dade County in Florida state court in Miami alleging breach of contract and seeking damages exceeding \$3.0 million in connection with the county's refusal to pay amounts due to us under a multi-year agreement to perform road restoration work for the Miami-Dade Water and Sewer Department, a department of the county. The county has counterclaimed against us seeking unspecified damages.

On January 9, 2002, Harry Schipper, a MasTec shareholder, filed a shareholder derivative lawsuit in the U.S. District Court for the Southern District of Florida against us as nominal defendant and against certain current and former members of the Board of Directors and senior management, including Jorge Mas, our Chairman of the Board, and Austin Shanfelter, our President and Chief Executive Officer. The lawsuit alleges mismanagement, misrepresentation and breach of fiduciary duty as a result of a series of allegedly fraudulent and criminal transactions, including the matters described above, the severance we paid our former chief executive officer, and our investment in and financing of a client that subsequently filed for bankruptcy protection, as well as certain other matters. The lawsuit seeks damages and injunctive relief against the individual defendants on MasTec's behalf. The Board of Directors has formed a special committee, as contemplated by Florida law, to investigate the allegations of the complaint and to determine whether it is in the best interests of MasTec to pursue the lawsuit. An unopposed motion to stay the action for six months to permit the committee to complete its investigation is pending before the court.

We are vigorously pursuing and believe we have meritorious defenses to the actions described above. We are also a party to other pending legal proceedings arising in the normal course of business, none of which we believe is material to our financial position or results of operations.

Note 13 - Other Expense, net

For the year ended December 31, 1999, other expense, net is comprised primarily of a write-down, based on the results of an analysis performed by management on the carrying value of certain of our international non-core assets, of \$10.2 million, a \$3.6 million loss on the sale of a non-core business and parcels of non-core real estate, \$1.0 million litigation reserve for a 1994 lawsuit from a predecessor company offset by other income of \$4.8 million from a customer related to extensions to the maturity date of a vendor financing agreement.

For the year ended December 31, 2000 other expense, net is comprised primarily of a \$26.3 million write-down of certain non-core international assets resulting from management's review of the carrying value of such assets.

For the year ended December 31, 2001 other expense, net is comprised primarily of an impairment charge of \$6.5 million related to our equity investment in a client and a \$10.0 million write-down of non-core international assets.

Note 14 - Quarterly Information (Unaudited)

The following table presents unaudited quarterly operating results for the two years ended December 31, 2001. We believe that all necessary adjustments have been included in the amounts stated below to present fairly the quarterly results when read in conjunction with the Consolidated Financial Statements and Notes thereto for the years ended December 31, 2000 and 2001.

2000				2001			
Quarter Ended				Quarter Ended			
Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
(in thousands, except per share data)							

Revenue	\$272,694	\$297,697	\$382,279	\$377,626	\$337,212	\$330,220	\$302,243	\$252,905
Net income (loss)	\$ 11,477	\$ 21,342	\$ 25,088	\$ 7,239	\$ 3,297	\$ (2,162)	\$ (75,241)	\$ (18,247)
Basic earnings								
(loss) per share	\$ 0.26	\$ 0.46	\$ 0.53	\$ 0.15	\$ 0.07	\$ (0.05)	\$ (1.57)	\$ (0.38)
Diluted earnings								
(loss) per share	\$ 0.25	\$ 0.44	\$ 0.51	\$ 0.15	\$ 0.07	\$ (0.05)	\$ (1.57)	\$ (0.38)

In the second quarter of 2000, we recorded a net gain of \$2.5 million from the sale of a non-core asset offset by write-downs related to other non-core assets net of tax or \$0.05 per share.

In the third quarter of 2000, we recorded a severance charge of \$1.0 million net of tax or \$0.02 per share.

In the fourth quarter of 2000, we recorded a \$17.3 million charge primarily to write-down certain non-core international assets net of tax or \$0.35 per share.

In the first quarter of 2001, we recorded a reserve of \$13.1 million, net of tax or \$0.27 per share primarily due to clients filing for bankruptcy protection.

In the second quarter of 2001, we recorded a reserve of \$9.6 million, net of tax or \$0.20 per share primarily due to clients filing for bankruptcy protection.

In the third quarter of 2001, we recorded charges of \$81.0 million, net of tax or \$1.70 per share due to reserves relating to receivables, a write-down of non-core international assets and severance expense.

In the fourth quarter of 2001, we recorded charges of \$23.8 million, net of tax or \$0.50 per share due to reserves relating to receivables.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON
ACCOUNTING AND FINANCIAL DISCLOSURE

None.

DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information regarding our executive officers is included in this Annual Report under the caption "Executive Officers." Information regarding our directors and nominees for directors will be contained in our proxy statement relating to the 2002 Annual Meeting of Shareholders to be filed with the Securities and Exchange Commission on or before April 30, 2002 (the "Proxy Statement"), and is incorporated in this Annual Report by reference.

EXECUTIVE COMPENSATION

Information regarding compensation of our executive officers will be contained in the Proxy Statement and is incorporated in this Annual Report by reference, except the Compensation Committee Report contained in the Proxy Statement, which is not incorporated in this Annual Report by reference.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information regarding the ownership of our common stock will be contained in the Proxy Statement and is incorporated in this Annual Report by reference.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Information regarding certain relationships and related transactions will be contained in the Proxy Statement and is incorporated in this Annual Report by reference.

EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

- (a) 1. Financial Statements - The financial statements and the report of our Certified Public Accountants are listed on pages 20 through 35.
- 2. Financial Statements Schedules - The financial statement schedule information required by Item 14(a)(2) is included as part of "Note 4 - Accounts Receivable" of the Notes to Consolidated Financial Statements.
- 3. Exhibits including those incorporated by reference:

Exhibit No.	Description
3.1	Articles of Incorporation, filed as Appendix B to our definitive Proxy Statement for our 1998 Annual Meeting of Stockholders dated April 14, 1998 and filed with the Securities and Exchange Commission on April 14, 1998, and incorporated by reference herein.
3.2	By-laws, filed as Exhibit 3.2 to our Form 8-K dated May 29, 1998 and filed with the Commission on June 26, 1998, and incorporated by reference herein.
4.1	7.75 % Senior Subordinated Notes Due 2008 Indenture dated as of February 4, 1998, filed as Exhibit 4.2 to our Registration Statement on Form S-4 (file no. 333-46361) and incorporated by reference herein.
10.1	Stock Option Agreement dated March 11, 1994 between MasTec and Arthur B. Laffer, filed as Exhibit 10.6 to our Form 10-K for the year ended December 31, 1995 and incorporated by reference herein.
10.2*	Revolving Credit and Security Agreement dated as of January 22, 2002 between MasTec, certain of its subsidiaries, and Fleet Financial Corporation as agent.
10.3*	Assumption and Amendment Agreement to Revolving Credit and Security Agreement dated February 7, 2002.
10.4	1994 Stock Option Plan for Non-employee Directors filed as an Appendix to our definitive Proxy Statement for our 1993 Annual and Special Meeting of Stockholders, dated February 10, 1994 and filed with the Commission on February 11, 1994 and incorporated by reference herein.
10.5	Employment agreement with Austin Shanfelter dated as of January 1, 2001, filed as Exhibit 10.1 to our Form 10-Q for the quarter ended March 31, 2001, and filed with the Commission on May 15, 2001 (the "March 31, 2001 10-Q") and incorporated by reference herein.
10.6	Employment agreement with Jose Sariago dated as of January 1, 2001 filed as Exhibit 10.3 to the March 31, 2001 10-Q and incorporated by reference herein.
21.1*	Subsidiaries of MasTec.
23.1*	Consent of Independent Certified Public Accountants.
24.1	Powers of Attorney (included on signature page).

* Exhibits filed with the Securities and Exchange Commission with this Annual Report on Form 10-K.

The registrant agrees to provide these exhibits supplementally upon request.

- (b) Reports on Form 8-K:
- None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Miami, State of Florida, on March 27, 2002.

MASTEC, INC.

/s/ DONALD P. WEINSTEIN

Donald P. Weinstein
Executive Vice President -
Chief Financial Officer
(Principal Financial and Accounting Officer)

POWER OF ATTORNEY

The undersigned directors and officers of MasTec, Inc. hereby constitute and appoint Donald Weinstein and Jose Sariago and each of them with full power to act without the other and with full power of substitution and resubstitution, our true and lawful attorneys-in-fact with full power to execute in our name and behalf in the capacities indicated below this Annual Report on Form 10-K and any and all amendments thereto and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission and hereby ratify and confirm all that such attorneys-in-fact, or any of them, or their substitutes shall lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on March 27, 2002.

/s/ JORGE MAS

Jorge Mas, Chairman of the Board

/s/ JOSEPH P. KENNEDY II

Joseph P. Kennedy II, Director

/s/ AUSTIN J. SHANFELTER

Austin J. Shanfelter, President
and Chief
Executive Officer (Principal Executive Officer)

/s/ WILLIAM N. SHIEBLER

William N. Shiebler, Director

/s/ JOSE MAS

Jose Mas, Director

/s/ JOSE S. SORZANO

Jose S. Sorzano, Director

/s/ ARTHUR B. LAFFER

Arthur B. Laffer, Director

/s/ JULIA L. JOHNSON

Julia L. Johnson, Director

Exhibit 21.1

Set forth below is a list of the significant subsidiaries of MasTec.

MasTec North America, Inc.
MasTec Brazil S/A

Exhibit 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-4 (No. 333-30645) and Form S-8 (Nos. 333-22465, 333-30647, 333-47003, 033-55327, 333-77823, 333-38932, 333-38940 and 333-64568) of MasTec, Inc. of our report dated February 18, 2002 relating to the financial statements, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Miami, Florida
March 26, 2002

\$75,000,000
REVOLVING CREDIT AND SECURITY AGREEMENT

Dated as of January 22, 2002

Between

MASTEC, INC.
CERTAIN OF ITS SUBSIDIARIES
(the Borrowers)

and

THE FINANCIAL INSTITUTIONS PARTY
HERETO FROM TIME TO TIME
(the Lenders)

and

FLEET CAPITAL CORPORATION
(the Administrative Agent)

Arranged by:

FLEET SECURITIES, INC.

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REVOLVING CREDIT AND SECURITY AGREEMENT

THIS REVOLVING CREDIT AND SECURITY AGREEMENT is made as of January 22, 2002 by and between MASTEC, INC., a Florida corporation, its subsidiaries named as "Borrowers" on Annex C hereto, the financial institutions party to this Agreement from time to time as the Lenders, and FLEET CAPITAL CORPORATION, as administrative agent for the Lenders.

Preliminary Statement

MasTec, Inc. and Fleet National Bank, among others, are parties to a Credit Agreement dated as of June 9, 1997 (as amended and in effect, the "Existing Loan Agreement"). MasTec, Inc. desires to repay in full its obligations under the Existing Loan Agreement and to terminate the Existing Loan Agreement and any commitment of Fleet National Bank or any other lender thereunder.

Fleet Capital Corporation has agreed with MasTec, Inc. to make available a revolving credit facility in a principal amount of up to \$75,000,000, secured by substantially all assets of MasTec, Inc. and its subsidiaries organized under the laws of the United States or any state thereof, a portion of which may be applied to support a separate Canadian currency facility for the use of subsidiaries organized under the laws of Canada or any province thereof, upon and subject to the terms, conditions and provisions hereinafter set forth. Accordingly, in consideration of the mutual promises hereinafter set forth, the commitments and other financial accommodations to be extended by the Lenders to the Borrowers, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. For the purposes of this Agreement:

"Account" has the meaning specified in the definition "Collateral."

"Account Debtor" means a Person who is obligated on an Account or General Intangible.

"ACH Transfer" means and refers to the transfer of funds within or between financial institutions using electronic credits and debits in accordance with procedures promulgated by the National Automated Clearing House Association or any related regional association.

"Acquisition" means the acquisition of a Business Unit or of the majority of the equity interests in another Person by purchase, exchange, issuance of stock or other securities, or by merger, reorganization or any other method.

"Additional Lender" has the meaning specified in Section 2.5(b).

"Additional Reserves" means reserves against the Borrowing Base other than the Letter of Credit Reserve, the Dilution Reserve or the Availability Reserve, established by the Administrative Agent from time to time in the exercise of its reasonable credit judgment.

"Administrative Agent" means FCC and any successor agent appointed pursuant to Section 14.9 hereof.

"Administrative Agent's Office" means the office of the Administrative Agent specified in or determined in accordance with the provisions of Section 15.1.

"Affiliate" (and with corollary meaning, "Affiliated") means, with respect to a Person, (a) any partner, officer, shareholder (if holding more than 10% of the outstanding shares of capital stock of such Person), member, director, manager or managing agent of such Person, (b) any spouse, parents, siblings, or adult children of such Person, and (c) any other Person (other than a Subsidiary) that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such given Person. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the

management and policies of a Person, whether through ownership of voting securities or partnership or other voting interest, by contract or otherwise.

"Agreement" means this Revolving Credit and Security Agreement, including all Schedules, Exhibits and other attachments hereto, and all amendments, modifications and supplements hereto and thereto and restatements hereof and thereof.

"Agreement Date" means the date as of which this Agreement is dated.

"Applicable Law" means all applicable provisions of constitutions, statutes, rules, regulations and orders of all governmental bodies and of all orders and decrees of all courts and arbitrators, including, without limitation, Environmental Laws.

"Applicable Margin" means (a) as to Base Rate Loans (including all Swingline Loans), 1.25% and (b) as to LIBOR Loans, 2.75%, subject to quarterly adjustment as follows: From and after the delivery of the financial statements for the Fiscal Quarter ending June 30, 2002 and the related officer's certificate in accordance with the respective provisions of Sections 10.1(b) and 10.3, the foregoing percentages will be adjusted effective October 1, 2002 and as of the first day of each succeeding Fiscal Quarter thereafter, that begins at least 10 days after delivery of quarterly financial statements and the related officer's certificate for the previous Fiscal Quarter (each, a "Margin Adjustment Date"), to the percentages set forth in Annex B that correspond to the Leverage Ratio reflected in such financial statements and the related certificate; provided, that if and for so long as a Default or Event of Default exists, no downward adjustment in the Applicable Margin otherwise indicated shall be effected.

"Approved Account Debtor" means at any time, each Account Debtor whose corporate credit rating or senior debt rating (secured or unsecured), or any of them, by Moody's or S&P is investment grade (as of the Agreement Date, at least Baa3 and BBB-, respectively) and other Account Debtors approved in writing by the Administrative Agent. If only one such rating agency has issued an investment grade rating for an Account Debtor and the highest rating for such Account Debtor by the other rating agency is two levels (or 'ticks') or more below the highest rating issued by the first such rating agency, such Account Debtor shall not be an 'Approved Account Debtor' unless approved by the Administrative Agent. Approved Account Debtors as of the Agreement Date are listed on Annex F.

"Arranger" means FSI in such capacity.

"Assignment and Acceptance" means an assignment and acceptance in the form attached hereto as Exhibit C assigning all or a portion of a Lender's interests, rights and obligations under this Agreement pursuant to Section 13.1.

"Availability" means at any time the excess, if any, of the Borrowing Base over the aggregate principal amount of Loans outstanding at such time. "Availability Reserve" means an amount equal to \$10,000,000 or such greater amount as the Administrative Agent may specify in its reasonable credit judgment.

"Bank" means Fleet National Bank, a national banking association.

"Base Rate" means the rate of interest announced or quoted by Bank from time to time as its prime rate for commercial loans, whether or not such rate is the lowest rate charged by Bank to its most preferred borrowers, and, if such prime rate for commercial loans is discontinued by Bank as a standard, a comparable reference rate designated by Bank as a substitute therefor shall be the Base Rate.

"Base Rate Loan" means any Loan bearing interest determined with reference to the Base Rate.

"Benefit Plan" means an "employee pension benefit plan" as defined in Section 3(3) of ERISA (other than a Multiemployer Plan) in respect of which a Borrower or any Related Company is, or within the immediately preceding six years was, an "employer" as defined in Section 3(5) of ERISA, including such plans as may be established after the Agreement Date.

"Borrower" means each of MasTec and each Subsidiary of MasTec listed as a "Borrower" on Annex C hereto and each Subsidiary of MasTec that becomes a "Borrower" after the Effective Date pursuant to Section 9.10.

"Borrowing" means Loans of the same Type made (or continued or converted) by the Lenders Ratably on the same date, and, in the case of LIBOR Loans, for the same Interest Period.

"Borrowing Base" means at any time an amount equal to the least of:

(a) the aggregate Commitments, minus the Letter of Credit Reserve, and
(b) an amount equal to
(i) 85% (or such lesser percentage as the Administrative Agent may in its reasonable credit judgment determine from time to time) of the face value of Eligible Accounts due and owing at such time, plus

(ii) 25% (or such lesser percentage as the Administrative Agent may in its reasonable credit judgment determine from time to time) of Eligible Unbilled Accounts at such time (but in any event not to exceed an amount equal to the product of (x) the sum of the amounts derived pursuant to subsections (b)(i), (ii) (without regard to the limitation set forth in this proviso) and (iii) of this definition, multiplied by (y) 15%), plus

(iii) \$30,000,000 (or, if less, 40% of the aggregate value of the Borrowers' Eligible Fixed Assets, on the basis of a sale at public auction under forced conditions, as established by an appraisal satisfactory to the Administrative Agent), less the amounts for each period specified on Annex I, minus

(iv) the sum of

- (A) the Letter of Credit Reserve, plus
- (B) the Availability Reserve, plus
- (C) the Dilution Reserve, plus
- (D) the Canadian Reserve, plus
- (E) the Rent Reserve, plus
- (F) any Additional Reserves, and

(c) an amount equal to collections received by the Loan Parties on a combined basis for the most recent period of 60 days.

"Borrowing Base Certificate" means a certificate in the form attached hereto as Exhibit B or in such other form as the Borrowers and the Administrative Agent may agree.

"Business Day" means any day other than a Saturday, Sunday or other day on which banks in Atlanta, Georgia or Hartford, Connecticut are authorized to close and, when used with respect to LIBOR Loans, means any such day on which dealings in Dollar deposits are carried on in the London interbank market.

"Business Unit" means assets constituting a business, whether all of the assets of any Person or the assets of a division or operating unit of any Person.

"C\$" and "Canadian Dollars" each means freely transferable Canadian dollars.

"Canadian Borrowing Base" means at any time an amount equal to the sum of (a) an amount equal to 85% (or such lesser percentage as the Administrative Agent may in its reasonable credit judgment determine from time to time) of the face value of Eligible Accounts due and owing to the Canadian Entity at such time, plus 25% (or such lesser percentage as the Administrative Agent may in its reasonable credit judgment determine from time to time) of Eligible Unbilled Accounts of the Canadian Entity at such time. The amounts included in the computation of the Canadian Borrowing Base shall be expressed in Dollars and in any case in which an amount is originally denominated in C\$ (e.g., the amount of an Account), shall be the Dollar Equivalent thereof.

"Canadian Entity" means Phasecom Systems Inc., an Ontario (Canada) corporation, and Integral Power & Telecommunications Corporation Ltd., a Canadian corporation, and both Wholly Owned Subsidiaries of MasTec and each other direct or indirect Wholly Owned Subsidiary organized under the laws of Canada or any province thereof that becomes a Loan Party, singly or collectively.

"Canadian Financing Letter of Credit" means the Letter of Credit issued by the Bank on or about the Effective Date in an amount available to be drawn of not more than C\$7,500,000 for the account of MasTec and the benefit of the Canadian Funding Agent.

"Canadian Funding Agent" means The Bank of Nova Scotia.

"Canadian Priming Liens" means Liens which under applicable Canadian law would prime the Security Interest in the Collateral of any Canadian Entity, as such Liens are listed on Annex H hereto.

"Canadian Reserve" means at the date of determination, the sum of (1) the amount, if any, by which the Canadian Borrowing Base in effect on such date exceeds the Letter of Credit Amount of the Canadian Financing Letter of

Credit, provided that MasTec may instruct the Agent in writing to set this amount at zero, and (2) at the Administrative Agent's discretion, an amount equal to its reasonable estimate of the Canadian Entity's liabilities secured by Canadian Priming Liens.

"Capital Expenditures" means, with respect to any Person, all expenditures made (net of insurance proceeds so applied) and liabilities incurred for the acquisition of assets (other than Inventory or assets that constitute a Business Unit) which are not, in accordance with GAAP, treated as expense items for such Person in the year made or incurred or as a prepaid expense applicable to a future year or years.

"Capitalized Lease" means a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

"Capitalized Lease Obligation" means Indebtedness represented by obligations under a Capitalized Lease, and the amount of such Indebtedness shall be the capitalized amount of such obligations determined in accordance with GAAP.

"Cash Collateral" means collateral consisting of cash or Cash Equivalents on which the Administrative Agent, for the benefit of itself as Administrative Agent and the Lenders, has a first priority Lien.

"Cash Collateral Account" means a special interest-bearing deposit account consisting of cash maintained by the Administrative Agent in the name of MasTec but under the sole dominion and control of the Administrative Agent, for its benefit and for the benefit of the Lenders, established pursuant to the provisions of Section 4.17(a) for the purposes set forth therein.

"Cash Equivalents" means

(a) marketable direct obligations issued or unconditionally guaranteed by the United States Government or issued by any agency thereof and backed by the full faith and credit of the United States, in each case maturing within one year from the date of acquisition thereof;

(b) commercial paper maturing no more than one year from the date issued and, at the time of acquisition thereof, rated at least A-1 by S&P or at least P-1 by Moody's;

(c) certificates of deposit or bankers' acceptances issued in Dollar denominations and maturing within one year from the date of issuance thereof issued by any commercial bank organized under the laws of the United States of America or any state thereof or the District of Columbia having combined capital and surplus of not less than \$100,000,000 and, unless issued by a Lender, not subject to set-off or offset rights in favor of such bank arising from any banking relationship with such bank;

(d) units or other interests in funds invested solely in instruments described in clauses (a), (b) and (c); and

(e) repurchase agreements in form and substance and for amounts satisfactory to the Administrative Agent.

"Clearing Bank" means Bank, Wachovia Bank, N.A., each bank listed on Schedule 1.1C - Clearing Banks, and any other banking institution with which a Controlled Account has been established pursuant to a Control Agreement.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Collateral" means all of each Loan Party's right, title and interest in and to each of the following, wherever located and whether now or hereafter existing or now owned or hereafter acquired or arising:

(a) (i) all rights to the payment of money or other forms of consideration of any kind (whether classified under the UCC as accounts, chattel paper, general intangibles, payment intangibles, instruments, or otherwise) including, but not limited to, accounts receivable, insurance proceeds, letters of credit, letter-of-credit rights, chattel paper, any rights under contracts not yet earned by performance and not evidenced by an instrument or chattel paper, notes, drafts, instruments, documents, acceptances and all other debts, obligations and liabilities in whatever form from any Person, (ii) all guarantees, security, Liens and other supporting obligations securing payment thereof, (iii) all goods, whether now owned or hereafter acquired, and whether sold, delivered, undelivered, in transit or returned, which may be represented by, or the sale or lease of which may have given rise to, any such right to payment or other debt, obligation or liability, and (iv) all proceeds of any of the foregoing (the foregoing, collectively, "Accounts"),

(b) (i) all inventory, (ii) all goods intended for sale or lease or for display or demonstration, (iii) all work in process, (iv) all raw materials and other materials and supplies of every nature and description used or which might be used in connection with the manufacture, packing, shipping, advertising, selling, leasing or furnishing of goods or services or otherwise used or consumed in the conduct of business, and (v) all documents of title, including bills of lading and warehouse receipts, and other documents evidencing and general intangibles relating to any of the foregoing (the foregoing, collectively, "Inventory"),

(c) (i) all machinery, apparatus, equipment, motor vehicles, tractors, trailers, rolling stock, fittings, fixtures and other tangible personal property (other than Inventory) of every kind and description, (ii) all tangible personal property (other than Inventory) and fixtures used in such Person's business operations or owned by such Person or in which such Person has an interest, and (iii) all parts, accessories and special tools and all increases and accessions thereto and substitutions and replacements therefor, excluding, however, any such property that is subject to a lease or Lien permitted to exist by this Agreement, the terms of which prohibit the creation of the Security Interest therein, for so long as such prohibition remains in effect (the foregoing, collectively, "Equipment"),

(d) all general intangibles, choses in action and causes of action, commercial tort claims and all other intangible personal property of every kind and nature (other than Accounts), including, without limitation, Proprietary Rights, partnership and joint venture interests, membership interests and other interests in limited liability companies, corporate or other business records, inventions, designs, blueprints, plans, specifications, trade secrets, goodwill, computer software, customer lists, registrations, licenses, franchises, tax refund claims, reversions or any rights thereto and any other amounts payable to such Person from any Benefit Plan, Multiemployer Plan or other employee benefit plan, rights and claims against carriers and shippers, rights to indemnification, business interruption insurance and proceeds thereof, property, casualty or any similar type of insurance and any proceeds thereof, the beneficiary's interest in proceeds of insurance covering the lives of key employees and any letter of credit, guarantee, claims, security interest or other security for the payment by an Account Debtor of any of the Accounts (the foregoing, collectively, "General Intangibles"),

(e) any demand, time, savings, passbook, money market or like depository account, and all certificates of deposit, maintained with a bank, savings and loan association, credit union or like organization (other than an account evidenced by a certificate of deposit that is an instrument under the UCC) (the foregoing, collectively, "Deposit Accounts"),

(f) all certificated and uncertificated securities (other than 35% of the shares of any Foreign Subsidiary), all security entitlements, all securities accounts, all commodity contracts and all commodity accounts (the foregoing, collectively, "Investment Property"),

(g) (i) any investment account maintained by or on behalf of a Loan Party with the Administrative Agent or any Lender or any Affiliate of the Administrative Agent or any Lender, (ii) any agreement governing such account, (iii) all cash proceeds and Investment Property now or hereafter held by the Administrative Agent or any Lender or any Affiliate of the Administrative Agent or any Lender on behalf of a Loan Party in connection with such investment account and (iv) all documents evidencing and general intangibles related to the foregoing (the foregoing, collectively, "Investment Accounts"),

(h) all cash or other property deposited with the Administrative Agent or any Lender or any Affiliate of the Administrative Agent or any Lender or which the Administrative Agent, for its benefit and for the benefit of the Lenders, or any Lender or such Affiliate is entitled to retain or otherwise possess as collateral pursuant to the provisions of this Agreement or any of the Loan Documents or any agreement relating to any Letter of Credit, including, without limitation, amounts on deposit in the Cash Collateral Account,

(i) all goods and other property, whether or not delivered, (i) the sale or lease of which gives or purports to give rise to any Account, including, but not limited to, all merchandise returned or rejected by or repossessed from customers, or (ii) securing any Account, including, without limitation, all rights as an unpaid vendor or lienor (including, without limitation, stoppage in transit, replevin and reclamation) with respect to such goods and other properties,

(j) all supporting obligations, including all mortgages, deeds to secure debt and deeds of trust on real or personal property, guarantees, leases, security agreements and other agreements and property which secure

or relate to any Account or other Collateral or are acquired for the purpose of securing and enforcing any item thereof,

(k) all files, correspondence, computer programs, tapes, disks and related data processing software which contain information identifying or pertaining to any of the Collateral or any Account Debtor or showing the amounts thereof or payments thereon or otherwise necessary or helpful in the realization thereon or the collection thereof, and

(l) any and all products and cash and non-cash proceeds of the foregoing (including, but not limited to, any claims to any items referred to in this definition and any claims against third parties for loss of, damage to or destruction of any or all of the Collateral or for proceeds payable under or unearned premiums with respect to policies of insurance) in whatever form, including, but not limited to, cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreements and other documents.

"Commitment" means, as to each Lender, the amount set forth opposite such Lender's name on Annex A hereto or, from and after the date hereof, as set forth in the Register, representing such Lender's obligation, upon and subject to the terms and conditions of this Agreement (including the applicable provisions of Section 13.1), to make its Ratable Share of Loans (including to repay Swingline Loans) and to purchase participations in Letter of Credit Guarantees.

"Commitment Increase" has the meaning specified in Section 2.5(b).

"Commitment Increase Approvals" means any and all corporate action and Governmental Approvals, if any, necessary to permit the Commitment Increase to become effective in accordance the applicable provisions of this Agreement.

"Commitment Percentage" means, as to any Lender at the time of determination, the percentage obtained by dividing such Lender's Commitment at such time by the aggregate amount of the Commitments at such time.

"Consolidated Subsidiary" means each Subsidiary of MasTec the financial results of which, at the time in question, are consolidated with those of MasTec in accordance with GAAP.

"Contaminant" means any waste, pollutant, hazardous substance, toxic substance, hazardous waste, special waste, petroleum or petroleum-derived substance or waste, or any constituent of any such substance or waste.

"Control Agreement" means an agreement among a Loan Party, the Administrative Agent and a Clearing Bank, in form and substance satisfactory to the Administrative Agent, concerning the collection and transfer of payments which represent the proceeds of Accounts or of any other Collateral.

"Controlled Account" means a Deposit Account of a Loan Party maintained by it with a Clearing Bank pursuant to a Control Agreement.

"Debt" means

(a) Indebtedness for money borrowed,

(b) Indebtedness, whether or not in any such case the same was for money borrowed,

(i) represented by notes payable, drafts accepted and reimbursement obligations under letters of credit, including Reimbursement Obligations, and similar instruments that represent extensions of credit,

(ii) constituting obligations evidenced by bonds, debentures, notes or similar instruments,

(iii) any amounts required to be included in the Purchase Price of any Acquisition pursuant to Section 11.4 and not paid in cash or by delivery of shares or other property at the closing of such Acquisition,

(iv) upon which interest charges are customarily paid or that was issued or assumed as full or partial payment for property (other than trade credit that is incurred in the ordinary course of business),

(c) Capitalized Lease Obligations, and

(d) Guarantees of Debt.

"Default" means any of the events specified in Section 12.1 which with the passage of time or giving of notice or both would constitute an Event of Default.

"Default Margin" means 2.0%.

"Deposit Account" has the meaning specified in the definition "Collateral."

"Dilution Reserve" means an amount equal to the excess of (i) non-cash reductions to the Loan Parties' accounts receivable (on a combined basis) during the 12-month period prior to the date of determination as established by the Loan Parties' records or by a field examination conducted by the Administrative Agent's employees or representatives, expressed as a percentage of the Loan Parties' revenues (on a combined basis) for the same period (excluding, however, (1) from both numerator and denominator Accounts in respect of which a performance or surety bond has been issued and remains outstanding and (2) non-cash reductions to Accounts during Fiscal Year 2001 in an amount not greater than \$180,000,000) over (ii) 5%, multiplied by an amount equal to Eligible Accounts as of the date of determination, as the same may be adjusted by the Administrative Agent in accordance with Section 4.7(c)(ii).

"Disbursement Account" means one or more accounts maintained by and in the name of the Borrowers (or any of them) with Bank for the purposes of disbursing Loan proceeds.

"Disbursing Bank" means any commercial bank with which a Disbursement Account is maintained after the Effective Date.

"Dollar" and "\$" means freely transferable United States dollars.

"Dollar Equivalent" of an amount expressed in C\$ (or another currency other than Dollars) on any day means an amount expressed in Dollars which was (or would have been) necessary to purchase such stated amount of C\$ (or other currency) at the spot rate of exchange prevailing on such day (or, if such day is not a Business Day, on the next preceding Business Day) for purchases of C\$ (or such other currency) in Dollars as published in The Wall Street Journal or, if The Wall Street Journal no longer publishes such rate, as published in a comparable source selected by the Administrative Agent.

"EBITDA" for any Person for a specified accounting period means Net Income of such Person and, if applicable, its consolidated Subsidiaries on a consolidated basis for such period before provision for interest expense, income tax expense, depreciation expense and amortization expense, each to the extent deducted in computing Net Income for such specified period.

"EBITDA Adjustment Amounts" means amounts deducted from Net Income for the purpose of calculating EBITDA in respect of (1) increases in reserves for uncollectible or doubtful accounts, (2) write-offs or write-downs of Investments or other assets, not in the ordinary course of business, including of goodwill, and (3) severance compensation to former executive officers, but not to exceed the amounts during the periods listed on Annex G.

"ERISA" means the Employee Retirement Income Security Act of 1974, as in effect from time to time.

"ERISA Event" means (a) a "Reportable Event" as defined in Section 4043(c) of ERISA, but excluding any such event as to which the provision for 30 days' notice to the PBGC is waived under applicable regulations, (b) the filing of a notice of intent to terminate a Benefit Plan subject to Title IV of ERISA under a distress termination under Section 4041(c) of ERISA or the treatment of an amendment to such a Benefit Plan as a termination under Section 4041(c) of ERISA, (c) the institution of proceedings by the PBGC to terminate a Benefit Plan subject to Title IV of ERISA or the appointment of a trustee to administer any such Benefit Plan or an event or condition that might reasonably be expected to constitute grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Benefit Plan subject to Section 4042, (d) the imposition of any liability under Title IV of ERISA other than for PBGC premiums due but not yet payable, (e) the filing of an application for a minimum funding waiver under Section 412 of the Code, (f) a withdrawal by a Borrower or any Related Company from a Benefit Plan subject to Section 4063 of ERISA during a plan year in which it was a "substantial employer" as defined in Section 4001(a)(2) of ERISA, (g) a Benefit Plan intending to qualify under Section 401(a) of the Code losing such qualified status (other than because of a Remediable Defect), (h) the failure to make a material required contribution to a Benefit Plan, (i) a Borrower or any Related Company being in "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan because of its complete or partial withdrawal (as described in Section 4203 or 4205 of ERISA) from such Multiemployer or Plan, or (j) the occurrence of a material non-exempt prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA with respect to any Benefit Plan that is not cured within 60 days after a Borrower has knowledge thereof.

"Effective Date" means the later of:

(a) the Agreement Date, and

(b) the first date on which all of the conditions to the initial Loans set forth in Article 5 shall have been fulfilled.

"Effective Interest Rate" means each rate of interest per annum on Revolving Credit Loans and Swingline Loans in effect from time to time pursuant to the provisions of Sections 4.1(a) and (c).

"Eligible Account" means the unpaid portion of an Account payable in Dollars to a Loan Party net of any returns, discounts, credits, or other allowances or deductions agreed to by a Loan Party and net of any amounts owed by a Loan Party to the Account Debtor on such Account, which Account meets all of the following requirements: (a) such Account is owned by a Loan Party and represents a complete bona fide transaction which requires no further act under any circumstances on the part of any Loan Party to make such Account payable by the Account Debtor; (b) such Account is not unpaid more than 60 days after its due date or more than 90 days after the invoice date; (c) such Account does not arise out of any transaction with any Subsidiary, Affiliate, creditor or lessor of a Loan Party; (d) such Account is not owing by an Account Debtor more than 20% (or as to any Approved Account Debtor, 50%) of whose then-existing accounts owing to all the Loan Parties do not meet the requirements set forth in clause (b) above; (e) if the Account Debtor with respect thereto is located outside of the United States of America, Canada or Puerto Rico, the goods which gave rise to such Account were shipped after receipt by the applicable Loan Party from the Account Debtor of an irrevocable letter of credit that has been confirmed by a financial institution acceptable to the Administrative Agent and is in form and substance acceptable to the Administrative Agent, payable in the full face amount of the face value of the Account in Dollars at a place of payment located within the United States and as to the related letter-of-credit rights, the Administrative Agent has control; (f) the Account Debtor with respect to such Account is not located in a state which imposes conditions on the enforceability of Accounts with which the applicable Loan Party has not complied; (g) such Account is not subject to the Assignment of Claims Act of 1940, as amended from time to time, or any applicable law now or hereafter existing similar in effect thereto, as determined in the sole discretion of the Administrative Agent, or to any provision prohibiting its assignment or requiring notice of or consent to such assignment; (h) the Loan Party that is the obligee thereof is not in breach of any express or implied representation or warranty with respect to the goods the sale of which or the services, the performance of which, gave rise to such Account; (i) the Account Debtor with respect to such Account is not insolvent or the subject of any bankruptcy or insolvency proceedings of any kind (but excluding Accounts arising under and in accordance with the terms of post-petition contracts approved by the court in which the bankruptcy case of the Account Debtor is being heard or otherwise permitted in such case) or of any other proceeding or action, threatened or pending, which might, in the Administrative Agent's judgment, have a materially adverse effect on such Account Debtor; (j) the goods, if any, the sale of which gave rise to such Account were shipped or delivered to the Account Debtor on an absolute sale basis and not on a bill and hold sale basis, a consignment sale basis, a guaranteed sale basis, a sale or return basis or on the basis of any other similar understanding, and such goods have not been returned or rejected; (k) such Account is not owing by an Account Debtor or a group of affiliated Account Debtors whose then-existing Accounts owing to the Loan Parties exceed in face amount 7.5% (or as to any Approved Account Debtor, 15%) of the aggregate Eligible Accounts, but only to the extent of the excess over 7.5% (or 15%, as the case may be); (l) such Account is evidenced by an invoice or other documentation in form acceptable to the Administrative Agent containing only terms normally offered by the applicable Loan Party; (m) such Account is a valid, legally enforceable obligation of the Account Debtor with respect thereto and is not subject to any present, or contingent (and no facts exist which are the basis for any future), offset, deduction or counterclaim, dispute or other defense on the part of such Account Debtor; (n) such Account is not evidenced by chattel paper or an instrument of any kind; (o) such Account does not arise from the performance of services under a contract in respect of which any performance bond or surety has been issued or under or related to any warranty obligation of a Loan Party or out of service charges by a Loan Party or other fees for the time value of money; (p) such Account is subject to the Security Interest, which is perfected as to such Account, and is subject to no other Lien whatsoever other than a Permitted Lien and any goods giving rise to such Account were not, at the time of the sale thereof, subject to any Lien other than a Permitted Lien; and (q) such Account is not determined by the Administrative Agent, in the exercise of its reasonable credit judgment, to be ineligible for any reason.

"Eligible Assignee" means (i) a commercial bank organized under the laws of the United States, or any State thereof, having total assets in excess of \$1,000,000,000; (ii) any Lender or United States - based Affiliate of a Lender

having total assets in excess of \$1,000,000,000; and (iii) any other Person approved by the Administrative Agent and, so long as no Default or Event of Default has occurred and is continuing, MasTec; provided that the representation contained in Section 13.2 hereof shall be applicable with respect to any such Person.

"Eligible Fixed Assets" means Equipment owned by a Loan Party, subject to the Security Interest and to no other Lien, that is located within the continental United States and has been included in an appraisal report accepted by the Administrative Agent.

"Eligible Unbilled Account" means an amount which, when an invoice is issued with respect thereto, will be an Eligible Account, and in respect of which an invoice is issued within 30 days (or, in the case of MasTec's Energy Group, 45 days) after such amount is first included as an "Eligible Unbilled Account" on any Borrowing Base Certificate.

"Environmental Laws" means all federal, state, local and foreign laws now or hereafter in effect relating to pollution or protection of the environment, including laws relating to emissions, discharges, Releases or threatened Releases of pollutants, Contaminants, chemicals, or industrial, toxic or hazardous substances or wastes into the environment (including, without limitation, ambient air, surface water, ground water, or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, removal, transport, or handling of pollutants, Contaminants, chemicals, or industrial, toxic or hazardous substances or wastes, and any and all regulations, notices or demand letters issued, entered, promulgated or approved thereunder; such laws and regulations include but are not limited to the Resource Conservation and Recovery Act, 42 U.S.C.SS 6901 et seq., as amended; the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. SS 9601 et seq., as amended; the Toxic Substances Control Act, 15 U.S.C.SS 2601 et seq., as amended; the Clean Air Act, 46 U.S.CSS 7401 et seq., as amended; and state and federal lien and environmental cleanup programs.

"Environmental Lien" means a Lien in favor of any governmental entity for (a) any liability under Environmental Laws or (b) damages arising from, or costs incurred by such governmental entity in response to, a Release or threatened Release of Contaminant into the environment.

"Equipment" has the meaning specified in the definition "Collateral."

"Event of Default" means any of the events specified in Section 12.1, provided that any requirement for notice or lapse of time or any other condition has been satisfied.

"Existing Loan Agreement" has the meaning specified in the Preliminary Statement.

"FCC" means Fleet Capital Corporation, a Rhode Island corporation.

"FSI" means Fleet Securities, Inc., a New York corporation.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve system arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Bank from three federal funds brokers of recognized standing selected by the Bank.

"Financed Capex" means Capital Expenditures financed with permitted Debt (other than Loans).

"Financial Officer" means the Chief Financial Officer, Treasurer or Controller of MasTec.

"Financing Statements" means any and all Uniform Commercial Code financing statements, in form and substance satisfactory to the Administrative Agent, the filing of which by the Administrative Agent is authorized by the debtor named therein, or assigned to the Administrative Agent by the Bank, naming the Administrative Agent, for the benefit of the Lenders, as secured party or assignee and the applicable Loan Party as debtor, in connection with this Agreement.

"Fiscal Quarter" means each of the four consecutive three-month periods beginning on the first day of the Fiscal Year.

"Fiscal Year" means the calendar year and when followed or preceded by the designation of a calendar year, means the Fiscal Year ending on December 31 of

such designated calendar year.

"Fixed Charge Coverage Ratio" means, for any specified accounting period, the ratio of EBITDA of MasTec's NAOperations for such period, adjusted, as appropriate, to add back any EBITDA Adjustment Amounts deducted in computing such EBITDA, plus cash income tax refunds received in respect of periods beginning after January 1, 2002 (but not less than zero), less the sum of cash income taxes paid and Restricted Payments (other than to the extent permitted by this Agreement), Restricted Distributions (other than to the extent permitted by this Agreement), and Capital Expenditures (other than Financed Capex) made, on a consolidated basis by MasTec's NAOperations during such period, to the sum of their consolidated interest expense for such period and current maturities of long-term debt as of the date of determination, provided, that for any specified accounting period of less than 12 consecutive months, current maturities of long-term Debt as of the date of determination shall be multiplied by a fraction, the numerator of which is the number of months included in such specified accounting period and the denominator of which is 12.

"Foreign Lender" means any Lender that is not a "U.S. Person" as defined in Section 7701(a)(3) of the Code.

"Foreign Subsidiary" means any Subsidiary organized under the laws of a jurisdiction outside of the United States of America.

"GAAP" means generally accepted accounting principles consistently applied and maintained throughout the period indicated and, when used with reference to a Borrower or any Subsidiary, consistent with the prior financial practice of MasTec, as reflected on the financial statements referred to in Section 6.1(n); provided, however, that, in the event that changes shall be mandated by the Financial Accounting Standards Board or any similar accounting authority of comparable standing, or shall be recommended by MasTec's independent public accountants, such changes shall be included in GAAP as applicable to MasTec's NAOperations only from and after such date as the Loan Parties, the Required Lenders and the Administrative Agent shall have amended this Agreement to the extent necessary to reflect the effects of any such changes in the financial covenants set forth in Article 11.

"General Intangibles" has the meaning specified in the definition "Collateral."

"Government Acts" has the meaning specified in Section 3.8(a)(ii).

"Governmental Approvals" means all authorizations, consents, approvals, licenses and exemptions of, registrations and filings with, and reports to, all governmental bodies, whether federal, state, local or foreign national or provincial and all agencies thereof.

"Guaranty", "Guaranteed" or to "Guarantee" as applied to any obligation of another Person shall mean and include

(a) a guaranty (other than by endorsement of negotiable instruments for collection in the ordinary course of business), directly or indirectly, in any manner, of any part or all of such obligation of such other Person, and

(b) an agreement, direct or indirect, contingent or otherwise, and whether or not constituting a guaranty, the practical effect of which is to assure the payment or performance (or payment of damages in the event of nonperformance) of any part or all of such obligation of such other Person whether by

(i) the purchase of securities or obligations,

(ii) the purchase, sale or lease (as lessee or lessor) of property or the purchase or sale of services primarily for the purpose of enabling the obligor with respect to such obligation to make any payment or performance (or payment of damages in the event of nonperformance) of or on account of any part or all of such obligation, or to assure the owner of such obligation against loss,

(iii) the supplying of funds to or in any other manner investing in the obligor with respect to such obligation,

(iv) repayment of amounts drawn down by beneficiaries of letters of credit, or

(v) the supplying of funds to or investing in a Person on account of all or any part of such Person's obligation under a Guaranty of any obligation or indemnifying or holding harmless, in any way, such Person against any part or all of such obligation.

"Indebtedness" of any Person means, without duplication, all Liabilities of such Person, and to the extent not otherwise included in Liabilities, the following:

(a) all obligations for money borrowed or for the deferred purchase price of property or services or in respect of drafts accepted or similar instruments or reimbursement obligations under letters of credit,

(b) all obligations (including, during the noncancellable term of any lease in the nature of a title retention agreement, all future payment obligations under such lease discounted to their present value in accordance with GAAP) secured by any Lien to which any property or asset owned or held by such Person is subject, whether or not the obligation secured thereby shall have been assumed by such Person,

(c) all obligations of other Persons which such Person has Guaranteed, including, but not limited to, all obligations of such Person consisting of recourse liability with respect to accounts receivable sold or otherwise disposed of by such Person,

(d) all obligations of such Person in respect of Interest Rate Protection Agreements, and

(e) in the case of the Loan Parties (without duplication) all obligations under the Loans and the Reimbursement Obligations.

"Indenture" means the Indenture, dated as of February 4, 1998 between MasTec and First Trust National Association, as Trustee, governing the Subordinated Notes.

"Initial Notice of Borrowing" means the Notice of Borrowing given by the Borrowers with respect to the Loans to be made on the Effective Date which shall also specify the method of disbursement.

"Interest Payment Date" means the first day of each calendar month commencing February 1, 2002.

"Interest Period" means with respect to each LIBOR Loan, the period commencing on the date of the making or continuation of or conversion to such LIBOR Loan and ending one, two, three or six months thereafter, as the Borrowers may elect in the applicable Notice of Borrowing or Notice of Conversion or Continuation; provided, that:

(i) any Interest Period that would otherwise end on a day that is not a Business Day shall, subject to the provisions of clause (iii) below, be extended to the next succeeding Business Day unless such Business Day falls in the next calendar month, in which case such Interest Period shall end on the immediately preceding Business Day;

(ii) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clause (iii) below, end on the last Business Day of a calendar month;

(iii) any Interest Period that would otherwise end after the Termination Date shall end on the Termination Date; and

(iv) notwithstanding clause (iii) above, no Interest Period shall have a duration of less than one month and if any applicable Interest Period would be for a shorter period, such Interest Period shall not be available hereunder.

"Interest Rate Protection Agreement" means an interest rate swap, cap or collar agreement or similar arrangement between any Person and a financial institution providing for the transfer or mitigation of interest risks either generally or under specific contingencies.

"Inventory" has the meaning specified in the definition "Collateral."

"Investment" means, with respect to any Person:

(a) the acquisition or ownership by such Person of any share of capital stock, evidence of Indebtedness (including bank deposits) or other security issued by any other Person,

(b) any loan, advance or extension of credit to, or contribution to the capital of, any other Person, excluding advances to employees in the ordinary course of business,

(c) any Guaranty of the obligations of any other Person,

(d) any other investment in any other Person, and

(e) any commitment or option to make any of the investments listed in clauses (a) through (d) above if, in the case of an option, the consideration therefor exceeds \$1,000,000;

provided, however, that such Investment does not result in an Acquisition.

"Investment Account" has the meaning specified in the definition "Collateral."

"Investment Property" has the meaning specified in the definition "Collateral."

"IRS" means the Internal Revenue Service.

"Issuing Bank" means Bank or another Lender acceptable to the Administrative Agent.

"Lender" means at any time any financial institution party to this agreement at such time, including any such Person becoming a party hereto pursuant to the provisions of Article 13.

"Letter of Credit" means each documentary or standby letter of credit (i) issued by Bank for the account of a Borrower under the Existing Loan Agreement and outstanding on the Effective Date or (ii) issued by the Issuing Bank for the account of a Borrower or any Subsidiary and, in either case, Guaranteed by FCC pursuant to Article 3.

"Letter of Credit Amount" means, at any time with respect to any Letter of Credit Guarantee, the aggregate maximum amount at any time available for drawing under the Guaranteed Letter of Credit at such time (assuming all conditions to drawing are satisfied).

"Letter of Credit Availability" means, as of the date of determination, the aggregate face amount of Letter of Credit Obligations available to be incurred hereunder at the time of determination in accordance with Section 3.2, which shall be an amount equal to the lesser of (i) the Letter of Credit Guarantee Facility minus the Letter of Credit Obligations and (ii) Availability, on such date.

"Letter of Credit Guarantee" means any Guarantee pursuant to which FCC or any of its Affiliates Guarantees to an Issuing Bank, the payment or performance by a Loan Party of its Reimbursement Obligations under any Letter of Credit, including by FCC's (or such Affiliate's) joining in the Reimbursement Agreement for such Letter of Credit as a co-applicant or otherwise as acceptable to the Issuing Bank.

"Letter of Credit Guarantee Facility" means a subfacility of the Revolving Credit Facility providing for the issuance of Letters of Credit and Letter of Credit Guarantees as described in Article 3 in an aggregate amount of Letter of Credit Obligations at any one time outstanding not to exceed \$20,000,000 plus the amount available to be drawn from time to time under the Canadian Financing Letter of Credit.

"Letter of Credit Obligations" means, at any time, the sum of (a) the Reimbursement Obligations at such time, plus (b) the aggregate Letter of Credit Amount of Letter of Credit Guarantees outstanding at such time, plus (c) the aggregate Letter of Credit Amount of Letter of Credit Guarantees the issuance of which has at such time been authorized by the Administrative Agent and FCC pursuant to Section 3.4(b) but that have not yet been issued, in each case as determined by the Administrative Agent.

"Letter of Credit Reserve" means, at any time, the aggregate Letter of Credit Obligations at such time, other than Letter of Credit Obligations that are fully secured by Cash Collateral.

"Leverage Ratio" as of the last day of any Fiscal Quarter means the ratio of the sum of Total Funded Debt plus (but without duplication) Letter of Credit Obligations of MasTec's NA Operations, in each case as of such last day, to EBITDA of MasTec's NA Operations for the period of four consecutive Fiscal Quarters ended on such day adjusted, as appropriate, to add back any EBITDA Adjustment Amount otherwise deducted in computing such EBITDA.

"Liabilities" of any Person means all items (except for items of capital stock, additional paid-in capital or retained earnings, or of general contingency or deferred tax reserves) which in accordance with GAAP would be included in determining total liabilities as shown on the liability side of a balance sheet of such Person as at the date as of which Liabilities are to be determined.

"LIBOR" means for any LIBOR Loan, the rate per annum (rounded upward, if necessary to the nearest 1/32 of one percent) as determined on the basis of the offered rates for deposits in Dollars, for a period comparable to the Interest Period for such LIBOR Loan which appears on the Telerate page 3750 as of 11:00 a.m. (London time) on the day that is three Business Days preceding the first day of the Interest Period for such LIBOR Loan divided by an amount equal to one minus the Reserve Percentage; provided, however, if the rate described above does not appear on the Telerate System on any applicable interest determination date, LIBOR shall be the rate (rounded upwards as described above, if necessary) for deposits in Dollars for a period substantially equal to the Interest Period for such LIBOR Loan appearing on the Reuters Page "LIBO" (or such other page as may replace the LIBO Page on that service for the purpose of displaying such rates), as of 11:00 a.m. (London time), on the day that is three Business Days prior to the beginning of such Interest Period divided by an amount equal to one minus the Reserve Percentage. If both the Telerate and Reuters systems are unavailable, then the rate for that date will be determined on the basis of the offered rates for deposits in Dollars for a period comparable to the Interest Period for such LIBOR Loan which are offered by four major banks in the London interbank market at approximately 11:00 a.m. (London time), on the day that is three Business Days preceding the first day of the Interest Period for such LIBOR Loan, as selected by the Administrative Agent. The principal London office of each of the major London Banks so selected will be requested to provide a quotation of its Dollar deposit offered rate. If at least two such quotations are provided, the rate for that date will be the arithmetic mean of the quotations divided by an amount equal to one minus the Reserve Percentage. If fewer than two quotations are provided as requested, the rate for that date will be determined on the basis of the rates quoted for loans in Dollars to leading European banks for a period comparable to the Interest Period for such LIBOR Loan offered by major banks in New York City at approximately 11:00 a.m. (New York City time), on the day that is two Business Days preceding the first day of the Interest Period for such LIBOR Loan divided by an amount equal to one minus the Reserve Percentage. In the event that Lender is unable to obtain any such quotation as provided above, it will be determined that LIBOR for such LIBOR Loan cannot be determined.

"LIBOR Loan" means any Revolving Credit Loan (or Loans) made or converted or continued) by the Lenders Ratably on the same date for the same Interest Period, bearing interest determined with reference to LIBOR.

"Lien" as applied to the property of any Person means:

(a) any mortgage, deed to secure debt, deed of trust, lien, pledge, charge, lease constituting a Capitalized Lease Obligation, conditional sale or other title retention agreement, or other security interest, security title or encumbrance of any kind in respect of any property of such Person, or upon the income or profits therefrom,

(b) any arrangement, express or implied, under which any property of such Person is transferred, sequestered or otherwise identified for the purpose of subjecting the same to the payment of Indebtedness or performance of any other obligation in priority to the payment of the general, unsecured creditors of such Person,

(c) any Indebtedness which is unpaid more than 30 days after the same shall have become due and payable and which if unpaid might by law (including, but not limited to, bankruptcy and insolvency laws), or otherwise, be given any priority whatsoever over the claims of general unsecured creditors of such Person, except to the extent being disputed or contested by such Person by appropriate proceedings and in respect of which any reserve required by GAAP has been appropriately established and maintained,

(d) the filing of, or any agreement to give, any financing statement under the UCC or its equivalent in any jurisdiction (excluding informational financing statements relating to property leased by a Borrower or any Subsidiary), and

(e) in the case of Real Estate, reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other title exceptions and encumbrances.

"Loan" means any Revolving Credit Loan or Swingline Loan, as well as all such loans collectively, as the context requires.

"Loan Account" and "Loan Accounts" have the meanings specified in Section 4.5.

"Loan Documents" means collectively this Agreement, the Notes, the Security Documents and each other instrument, agreement or document executed by a Loan Party or any Affiliate or Subsidiary of a Loan Party in connection with this Agreement whether prior to, on or after the Effective Date and each

other instrument, agreement or document referred to herein or contemplated hereby.

"Loan Party" means any Borrower or Subsidiary Guarantor or Subsidiary that has executed and delivered a Subsidiary Security Agreement.

"Lockbox" means each U. S. Post Office Box specified in a Lockbox Agreement.

"Lockbox Agreement" means each agreement between a Borrower and a Clearing Bank concerning the establishment of a Lockbox for the collection of Accounts.

"Make Whole Amount" has the meaning specified in Section 4.7(b).

"Margin Adjustment Date" has the meaning specified in the definition "Applicable Margin."

"Margin Stock" means margin stock as defined in Section 221.1(h) of Regulation U.

"MasTec" means MasTec, Inc., a Florida corporation.

"MasTec Brasil" means MasTec Brasil, S.A. and its Subsidiaries.

"MasTec Canada" means Phasecom Systems Inc., a Canadian corporation.

"MasTec North America" means MasTec North America, Inc., a Florida corporation and a wholly owned subsidiary of MasTec.

"MasTec's NAOperations" means MasTec and the other Loan Parties, on a consolidated basis in accordance with GAAP.

"Materially Adverse Effect" means any act, omission, situation, circumstance, event or undertaking which would, singly or in any combination with one or more other acts, omissions, situations, circumstances, events or undertakings, have, or reasonably be expected to have, a materially adverse effect upon (a) the business, assets, properties, liabilities, condition (financial or otherwise), results of operations or business prospects of MasTec and its Consolidated Subsidiaries taken as a whole, (b) the value of the whole or any material part of the Collateral, (c) the Security Interest or the priority of the Security Interest, (d) the ability of MasTec and its Consolidated Subsidiaries taken as a whole to perform any material obligation under this Agreement or any other Loan Document, or (e) other than solely and directly by reason of any release given or other action taken by the Administrative Agent or any Lender, the legality, validity, binding effect, enforceability or admissibility into evidence of any Loan Document or the ability of the Administrative Agent or the Lenders to enforce in any material respect any rights or remedies under or in connection with the Loan Documents.

"Minimum Commitment" means \$2,500,000.

"Moody's" means Moody's Investors Service, Inc.

"Mortgage" means each mortgage, deed of trust, deed to secure debt or other instrument creating or purporting to create a Lien on Real Estate as security for the Secured Obligations or any part thereof.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 4001(a)(3) of ERISA to which a Borrower or a Related Company is required to contribute or has contributed within the immediately preceding six years.

"Net Amount" means, with respect to any Investments made by any Person, the gross amount of all such Investments minus the aggregate amount of all cash received and the fair value, at the time of receipt by such Person, of all property received as payments of principal or premiums, returns of capital, liquidating dividends or distributions, proceeds of sale or other dispositions with respect to such Investments.

"Net Income" or "Net Loss" means, as applied to any Person for any accounting period, the net income or net loss, as the case may be, of such Person for the period in question determined in accordance with GAAP, provided that there shall be excluded:

(a) the net income or net loss of any Person accrued prior to the date it becomes a Subsidiary of, or is merged into or consolidated with, the Person whose Net Income is being determined or a Subsidiary of such Person,

(b) the net income or net loss of any Person in which the Person whose Net Income is being determined or any Subsidiary of such Person has an ownership interest, except, in the case of net income, to the extent that any

such income has actually been received by such Person or such Subsidiary in the form of cash dividends or similar distributions,

(c) any restoration of any contingency reserve, except to the extent that provision for such reserve was made out of income during such period,

(d) any net gains or losses on the sale or other disposition, not in the ordinary course of business, of Investments, Business Units and other capital assets, provided that there shall also be excluded any related charges for taxes thereon,

(e) any net gain arising from the collection of the proceeds of any insurance policy,

(f) any write-up or, if less than \$10,000,000, write-down of any asset, and

(g) any other extraordinary item.

"Net Outstandings" of any Lender means, at any time, the sum of (a) all amounts paid by such Lender (other than pursuant to Section 14.7) to the Administrative Agent in respect of Revolving Credit Loans made by such Lender, minus (b) all amounts received by the Administrative Agent and paid by the Administrative Agent to such Lender for application, pursuant to this Agreement, to reduction of the outstanding principal balance of the outstanding Revolving Credit Loans of such Lender.

"Net Worth" means, with respect to any Person, such Person's total shareholder's equity (including any capital stock, warrants, additional paid-in capital and retained earnings, after deducting treasury stock) which would appear as such on a balance sheet of such Person prepared in accordance with GAAP.

"Note" means any of the Revolving Credit Notes and the Swingline Note and "Notes" means more than one such Note.

"Notice of Borrowing" means a written notice (including by electronic mail, but subject to any Bank requirements applicable from time to time of which MasTec has received notice), or telephonic notice followed by a confirming same-day written notice, requesting a Borrowing of (i) Base Rate Revolving Credit Loans or Revolving LIBOR Loans or (ii) a Swingline Loan, which is given by telex or facsimile transmission in accordance with the applicable provisions of Section 2.2 or Section 2A.2, as the case may be, and which specifies (i) the amount of the requested Borrowing, (ii) the date of the requested Borrowing, and (iii) if the requested Borrowing is of LIBOR Loans, the duration of the applicable Interest Period.

"Notice of Conversion or Continuation" has the meaning specified in Section 4.13.

"Overadvance" means at any time the amount by which the aggregate outstanding principal amount of Loans exceeds the Borrowing Base.

"Overadvance Condition" means and is deemed to exist any time the aggregate outstanding principal amount of Loans exceeds the Borrowing Base.

"Overadvance Loan" means a Base Rate Loan made at a time an Overadvance Condition exists or which results in an Overadvance Condition.

"PBGC" means the Pension Benefit Guaranty Corporation and any successor agency.

"Permitted Investments" means

(a) Investments of MasTec and its Consolidated Subsidiaries in:

(i) cash and Cash Equivalents in an aggregate amount not greater than \$5,000,000 (provided that such limitation as to amount shall not apply whenever there are no Loans outstanding hereunder),

(ii) sales of inventory on credit in the ordinary course of business,

(iii) shares of capital stock, evidence of Debt or other security acquired in consideration for or as evidence of past-due or restructured Accounts,

(iv) any Loan Party, and

(v) those items described on Schedule 1.1A - Permitted Investments;

and

(b) Investments of any Loan Party in any Subsidiary that is not a Loan Party to the extent in existence on the Effective Date, as such Investments may increase by reason of the profitable operations of such Subsidiary.

"Permitted Liens" means:

(a) Liens securing taxes, assessments and other governmental charges or levies (excluding any Lien imposed pursuant to any of the provisions of ERISA) or the claims of materialmen, mechanics, carriers, warehousemen or landlords for labor, materials, supplies or rentals incurred in the ordinary course of business, but (i) in all cases only if payment shall not at the time be required to be made in accordance with Section 9.6, and (ii) in the case of warehousemen or landlords, only if such liens are, to the extent requested by the Administrative Agent, junior to the Security Interest in any of the Collateral,

(b) Liens consisting of deposits or pledges made in the ordinary course of business in connection with, or to secure payment of, obligations under workers' compensation, unemployment insurance or similar legislation or under payment or performance bonds and the Lien of the issuer of any such bond on the bonded contract or proceeds thereof,

(c) Liens constituting encumbrances in the nature of zoning restrictions, easements, and rights or restrictions of record on the use of real property, which do not materially detract from the value of such property or impair the use thereof in the business of the applicable Loan Party,

(d) Liens shown on Schedule 1.1B - Permitted Liens,

(e) Liens of the Administrative Agent, for the benefit of the Lenders, arising under this Agreement and the other Loan Documents,

(f) Liens on Margin Stock,

(g) Liens in existence immediately prior to the Effective Date that are satisfied in full and released on the Effective Date or promptly thereafter by application of the proceeds of the Loans or cash on hand,

(h) the Lien of First Trust National Association as Trustee under the Indenture pursuant to Section 7.07 thereof on certain property in its possession as security for payment of fees and other amounts owing to it in its capacity as such Trustee, and

(i) additional Liens in accordance with the provisions of Section 11.9.

"Person" means an individual, corporation, limited liability company, partnership, association, trust or unincorporated organization, or a government or any agency or political subdivision thereof.

"Pledge Agreement" means each Stock Pledge Agreement pursuant to which a Loan Party pledges to the Administrative Agent as collateral for the Secured Obligations, shares of capital stock or other equity interests in any Subsidiary.

"Projections" means the forecasted (a) balance sheets, (b) income statements and (c) cash flow statements of MasTec's NA Operations and its Subsidiaries for each Fiscal Year, prepared annually on a consolidated quarterly basis, together with appropriate supporting details and a statement of underlying assumptions.

"Proprietary Rights" means as to any Person, such Person's rights, title and interest in and to intellectual property and all other rights (including rights as a licensee thereof) under any patents, trademarks, trade names, tradestyles, copyrights and all extensions, renewals, reissues, divisions, continuations, and continuations-in-part of any of the foregoing, and all rights to sue for past, present and future infringement of any of the foregoing.

"Purchase Money Lien" means any Lien securing Debt created to finance the payment of all or any part of the purchase price (not in excess of the fair market value thereof) of any tangible personal property (other than Inventory) and incurred at the time of or within 10 days prior to or after the acquisition of such tangible asset, but only if such Lien shall at all times be confined solely to the property (other than Inventory) the purchase price of which was financed through the incurrence of such Debt.

"Purchase Price" has the meaning specified in Section 11.4.

"Ratable Share" or "Ratable" (and with corollary meaning, "Ratably") means, as to a Lender, such Lender's share of an amount in Dollars or of other property at the time of determination equal to (i) the Commitment Percentage of

such Lender, or (ii) if the Commitments are terminated, the percentage obtained by dividing the principal amount of the Loans then owing to such Lender by the total principal amount of all Loans then owing to all Lenders, or (iii) if no Loans are outstanding, the percentage obtained by dividing such Lender's participation in the total Letter of Credit Obligations then outstanding by the total Letter of Credit Obligations then outstanding.

"Real Estate" means all real property now or hereafter owned or leased by MasTec or any Subsidiary, including, without limitation, all fees, leaseholds and future interests.

"Register" has the meaning specified in Section 13.1(d).

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System (or any successor).

"Reimbursement Agreement" means, with respect to a Letter of Credit, such form of application therefor and form of reimbursement agreement therefor (whether in a single document or several documents) as the Issuing Bank may employ in the ordinary course of business for its own account, in such form as may be acceptable to FCC in its reasonable judgment and with such modifications thereto as may be agreed upon by the Issuing Bank, FCC and the Borrowers, provided that such application and agreement and any modifications thereto are not inconsistent with the terms of this Agreement.

"Reimbursement Obligations" means the unsatisfied reimbursement or repayment obligations of the Borrowers to FCC pursuant to Section 3.6 or (but without duplication) to an Issuing Bank pursuant to a Reimbursement Agreement with respect to amounts that have been drawn under Letters of Credit Guaranteed by FCC.

"Related Company" means any (i) corporation which is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Code) as MasTec; (ii) partnership or other trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Code) with MasTec; or (iii) member of the same affiliated service group (within the meaning of Section 414(m) of the Code) as MasTec, any corporation described in clause (i) above or any partnership, trade or business described in clause (ii) above.

"Release" means release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment or into or out of any property, including the movement of Contaminants through or in the air, soil, surface water or groundwater.

"Remediable Defect" means an operational defect or violation that could disqualify a Benefit Plan intended to qualify under Section 401(a) (and, if applicable, Section 401(k)) of the Code and that can be remedied under the IRS's Closing Agreement Program, Voluntary Compliance Resolution Program, or Administrative Policy Regarding Self-Correction, without in any case a payment to any governmental authority with respect to such Benefit Plan and any other Benefit Plan of more than \$500,000 in any calendar year.

"Remedial Action" means actions required to (i) clean up, remove, treat or in any other way address Contaminants in the indoor or outdoor environment; (ii) prevent the Release or threat of Release or minimize the further Release of Contaminants so they do not migrate or endanger or threaten to endanger public health or welfare or the indoor or outdoor environment; or (iii) perform pre-remedial studies and investigations and post-remedial monitoring and care.

"Rent Reserve" means an amount approximately equal to three times the aggregate monthly rental payable by the Loan Parties on leased Real Estate (1) upon which material Collateral is located and (2) in respect of which a landlord's or warehouseman's waiver in form and substance satisfactory to the Administrative Agent is not in effect,

"Required Lenders" means, at any time, any combination of two or more Lenders whose Ratable Shares at such time aggregate in excess of 51%.

"Reserve Percentage" means that percentage (expressed as a decimal) which is in effect from time to time under Regulation D of the Board of Governors of the Federal Reserve System, as such regulation may be amended from time to time, or any successor regulation, as the maximum reserve requirement (including, without limitation, any basic, supplemental, emergency, special, or marginal reserves) applicable with respect to Eurocurrency liabilities as that term is defined in Regulation D (or against any other category of liabilities that includes deposits by reference to which the interest rate of LIBOR Loans is determined), whether or not any Lender has any Eurocurrency liabilities subject to such reserve requirement at that time. LIBOR Loans shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefits of credits for

proration, exceptions or offsets that may be available from time to time to any Lender.

"Restricted Distribution" by any Person means (a) its retirement, redemption, purchase, or other acquisition or retirement for value of any capital stock or other equity securities (except equity securities acquired on the conversion or exercise thereof into other equity securities of such Person) or partnership interests issued by such Person, (b) the declaration or payment of any dividend or distribution in cash or property on or with respect to any such securities (other than dividends payable solely in shares of its capital stock) or partnership interests, excluding, however, any such dividend, distribution or payment to a Loan Party by any of its Subsidiaries, (c) any Investment (other than a Permitted Investment) by such Person in, the holder of any of such securities or partnership interests, and (d) any other payment by such Person in respect of such securities or partnership interests.

"Restricted Payment" means (a) any redemption or prepayment or other retirement, prior to the stated maturity thereof or prior to the due date of any regularly scheduled installment or amortization payment with respect thereto, of any Debt (other than the Loans) or of any Indebtedness that is junior and subordinate to the Secured Obligations, (b) any payment on or with respect to any Subordinated Debt other than in accordance with the subordination provisions thereof, (c) the payment by any Person of the principal amount of or interest on any Indebtedness (other than trade accounts payable and employee compensation in the ordinary course of business, consistent with past practices) owing to an Affiliate of such Person and (d) the payment of any management, consulting or similar fee by any Person to any Affiliate of such Person.

"Revolving Credit Facility" means the credit facility providing for Revolving Credit Loans based upon the Borrowing Base and described in Section 2.1 up to an aggregate principal amount at any one time outstanding not to exceed \$75,000,000, as increased pursuant to Section 2.5 or reduced pursuant to Section 2.5, 4.6, 4.9 or 12.2.

"Revolving Credit Loans" means the Loans made to the Borrowers pursuant to Section 2.1.

"Revolving Credit Note" means each Promissory Note made by the Borrowers payable to the order of a Lender evidencing the joint and several obligation of the Borrowers to pay the aggregate unpaid principal amount of the Loans made to them by such Lender under the Revolving Credit Facility (and any promissory note or notes that may be issued from time to time in substitution, renewal, extension, replacement or exchange therefor whether payable to such Lender or to a different Lender in connection with a Person becoming a Lender after the Effective Date or otherwise) substantially in the form of Exhibit A-1 hereto, with all blanks properly completed, either as originally executed or as the same may from time to time be supplemented, modified, amended, renewed, extended or refinanced.

"S&P" means Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies.

"Schedule of Inventory" means a schedule delivered by the Borrowers to the Administrative Agent pursuant to the provisions of Section 8.12(b).

"Schedule of Accounts" means a schedule delivered by the Borrowers to the Administrative Agent pursuant to the provisions of Section 8.12(a).

"Secured Obligations" means, in each case whether now in existence or hereafter arising,

(a) the principal of and interest on the Loans,

(b) the Reimbursement Obligations and all other obligations of the Borrowers to FCC, any Lender or any Affiliate of a Lender arising in connection with the issuance of Letter of Credit Guarantees,

(c) all obligations of the Borrowers to any Lender or any Affiliate of a Lender under any Interest Rate Protection Agreement or foreign exchange contract or option,

(d) all obligations of the Borrowers to any Lender in connection with the maintenance of accounts, funds transfer, account analysis, cash management fees, and related items, and

(e) all indebtedness, liabilities, obligations, covenants and duties of the Borrowers or any Subsidiary to the Administrative Agent or to the Lenders or to any Affiliate of the Administrative Agent or any Lender, of every kind, nature and description arising under or in respect of this Agreement, the Notes or any of the other Loan Documents, whether direct or indirect, absolute

or contingent, due or not due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note, and whether or not for the payment of money, including without limitation, fees required to be paid pursuant to Article 4 and expenses required to be paid or reimbursed pursuant to Section 15.2.

"Security Documents" means the Financing Statements, the Pledge Agreements, each Mortgage, each Title Certificate, any Subsidiary Security Agreements and each other writing executed and delivered by a Loan Party or any other Person securing the Secured Obligations or assuring rights of the Administrative Agent or the Lenders in respect of the Collateral.

"Security Interest" means the Liens of the Administrative Agent, for the benefit of itself as the Administrative Agent and the Lenders and Affiliates of the Lenders, on and in the Collateral and the Real Estate effected hereby or by any of the Security Documents or pursuant to the terms hereof or thereof.

"Settlement Date" means any Business Day selected by the Administrative Agent as a day on which each Lender's actual Net Outstandings and Ratable Share of aggregate outstanding Revolving Credit Loans shall be reported to all Lenders by the Administrative Agent.

"Subordinated Debt" means the Subordinated Notes and any other Debt of MasTec's NA Operations or any Subsidiary that is extended on, and is subordinated to the Secured Obligations on, terms and conditions acceptable to the Administrative Agent and the Required Lenders in their sole discretion.

"Subordinated Notes" means MasTec's 7-3/4% Senior Subordinated Notes due 2008 in the original principal amount of \$200,000,000, issued pursuant to the Indenture, including any "Exchange Notes" issued (and as defined) thereunder.

"Subsidiary" (a) when used to determine the relationship of a Person to another Person, means a Person of which an aggregate of more than 50% of the stock of any class or classes or more than 50% of other ownership interests is owned of record or beneficially by such other Person, or by one or more Subsidiaries of such other Person, or by such other Person and one or more Subsidiaries of such Person,

(i) if the holders of such stock, or other ownership interests, (A) are ordinarily, in the absence of contingencies, entitled to vote for the election of a majority of the directors (or other individuals performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency, or (B) are entitled, as such holders, to vote for the election of a majority of the directors (or individuals performing similar functions) of such Person, whether or not the right so to vote exists by reason of the happening of a contingency, or

(ii) in the case of such other ownership interests, if such ownership interests constitute a majority voting interest and

(b) when used without other designation of ownership, means a Subsidiary of MasTec.

"Subsidiary Guarantor" means any Subsidiary of MasTec that is not a Borrower and that has, at the Administrative Agent's request or with its consent, executed and delivered the Subsidiary Guaranty or a joinder agreement in respect thereof and a Subsidiary Security Agreement.

"Subsidiary Guaranty" means a Guaranty of the Secured Obligations substantially in the form of Exhibit E attached hereto or as otherwise acceptable to the Administrative Agent and MasTec.

"Subsidiary Security Agreement" means one or more agreements substantially in the form of Exhibit F attached hereto or otherwise in form and substance satisfactory to the Administrative Agent in its reasonable judgment, sufficient to create in favor of the Administrative Agent a security interest in all of the Account, Inventory, Equipment, Deposit Accounts, General Intangibles and other Collateral and proceeds thereof of any Subsidiary Guarantor.

"Supporting Letter of Credit" has the meaning specified in Section 3.9.

"Swingline Facility" means an amount equal to \$15,000,000.

"Swingline Lender" means FCC.

"Swingline Loan" means each Base Rate Loan by the Swingline Lender to the Borrowers pursuant to Section 2A.1.

"Swingline Loan Request" has the meaning set forth in Section 2A.2.

"Swingline Note" means the Swingline Note made by the Borrowers payable to

the order of the Swingline Lender evidencing the joint and several obligation of the Borrowers to pay the aggregate unpaid principal amount of the Swingline Loans made to them by the Swingline Lender under the Swingline Facility (and any promissory note that may be issued from time to time in substitution, renewal, extension, replacement or exchange therefor) substantially in the form of Exhibit A-2 hereto, with all blanks properly completed, either as originally executed or as the same may from time to time be supplemented, modified, amended, renewed, extended or refinanced.

"Tangible Net Worth" of any Person means such Person's Net Worth, less goodwill and the value of any other intangible assets included in such determination, less, in the case of MasTec's NA Operations, 100% of any deferred tax assets created as a result of MasTec's NA Operations' compliance with FASB 142.

"Termination Date" means January 22, 2007 or such earlier date as all Secured Obligations shall have been irrevocably paid in full and the Commitments shall have been terminated.

"Title Certificate" means each certificate of title covering a motor vehicle owned by any Loan Party and reflecting thereon in accordance with Applicable Law, the Security Interest.

"Total Funded Debt" means at any time, the outstanding principal amount of Debt of MasTec and its Consolidated Subsidiaries.

"Type" when used in respect of any Loan or Borrowing, shall refer to the rate by reference to which interest on such Loan or on the Loans comprising such Borrowing is determined.

"UCC" means the Uniform Commercial Code as in effect from time to time in the applicable jurisdiction.

"Unfunded Vested Accrued Benefits" means at any time, with respect to any Benefit Plan that is a pension plan within the meaning of Section 3(2) of ERISA, the amount (if any) by which (a) the present value of all vested nonforfeitable benefits under such Benefit Plan exceeds (b) the fair market value of all such Benefit Plan assets allocable to such benefits, as determined using the valuation date and such reasonable actuarial assumptions and methods as are specified in the Schedule B (Actuarial Information) to the most recent Annual Report (Form 5500) filed with respect to such Benefit Plan.

"Unused Commitments" has the meaning specified in Section 4.2(b).

"Wholly Owned Subsidiary" when used to determine the relationship of a Subsidiary to a Person means a Subsidiary all of the issued and outstanding shares (other than directors' qualifying shares) of the capital stock of which shall at the time be owned by such Person or one or more of such Person's Wholly Owned Subsidiaries or by such Person and one or more of such Person's Wholly Owned Subsidiaries.

Section 1.2 General Interpretive Rules.

(a) All terms of an accounting nature not specifically defined herein shall have the meanings ascribed thereto by GAAP.

(b) The terms accounts, chattel paper, contract rights, documents, equipment, instruments, general intangibles, inventory, goods, letter-of-credit rights, supporting obligation, deposit account, and proceeds, as and when used in this Agreement or the Security Documents (without being capitalized), shall have the meanings given those terms in the UCC.

(c) Unless otherwise specified, the words "hereof," "herein," "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision, section or subsection of this Agreement.

(d) Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, the feminine and the neuter. Words denoting individuals include corporations and vice versa.

(e) References to any legislation or statute or code, or to any provisions of any legislation or statute or code, shall include any modification or reenactment of, or any legislative, statutory or code provision substituted for, such legislation, statute or code or provision thereof.

(f) References to any document or agreement (including this Agreement) shall include references to such document or agreement as amended, novated, supplemented, modified or replaced from time to time, so long as and to the

extent that such amendment, novation, supplement, modification or replacement is not prohibited by the terms of this Agreement or is consented to, if such consent is required, in accordance with the applicable provisions of this Agreement.

(g) Except where specifically restricted in a Loan Document, references to any Person include its successors and substitutes and assigns permitted or not prohibited under such Loan Document.

(h) References to the time of day are to the time of day in the city in which the Administrative Agent's Office is located.

(i) The terms "payment", "prepayment", "distribution" and similar terms used in the definitions of "Restricted Distribution" and "Restricted Payment" and in Section 11.6, shall include payment by means of the transfer of funds or of property and, in the event of a transfer of property, the payment shall be deemed to be in an amount equal to the greater of the fair market value and the book value of the property at the time of the transfer.

(j) Titles of Articles and Sections in this Agreement are for convenience only, do not constitute part of this Agreement and neither limit nor amplify the provisions of this Agreement, and all references in this Agreement to Articles, Sections, subsections, paragraphs, clauses, subclauses, Schedules or Exhibits shall refer to the corresponding Article, Section, subsection, paragraph, clause or subclause of, or Schedule or Exhibit attached to, this Agreement, unless specific reference is made to the articles, sections or other subdivisions or divisions of, or to schedules or exhibits to, another document or instrument.

(k) Whenever from the context it appears appropriate, the term "Loan", including such terms as used as part of a defined term including the term "Loan", shall mean and include a Loan made by all Lenders to the Borrowers as well as a Lender's Ratable Share of any Loan.

(l) Whenever the phrase "to the knowledge of the Borrower" or words of similar import relating to the knowledge of the Borrowers (or any of them) are used herein, such phrase shall mean and refer to the actual knowledge of the President or chief financial officer of such Borrower.

(m) Unless otherwise specified herein, any Lien created or purported to be created hereby or by or pursuant to any Loan Documents in favor of the Administrative Agent and each payment made to the Administrative Agent, is and shall be deemed to have been created in favor of the Administrative Agent, for its benefit as the Administrative Agent and for the Ratable benefit of the Lenders, or made to and received by the Administrative Agent for the Ratable benefit of the Lenders, as the case may be.

(n) Whenever in this Agreement or any other Loan Document the word "stock" or "capital stock" or other similar word or phrase is used in connection with a Loan Party or any Subsidiary of a Loan Party referring to equity ownership interests in such Loan Party or such Subsidiary, such word or phrase shall also be deemed to include a reference to member interests, each reference to "corporation" with reference to a Loan Party or any Subsidiary of a Loan Party shall also be deemed to include a reference to limited liability companies and each reference to "certificate of incorporation" or "articles of incorporation" or "bylaws" with reference to a Loan Party or any Subsidiary of a Loan Party shall also be deemed to include a reference to "certificate of formation" 1922: and "operating agreement" or other constituent documents of a limited liability company.

Section 1.3 Exhibits and Schedules. All Exhibits and Schedules attached hereto are by reference made a part hereof.

ARTICLE 2

REVOLVING CREDIT FACILITY

Section 2.1 Revolving Credit Loans. Upon the terms and subject to the conditions of, and in reliance upon the representations and warranties made under, this Agreement, each Lender agrees, severally, but not jointly, to make Revolving Credit Loans to the Borrowers from time to time from the Effective Date to but not including the Termination Date, as requested or deemed requested by the Borrowers in accordance with the terms of Section 2.2, in amounts equal to such Lender's Ratable Share of each Revolving Credit Loan requested or deemed requested hereunder up to an aggregate amount at any one time outstanding equal to such Lender's Ratable Share of the Borrowing Base; provided, however, that no Borrowing shall exceed Availability at the time and the aggregate principal amount of all outstanding Loans (after giving effect to

the Revolving Credit Loans requested or deemed requested) shall not exceed the Borrowing Base. It is expressly understood and agreed that the Lenders may and at present intend to use the Borrowing Base as a maximum ceiling on Loans made to the Borrowers; provided, however, that it is agreed that should the aggregate outstanding amount of such Loans exceed the ceiling so determined or any other limitation set forth in this Agreement, such Loans shall nevertheless constitute Secured Obligations and, as such, shall be entitled to all benefits thereof and security therefor. The principal amount of any Revolving Credit Loan which is repaid may be reborrowed by the Borrowers, subject to the terms and conditions of this Agreement, in accordance with the terms of this Section 2.1. The Administrative Agent's and each Lender's books and records reflecting the date and the amount of each Revolving Credit Loan and each repayment of principal thereof shall constitute prima facie evidence of the accuracy of the information contained therein, subject to the provisions of Section 4.5.

Section 2.2 Manner of Borrowing. Borrowings shall be made as follows:

(a) Requests for Borrowing.

(i) Base Rate Revolving Credit Loans. A request for the Borrowing of Base Rate Revolving Credit Loans shall be made, or shall be deemed to be made, in the following manner:

(A) with respect to any Loans to be made on the Effective Date, which shall be Base Rate Loans, the Borrowers' representative shall give the Administrative Agent the Initial Notice of Borrowing at least two Business Days prior to the proposed date of the Borrowing, and, with respect to each subsequent Borrowing, the Borrowers may request a Base Rate Revolving Credit Loan by giving the Administrative Agent a Notice of Borrowing, before 1:00 p.m. on the proposed date of the Borrowing, provided that if such notice is received after 1:00 p.m. on the proposed date of Borrowing, the proposed Borrowing may be postponed by the Administrative Agent to the next Business Day;

(B) whenever a check or other item is presented to a Disbursing Bank for payment against a Disbursement Account in an amount greater than the then available balance in such account, such Disbursing Bank shall, and is hereby irrevocably authorized by the Borrowers to, give the Administrative Agent notice thereof, which notice shall be deemed to be a request for a Base Rate Revolving Credit Loan on the date of such notice in an amount equal to the excess of such check or other item over such available balance, and such request shall be irrevocable;

(C) unless payment is otherwise made by the Borrowers, the becoming due of any amount required to be paid under this Agreement or any of the Notes as interest shall be deemed to be a request for a Base Rate Revolving Credit Loan on the due date in the amount required to pay such interest, and such request shall be irrevocable;

(D) unless payment is otherwise made by the Borrowers, a becoming due of any other Secured Obligation shall be deemed to be a request for a Base Rate Revolving Credit Loan on the due date in the amount then so due, and such request shall be irrevocable; and

(E) the receipt by the Administrative Agent of notification from FCC to the effect that a payment has been made under a Letter of Credit or Letter of Credit Guarantee and that the Borrowers have failed to reimburse FCC therefor in accordance with the terms of Article 3, shall be deemed to be a request for a Base Rate Revolving Credit Loan on the date such notification is received in the amount of such payment which is so unreimbursed.

(ii) LIBOR Loans. At any time after the Effective Date, and so long as no Default or Event of Default has occurred and is continuing, the Borrowers may request a LIBOR Loan by giving the Administrative Agent a Notice of Borrowing (which notice shall be irrevocable) not later than 1:00 p.m. on the date three Business Days before the day on which the requested LIBOR Loan is to be made. The Borrowers may direct the Administrative Agent to apply the proceeds of a LIBOR Loan to Secured Obligations as described in Sections 2.2(a)(i)(B), (C), (D) and (E) and the Administrative Agent shall comply with such direction to the extent that proceeds of a Borrowing of LIBOR Loans are available to be so applied and in such case, no duplicative Borrowing of Base Rate Revolving Credit Loans will be deemed to have been requested.

(iii) Notification of Lenders. In the case of each LIBOR Loan and, unless the Administrative Agent and FCC have elected to make a Swingline Loan to the Borrowers pursuant to Section 2A.2, in the case of each Base Rate Loan, the Administrative Agent shall promptly notify the Lenders of any Notice of Borrowing given or deemed given pursuant to this Section 2.2(a) by 12:00 noon on the proposed Borrowing date (in the case of Base Rate Loans) or by 3:00 p.m. three Business Days before the proposed Borrowing date (in the case of LIBOR Loans). If the Administrative Agent does so notify the Lenders, then not later

than 1:30 p.m. on the proposed Borrowing date, each Lender will make available to the Administrative Agent, for the account of the Borrowers, at the Administrative Agent's Office in funds immediately available to the Administrative Agent, such Lender's Ratable Share of the Base Rate Loan or LIBOR Loan, as the case may be.

(b) Disbursement of Loans. The Borrowers hereby irrevocably authorize the Administrative Agent to disburse the proceeds of each Borrowing requested, or deemed to be requested, pursuant to Section 2.2(a) as follows:

(i) the proceeds of each Borrowing requested under Sections 2.2(a)(i)(A) (other than the Borrowing of any Loans made on the Effective Date) or (B) or 2.2(a)(ii) shall be disbursed by the Administrative Agent in Dollars in immediately available funds by wire transfer to a Disbursement Account or, in the absence of a Disbursement Account, by wire transfer to such other account as may be agreed upon by the Borrowers and the Administrative Agent from time to time, and the proceeds of the Loans to be made on the Effective Date under Section 2.2(a)(i)(A) shall be disbursed in accordance with the Initial Notice of Borrowing,

(ii) the proceeds of each Borrowing deemed requested under Section 2.2(a)(i)(C) or (D) shall be disbursed by the Administrative Agent by way of direct payment of the relevant Secured Obligation, and

(iii) the proceeds of each Borrowing deemed requested under Section 2.2(a)(i)(E) shall be disbursed by the Administrative Agent directly to FCC on behalf of the Borrowers for application to the Reimbursement Obligations.

Section 2.3 Repayment; Prepayment. The Revolving Credit Loans will be repaid as follows:

(a) The outstanding principal amount of all Revolving Credit Loans is due and payable, and shall be repaid by the Borrowers, as their joint and several obligation, in full, not later than the Termination Date and the outstanding principal amount of any Revolving Credit Loan may be repaid by the Borrowers at any time and from time to time prior to the Termination Date;

(b) If at any time the aggregate outstanding unpaid principal amount of the Revolving Credit Loans exceeds the Borrowing Base in effect at such time, but subject to the provisions of Section 4.7(d), the Borrowers shall repay the Revolving Credit Loans in an amount sufficient to reduce the aggregate unpaid principal amount of the Revolving Credit Loans by an amount equal to such excess, together with accrued and unpaid interest on the amount so repaid to the date of repayment; and

(c) The Revolving Credit Loans may be prepaid in whole or in part, at any time and from time to time, on one Business Day's notice, without premium or penalty. The Borrowers hereby instruct the Administrative Agent to repay the Revolving Credit Loans outstanding on any day in an amount equal to the amount received by the Administrative Agent on such day pursuant to Section 8.1(c); provided that payments received in excess of outstanding Revolving Credit Loans or payments received (when no Default or Event of Default exists) on account of LIBOR Loans which would otherwise result in prepayment of such LIBOR Loans prior to the end of the Interest Period applicable thereto may, upon the instruction of the Borrowers to the Administrative Agent not later than 2:00 p.m. on any Business Day, be applied to the Cash Collateral Account or any Investment Account.

Repayments pursuant to Section 2.3(b) or (c) shall be applied first to the Base Rate Revolving Credit Loans and then to LIBOR Loans.

Section 2.4 Notes. Each Lender's Revolving Credit Loans and the joint and several obligation of the Borrowers to repay such Revolving Credit Loans shall also be evidenced by a Revolving Credit Note payable to the order of such Lender. Each such Note shall be dated the Effective Date (or later "effective date" under any Assignment and Acceptance) and be duly and validly executed and delivered by the Borrowers.

Section 2.5 Reduction and Increase of Commitments.

(a) Reduction.

(i) The Borrowers shall have the right, at any time and from time to time, upon at least 30 days' prior irrevocable, written notice to the Administrative Agent, to reduce permanently and Ratably in whole or in part the Commitments; provided, however, that any such partial reduction shall be in an amount equal to \$5,000,000 or any larger integral multiple of \$1,000,000 and shall not reduce the aggregate Commitments below an amount equal to the sum of the Letter of Credit Reserve plus the Availability Reserve plus any Additional Reserves. As of the date of reduction set forth in such notice, the Commitments shall be permanently reduced to the amount stated in the

Borrowers' notice (and each Lender's Commitment shall be reduced Ratably) for all purposes herein, and the Borrowers shall pay the amount necessary to reduce the amount of the outstanding Loans to any amount that does not exceed the Borrowing Base (as reduced), together with accrued interest on any amounts so prepaid, any amount payable pursuant to Section 4.10, and an early termination fee in an amount equal to 1% of the amount of such reduction if effected prior to the first anniversary of the Effective Date.

(ii) The aggregate Commitments shall be automatically reduced to zero on the Termination Date.

(iii) The aggregate Commitments shall be reduced as provided in Section 4.9.

(iv) The Commitments or any portion thereof terminated or reduced pursuant to this Section 2.5(a) may not be reinstated.

(b) Increase.

(i) At any time on or prior to December 31, 2002, the Borrowers may increase the aggregate amount of the Commitments by an amount not greater than \$50,000,000 and to an amount not greater than \$125,000,000 (any such increase, a "Commitment Increase") by designating either one or more of the existing Lenders (each of which, in its sole discretion, may determine whether and to what degree to offer to participate in such Commitment Increase) or one or more other banks or other financial institutions reasonably acceptable to the Administrative Agent that at the time agree, in the case of any such bank or financial institution that is an existing Lender to increase its Commitment (an "Increasing Lender") and, in the case of any other such bank or financial institution (an "Additional Lender"), to become a party to this Agreement. The sum of the increases in the Commitments of the Increasing Lenders pursuant to this subsection (b) plus the Commitments of the Additional Lenders upon giving effect to the Commitment Increase shall not in the aggregate exceed the amount of the Commitment Increase. The Borrowers shall provide prompt notice of any proposed Commitment Increase pursuant to this Section 2.5(b) to the Administrative Agent, which shall promptly provide a copy of such notice to the Lenders.

(ii) Any Commitment Increase shall become effective upon (A) the receipt by the Administrative Agent of (1) an agreement in form and substance satisfactory to the Administrative Agent signed by the Borrowers and each other Loan Party, each Increasing Lender and each Additional Lender, setting forth the new Commitment of each such Lender and setting forth the agreement of each Additional Lender to become a party to this Agreement and to be bound by all the terms and provisions hereof binding upon each Lender, (2) certified copies of the Commitment Increase Approvals and such opinions of counsel for the Borrowers with respect to the Commitment Increase as the Administrative Agent may reasonably request, and (3) a certificate (the statements contained in which shall be true) of a duly authorized officer of MasTec stating that both before and after giving effect to such Commitment Increase (x) no Event of Default has occurred and is continuing, (y) all representations and warranties made by the Borrowers in this Agreement are true and correct in all material respects, and (z) all Commitments Increase Approvals have been obtained and are in full force and effect, and (B) the funding by each Increasing Lender and Additional Lender of the Loan(s) to be made by each such Lender described in paragraph (iii) below.

(iii) On the effective date of any Commitment Increase, each Increasing Lender and each Additional Lender shall (A) automatically and without further action acquire from each Person who was a Lender immediately prior to such effectiveness a portion of such Lender's Letter of Credit Obligations and (B) provide funds to the Administrative Agent, if requested by the Administrative Agent to do so, in the manner described in Section 2.1 in an amount equal to the product of (x) the ratio (expressed as a percentage) of the aggregate principal amount of Loans outstanding hereunder immediately prior to such Commitment Increase, to the Commitments immediately after giving effect to such Commitment Increase, multiplied by (y) the amount of any such Increasing Lender's Commitment Increase or such Additional Lender's Commitment, as the case may be. The funds so provided by any Lender shall be deemed to be such Lender's Ratable Share of a Borrowing made on the date of such Commitment Increase. The proceeds of the Loans described in the preceding clause (A) shall be paid by the Administrative Agent to the Persons which were Lenders immediately prior to the Commitment Increase for application to the principal amount of Loans held by them, such that after giving effect to such Commitment Increase and the advances(s) made on the date of such Commitment Increase, each Loan outstanding hereunder shall consist of advances made by the Lenders Ratably in accordance with their Ratable Shares of the Commitments. If any Commitment Increase results in repayment of any LIBOR Loan other than on the last day of the Interest Period therefor, the Borrowers shall pay any amounts due pursuant to Section 4.10.

(iv) Notwithstanding any provision contained herein to the contrary, from and after the date of any Commitment Increase and the making of any advances on such date pursuant to paragraph (iii) above, calculations and payments of interest on the Loan shall take into account the actual Commitment of each Lender and the principal amount outstanding of each advance made by such Lender during the relevant period of time.

ARTICLE 2A

SWINGLINE FACILITY

Section 2A.1 Swingline Loans. Upon the terms and subject to the conditions of, and in reliance upon the representations and warranties made under, this Agreement, the Swingline Lender shall make Swingline Loans to the Borrowers from time to time, from and after the Effective Date until the Termination Date, as requested or deemed requested by the Borrowers in accordance with the terms of Section 2A.2, up to an aggregate principal amount of Swingline Loans at any time outstanding not to exceed the lesser of (i) the Swingline Facility and (ii) the Borrowing Base minus the aggregate principal amount of outstanding Revolving Credit Loans. The Swingline Loans will be deemed to be usage of the Revolving Credit Facility for the purpose of calculating availability pursuant to Section 2.1, but will not reduce the Swingline Lender's obligation to lend its Ratable Share of the remaining unused Revolving Credit Facility. The principal amount of any Swingline Loan which is repaid may be reborrowed by the Borrowers, subject to the terms and conditions of this Agreement, in accordance with the terms of this Section 2A.1.

Section 2A.2 Making Swingline Loans. Requests for Swingline Loans, which shall be Base Rate Loans and shall not be entitled to be converted into LIBOR Loans, shall be made not later than 2:00 p.m. on the Business Day of the proposed Swingline Loan by delivery by telex, telegraph, teletype or telephone of a request therefor by MasTec to the Administrative Agent and the Swingline Lender and shall be deemed to be made on each Settlement Date. Each such notice (a "Swingline Loan Request") shall specify (i) the proposed borrowing date and (ii) the amount of Swingline Loan requested (which, in the case of deemed Settlement Date requests shall be, respectively, the Settlement Date and the excess, if any, of the Swingline Facility over the outstanding principal amount of Swingline Loans on the Settlement Date). Not later than 3:00 p.m. on the date specified for any Swingline Loan, the Swingline Lender shall make available such Swingline Loan in immediately available funds to the Administrative Agent. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article 5, the Administrative Agent will, and the Borrowers hereby irrevocably authorize the Administrative Agent to, disburse the proceeds of each Swingline Loan by making such funds available to the Borrowers by wire transfer to such account of a Borrower as MasTec and the Administrative Agent may agree from time to time.

Section 2A.3 Repayment of Swingline Loans. The outstanding principal amount of all Swingline Loans is due and payable, and shall be repaid by the Borrowers, as their joint and several obligation, in full, not later than the Termination Date, together with accrued and unpaid interest thereon to such date.

Section 2A.4 Prepayment. If at any time the aggregate unpaid principal amount of Swingline Loans outstanding to the Borrowers from the Swingline Lender exceeds the amount set forth in the first sentence of Section 2A.1, the Borrowers shall pay to the Administrative Agent for the account of the Swingline Lender on demand by the Administrative Agent, an amount equal to such excess, together with accrued and unpaid interest on the principal amount prepaid to the date of prepayment. For the avoidance of doubt, notwithstanding the foregoing, no such prepayment shall be required if the Borrowers shall have made an appropriate prepayment in accordance with the provisions of Section 2.3(b).

Section 2A.5 Swingline Note. The Swingline Loans made by the Swingline Lender and the obligation of the Borrowers to repay such Loans shall be evidenced by, and be repayable in accordance with the terms of, a single Swingline Note, made by the Borrowers payable to the order of the Swingline Lender. The Swingline Note shall be dated the Effective Date and be duly and validly executed and delivered by the Borrowers.

Section 2A.6 Settlement with Other Lenders. All payments of principal, interest and any other amount with respect to such Swingline Loan shall be payable to and received by the Administrative Agent for the account of the Swingline Lender. Upon demand by the Swingline Lender, with notice thereof to the Administrative Agent, and notwithstanding the occurrence and continuation at the time of such demand of any Default or Event of Default, but in any event not less frequently than every five Business Days, each Lender shall make a Base Rate Revolving Credit Loan in the amount of its Commitment Percentage of

the outstanding Swingline Loans for the account of the Borrowers or purchase a participation of such amount in each outstanding Swingline Loan, the proceeds of which shall be paid over to the Swingline Lender and applied to the repayment of such Swingline Loans. Any payments received by the Administrative Agent prior to such repayment by the Lenders which in accordance with the terms of this Agreement are to be applied to the reduction of the outstanding principal balance of Swingline Loans shall be paid over to the Swingline Lender and so applied.

ARTICLE 3

LETTER OF CREDIT GUARANTEES

Section 3.1 Agreement to Issue. Upon the terms and subject to the conditions of, and in reliance upon the representations and warranties made under, this Agreement, FCC will issue or cause the issuance of, including by issuance of Letter of Credit Guarantees, for the account of any Borrower or Subsidiary one or more Letters of Credit in accordance with this Article 3, from time to time during the period commencing on the Effective Date and ending on the Termination Date.

Section 3.2 Amounts. FCC shall not have any obligation to issue or cause the issuance of any Letter of Credit at any time:

(a) if, after giving effect to the issuance of the requested Letter of Credit, (i) the aggregate Letter of Credit Obligations of the Borrowers would exceed the Letter of Credit Guarantee Facility then in effect or (ii) the aggregate principal amount of Loans outstanding would exceed the Borrowing Base (after reduction for the Letter of Credit Reserve in respect of such Letter of Credit) or (iii) if no Loans are outstanding, the aggregate Letter of Credit Obligations would exceed the Borrowing Base; or

(b) which has an expiration date after the last Business Day that is more than 30 days prior to the Termination Date.

Section 3.3 Conditions. The obligation of FCC to issue any Letter of Credit Guarantee is subject to the satisfaction of (a) the applicable conditions precedent contained in Article 5 and (b) the following additional conditions precedent in a manner satisfactory to the Administrative Agent and FCC:

(i) the Borrowers shall have delivered to FCC and the Administrative Agent at such times and in such manner as FCC or the Administrative Agent may prescribe, a Reimbursement Agreement and such other documents as may be required pursuant to the terms thereof, and the form of the proposed Letter of Credit, all of which shall be satisfactory in form and substance, as completed, to the Issuing Bank, FCC and the Administrative Agent; and

(ii) as of the date of issuance, no law, rule or regulation, or order of any court, arbitrator or governmental authority having jurisdiction or authority over FCC shall purport by its terms to enjoin or restrain FCC or commercial financing entities, generally, from issuing guarantees, including guarantees of letter of credit obligations, of the type and in the amount of the proposed Letter of Credit Guarantee or the proposed Letter of Credit Guarantee specifically.

Section 3.4 Issuance of Letter of Credit Guarantees.

(a) Request for Issuance. A Borrower shall give the Issuing Bank, FCC and the Administrative Agent written notice of such Borrower's request for the issuance of a Letter of Credit no later than three Business Days prior to the proposed date of issuance. Such notice shall be irrevocable and shall be accompanied by a completed form of letter of credit application in a form acceptable to the Issuing Bank specifying at least the name of the Subsidiary (if other than such Borrower) which will appear as the account party on the face of such Letter of Credit, the original face amount of the Letter of Credit requested, the effective date (which date shall be a Business Day) of issuance of such requested Letter of Credit, whether the Letter of Credit may be drawn in a single or in multiple draws, the date on which such requested Letter of Credit is to expire (which date shall be a Business Day earlier than the 30th day prior to the Termination Date), the purpose for which the Letter of Credit is to be issued and the beneficiary of the Letter of Credit. The Borrower shall attach to such notice the form of the Letter of Credit that the Borrower requests be issued.

(b) Responsibilities of the Administrative Agent; Issuance. The Administrative Agent shall determine, as of the Business Day immediately preceding the requested effective date of issuance of a Letter of Credit set forth in the notice from the Borrowers pursuant to Section 3.4(a), the amount

of Letter of Credit Availability. If (i) the form of requested Letter of Credit delivered by the Borrowers to the Administrative Agent is acceptable to FCC and the Administrative Agent in their sole, reasonable discretion, (ii) the amount of the Letter of Credit Guarantee necessary to procure the issuance by the Issuing Bank of such Letter of Credit is less than or equal to the Letter of Credit Availability and (iii) the Administrative Agent has received a certificate from the Borrowers stating that the applicable conditions set forth in Article 5 have been satisfied, then FCC will join in the application for such Letter of Credit or otherwise cause the Issuing Bank to issue the requested Letter of Credit.

(c) Notice of Issuance. Promptly after the issuance of any Letter of Credit supported by a Letter of Credit Guarantee, FCC or the Issuing Bank shall give the Administrative Agent written or facsimile notice, or telephonic notice confirmed promptly thereafter in writing, of the issuance of such Letter of Credit, and the Administrative Agent shall give each Lender a periodic written report, not less frequently than monthly, of each such Letter of Credit outstanding as of the date thereof, the amount available to be drawn thereunder and the expiration date thereof.

(d) No Extension or Amendment. FCC shall not cause any Letter of Credit to be extended or amended unless the requirements of this Section 3.4 are met as though a new Letter of Credit were being requested and issued.

Section 3.5 Duties of FCC. The rights and obligations of the Issuing Bank in connection with any Letter of Credit shall be governed by the Reimbursement Agreement for such Letter of Credit and in no event shall the Administrative Agent or any Lender have any liability or obligation to any Loan Party or its Subsidiaries for any failure or refusal or delay by the Issuing Bank to issue, or error in issuing, any Letter of Credit. Any action taken or omitted to be taken by FCC under or in connection with any Letter of Credit Guarantee, if taken or omitted in the absence of gross negligence or willful misconduct, shall not result in any liability of FCC to any Lender or relieve any Lender of its obligations hereunder to FCC. In determining whether to pay under any Letter of Credit Guarantee, FCC shall have no obligation to confirm that the Issuing Bank acted properly in honoring any drawing under the related Letter of Credit and shall be entitled to rely on the Issuing Bank's demand for payment as sufficient evidence of the Issuing Bank's entitlement thereto.

Section 3.6 Payment of Reimbursement Obligations.

(a) Payment to Issuing Bank, FCC. Notwithstanding any provisions to the contrary in any Reimbursement Agreement, the Borrowers agree, jointly and severally, for the benefit of FCC and the other Lenders, to reimburse the Issuing Bank for any drawings (whether partial or full) under each Letter of Credit on demand and agree to pay to the Issuing Bank the amount of all other Reimbursement Obligations and other amounts payable to the Issuing Bank under or in connection with such Letter of Credit in accordance with the Reimbursement Agreement. If FCC shall pay any amount under any Letter of Credit Guarantee, the Borrowers shall, jointly and severally, unless the Borrowers shall have already paid the amount in respect of which payment was made under such Letter of Credit Guarantee to the Issuing Bank in accordance with a Reimbursement Agreement, pay to FCC on the first Business Day following such payment, an amount equal to the amount of the payment made by FCC under such Letter of Credit Guarantee, together with interest on such amount for the period from FCC's payment under the applicable Letter of Credit Guarantee, until repayment in full of such amount, at the interest rate then applicable to Base Rate Revolving Credit Loans. So long as FCC remains unpaid, it shall be subrogated to all rights and remedies of (i) the Issuing Bank under the related Reimbursement Agreement and (ii) any beneficiary of such Letter of Credit whose claims against the account party on such Letter of Credit have been satisfied with proceeds of drawing under such Letter of Credit.

(b) Recovery or Avoidance of Payments. In the event any payment by or on behalf of the Borrowers with respect to any Letter of Credit (or any Reimbursement Obligation relating thereto) or any Letter of Credit Guarantee received by FCC, the Issuing Bank or by the Administrative Agent and distributed by the Administrative Agent to the Lenders on account of their respective participations therein, is thereafter set aside, avoided or recovered from FCC, the Issuing Bank or the Administrative Agent in connection with any receivership, liquidation or bankruptcy proceeding, the Lenders shall, upon demand by the Administrative Agent, pay to the Administrative Agent, for the account of the Administrative Agent, FCC or the Issuing Bank, as the case may be, their respective Ratable Shares of such amount set aside, avoided or recovered together with interest at the rate required to be paid by the Administrative Agent, FCC or the Issuing Bank upon the amount required to be repaid by it.

Section 3.7 Participations.

(a) Purchase of Participations. Immediately upon the Effective Date as to Letters of Credit outstanding on the Effective Date and immediately upon issuance by the Issuing Bank of any other Letter of Credit, each Lender shall be deemed to have irrevocably and unconditionally purchased and received without recourse or warranty, an undivided interest and participation in the Letter of Credit Obligations thereunder, equal to such Lender's Ratable Share thereof (including, without limitation, all obligations of the Borrowers with respect thereto, other than amounts owing to FCC or for the account of the Issuing Bank under Section 4.2(e), and any security therefor or guaranty or other supporting obligation pertaining thereto).

(b) Sharing of Letter of Credit Payments. In the event that FCC makes a payment under any Letter of Credit Guarantee and shall not have been repaid such amount pursuant to Section 3.6, then the Borrowers shall be deemed to have requested a Base Rate Revolving Credit Loan in the amount of such payment and, notwithstanding the occurrence or continuance of a Default or Event of Default at the time of such payment, each Lender shall be absolutely obligated to make its Ratable Share of such Loan available to the Administrative Agent for disbursement as provided by Section 2.2(b) or to purchase a participation in the payment made by FCC under any such Letter of Credit Guarantee.

(c) Sharing of Reimbursement Obligation Payments. Whenever FCC receives a payment from or on behalf of the Borrowers or the Issuing Bank on account of a Reimbursement Obligation as to which the Administrative Agent has previously received for the account of FCC payment from a Lender pursuant to this Section 3.7, FCC shall promptly pay to the Administrative Agent, for the benefit of such Lender, such Lender's Ratable Share of the amount of such payment from the Borrowers or the Issuing Bank in Dollars. Each such payment shall be made by FCC on the Business Day on which FCC receives immediately available funds from the Borrowers or the Issuing Bank pursuant to the immediately preceding sentence, if received prior to 11:00 a.m. on such Business Day, and otherwise on the next succeeding Business Day.

(d) Documentation. Upon the request of any Lender, the Administrative Agent shall furnish to such Lender copies of any Letter of Credit, Reimbursement Agreement, Letter of Credit Guarantee or application for any Letter of Credit and such other documentation as to Letters of Credit as may reasonably be requested by such Lender.

(e) Obligations Irrevocable. The obligations of each Lender to make payments to the Administrative Agent with respect to any Letter of Credit or Letter of Credit Guarantee in respect thereof and its participation therein pursuant to the provisions of this Section 3.7 or otherwise and the obligations of the Borrowers to make payments to FCC, the Issuing Bank or to the Administrative Agent, for the account of Lenders, shall be irrevocable, shall not be subject to any qualification or exception whatsoever and shall be made in accordance with the terms and conditions of this Agreement (assuming, in the case of the obligations of the Lenders to make such payments, that the Letter of Credit has been issued in accordance with Section 3.4), including, without limitation, any of the following circumstances:

(i) Any lack of validity or enforceability of this Agreement or any of the other Loan Documents;

(ii) The existence of any claim, set-off, defense or other right which the Borrowers (or any of them) may have at any time against a beneficiary named in a Letter of Credit or any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), any Lender, FCC, the Issuing Bank or any other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transactions between the Borrowers or any other Person and the beneficiary named in any Letter of Credit);

(iii) Any draft, certificate or any other document presented under the Letter of Credit upon which payment has been made in good faith and according to its terms proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;

(iv) The surrender or impairment of any Collateral or any other security for the Secured Obligations or the performance or observance of any of the terms of any of the Loan Documents;

(v) The occurrence of any Default or Event of Default; or

(vi) FCC's, the Issuing Bank's or the Administrative Agent's failure to deliver the notice provided for in Section 3.4(c).

Section 3.8 Indemnification, Exoneration.

(a) Indemnification. In addition to amounts payable as elsewhere

provided in this Article 3, the Borrowers, jointly and severally, agree to protect, indemnify, pay and save harmless the Lenders, FCC, the Issuing Bank and the Administrative Agent from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable attorneys' fees) which any Lender, FCC, the Issuing Bank or the Administrative Agent may incur or be subject to as a consequence, directly or indirectly, of

(i) the issuance of any Letter of Credit, other than as a result of its gross negligence or willful misconduct, as determined by a court of competent jurisdiction, or

(ii) the failure of the Issuing Bank to honor a drawing under any Letter of Credit as a result of any act or omission, whether rightful or wrongful, of any present or future de jure or de facto governmental authority (all such acts or omissions being hereinafter referred to collectively as "Government Acts").

(b) Assumption of Risk by the Borrowers. As among the Borrowers, the Lenders, FCC, the Issuing Bank and the Administrative Agent, the Borrowers assume all risks of the acts and omissions of, or misuse of any of the Letters of Credit by, the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, subject to the provisions of the applications for the issuance of Letters of Credit, the Lenders, FCC, the Issuing Bank and the Administrative Agent shall not be responsible for:

(i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any Person in connection with the application for and issuance of and presentation of drafts with respect to any of the Letters of Credit, even if it should prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged;

(ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason;

(iii) the failure of the beneficiary of any Letter of Credit to comply duly with conditions required in order to draw upon such Letter of Credit;

(iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher;

(v) errors in interpretation of technical terms;

(vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any Letter of Credit or of the proceeds thereof;

(vii) the misapplication by the beneficiary of any Letter of Credit of the proceeds of any drawing under such Letter of Credit; or

(viii) any consequences arising from causes beyond the control of the Lenders, FCC, the Issuing Bank or the Administrative Agent, including, without limitation, any Government Acts.

None of the foregoing shall affect, impair or prevent the vesting of any of the Administrative Agent's rights or powers under this Section 3.8.

(c) Exoneration. In furtherance and extension, and not in limitation, of the specific provisions set forth above, any action taken or omitted by the Administrative Agent, FCC, the Issuing Bank or any Lender under or in connection with any of the Letters of Credit or any related certificates, if taken or omitted in good faith, shall not result in any liability of any Lender, FCC, the Issuing Bank or the Administrative Agent to the Borrowers or relieve any Borrower of any of its obligations hereunder to any such Person.

Section 3.9 Supporting Letter of Credit; Cash Collateral Account. Upon the occurrence of an Event of Default or if, notwithstanding the provisions of Section 3.2(b), any Letter of Credit is outstanding on the Termination Date, then on or prior to the Termination Date, the Borrowers shall, as their joint and several obligation, promptly on demand by the Administrative Agent, deposit with the Administrative Agent, for the Ratable benefit of the Lenders, with respect to each Letter of Credit then outstanding, as the Administrative Agent shall specify, either (a) a standby letter of credit (a "Supporting Letter of Credit") in form and substance satisfactory to the Administrative Agent, issued by an issuer satisfactory to the Administrative Agent in its sole and absolute judgment in an amount equal to 105% of the greatest amount for which

such Letter of Credit may be drawn, under which Supporting Letter of Credit the Administrative Agent shall be entitled to draw amounts necessary to reimburse the Administrative Agent, FCC and the Lenders for payments made by the Administrative Agent, FCC or the Lenders under the related Letter of Credit Guarantee or under any reimbursement or guaranty agreement with respect thereto, or (b) Cash Collateral in an amount necessary to reimburse the Administrative Agent, FCC and the Lenders for payments made by the Administrative Agent, FCC and the Lenders under the related Letter of Credit Guarantee or under any reimbursement or guaranty agreement with respect thereto. Such Supporting Letter of Credit or Cash Collateral shall be held by the Administrative Agent for the benefit of FCC and the Lenders, as security for, and to provide for the payment of, the Reimbursement Obligations. In addition, the Administrative Agent may at any time after such Event of Default or the Termination Date apply any or all of such Cash Collateral to the payment of any or all of the Secured Obligations then due and payable. The Cash Collateral shall be deposited in the Cash Collateral Account or an Investment Account and shall be administered in accordance with the provisions of Section 4.15.

ARTICLE 4

GENERAL LOAN PROVISIONS

Section 4.1 Interest.

(a) (i) Base Rate Revolving Credit Loans. Subject to the provisions of Section 4.1(c), the Borrowers will pay interest on the unpaid principal amount of each Base Rate Revolving Credit Loan, for each day from the day such Loan is made (or is converted to a Base Rate Loan) until such Loan is paid (whether at maturity, by reason of acceleration, or otherwise) or is converted to a LIBOR Loan, at a rate per annum equal to the sum of (i) the Applicable Margin and (ii) the Base Rate, payable monthly in arrears as it accrues on each Interest Payment Date.

(ii) LIBOR Loans. Subject to the provisions of Section 4.1(c), the Borrowers will pay interest on the unpaid principal amount of each LIBOR Loan for the applicable Interest Period at a rate per annum equal to the sum of (i) the Applicable Margin and (ii) LIBOR, payable monthly in arrears on each Interest Payment Date and on the last day of such Interest Period.

(iii) Swingline Loans. Subject to the provisions of Section 4.1(c), the Borrowers will pay interest on the unpaid principal amount of each Swingline Loan for each day from the day such Loan is made until such Loan is paid (whether at maturity, by reason of acceleration or otherwise) at a rate per annum equal to the sum of (i) the Applicable Margin and (ii) the Base Rate, payable monthly in arrears as it accrues on each Interest Payment Date.

(b) Other Secured Obligations. The Borrowers will, to the extent permitted by Applicable Law, pay interest on the unpaid principal amount of any Secured Obligation that is due and payable other than the Loans in accordance with Sections 4.1(a) or (c), as applicable, as if such Secured Obligation were a Base Rate Loan.

(c) Default Rate. If an Event of Default shall occur and be continuing, at the election of the Required Lenders, the unpaid principal amount of the Loans and other Secured Obligations shall no longer bear interest in accordance with the terms of subsection 4.1(a) or (b), as applicable, but shall bear interest for each day from the date of such Event of Default until such Event of Default shall have been cured or waived at a rate per annum equal to the sum of (i) the Default Margin and (ii) the rate otherwise applicable to such Loan or other Secured Obligation, payable on demand. The interest rate provided for in the preceding sentence shall, to the extent permitted by Applicable Law, apply to and accrue on the amount of any judgment entered with respect to any Secured Obligation and shall continue to accrue at such rate during any proceeding described in Section 12.1(g) or (h).

(d) Calculation of Interest. The interest rates provided for in Sections 4.1(a), (b) and (c) shall be computed on the basis of a year of 360 days and the actual number of days elapsed. Each interest rate determined with reference to the Base Rate shall be adjusted automatically as of the opening of business on the effective date of each change in the Base Rate.

(e) Maximum Rate. It is not intended by the Lenders, and nothing contained in this Agreement or the Notes shall be deemed, to establish or require the payment of a rate of interest in excess of the maximum rate permitted by Applicable Law (the "Maximum Rate"). If, in any month, the Effective Interest Rate, absent such limitation, would have exceeded the Maximum Rate, then the Effective Interest Rate for that month shall be the Maximum Rate, and, if in future months, the Effective Interest Rate would

otherwise be less than the Maximum Rate, then the Effective Interest Rate shall remain at the Maximum Rate until such time as the amount of interest paid hereunder equals the amount of interest which would have been paid if the same had not been limited by the Maximum Rate. In the event that, upon payment in full of the Secured Obligations, the total amount of interest paid or accrued under the terms of this Agreement is less than the total amount of interest which would have been paid or accrued if the Effective Interest Rate (without regard to any limitation hereunder) had at all times been in effect, then the Borrowers shall, to the extent permitted by Applicable Law, pay to the Lenders an amount equal to the excess, if any, of (i) the lesser of (A) the amount of interest which would have been charged if the Maximum Rate had, at all times, been in effect and (B) the amount of interest which would have accrued had the Effective Interest Rate (without reference to any limitation hereunder), at all times, been in effect and (ii) the amount of interest actually paid or accrued under this Agreement. In the event the Lenders receive, collect or apply as interest any sum in excess of the Maximum Rate, such excess amount shall be applied to the reduction of the principal balance of the Secured Obligations, and if no such principal is then outstanding, such excess or part thereof remaining, shall be paid to the Borrowers. For the purposes of computing the Maximum Rate, to the extent permitted by applicable law, all interest and charges, discounts, amounts, premiums or fees deemed to constitute interest under applicable law, shall be amortized, prorated, allocated and spread in substantially equal parts throughout the full term of this Agreement. The provisions of this Section 4.1(e) shall be deemed to be incorporated into every Loan Document (whether or not any provision of this Section 4.1(e) is specifically referred to therein).

Section 4.2 Certain Fees.

(a) Unused Commitment Fee. In connection with and as consideration for the holding available for the use of the Borrowers hereunder the full amount of the Commitments, the Borrowers, jointly and severally, will pay a fee to the Administrative Agent, for the Ratable benefit of the Lenders, for each day from the Effective Date until the Termination Date, at a rate equal to 0.50% per annum of the Unused Commitments for such day, subject, however to quarterly adjustment based on the level of Unused Commitments. Beginning on the first Margin Adjustment Date and thereafter on each subsequent Margin Adjustment Date, if the daily average Unused Commitments during the calendar quarter ended on the preceding day was (i) less than one-third of the aggregate Commitments, the rate will be 0.375%, (ii) one-third or more but less than or equal to two-thirds of the aggregate Commitments, the rate will be 0.50% or (iii) more than two-thirds of the aggregate Commitments, the rate will be 0.625%. "Unused Commitments" means an amount equal to the aggregate Commitments, less the aggregate outstanding principal amount of Loans, other than any Swingline Loan, less the total amount of Letter of Credit Obligations, in each case on the date of determination. Such fee shall be payable quarterly in arrears on the first day of each January, April, July and October and on the date of any permanent reduction in the aggregate Commitments.

(b) Other Fees. As compensation for structuring and arranging the credit facilities available hereunder and for performing the functions of an administrative agent hereunder, the Borrowers, jointly and severally, shall pay to the Administrative Agent, additional fees in accordance with the provisions of a separate letter agreement between the Borrowers and the Administrative Agent.

(c) Letter of Credit Fees. The Borrowers, jointly and severally, agree to pay to the Administrative Agent through its Treasury and International Services Group:

(i) for the Ratable benefit of the Lenders, Letter of Credit fees on each Letter of Credit or Letter of Credit Guarantee equal to the Applicable Margin per annum applicable to LIBOR Loans on the date of issuance of such Letter of Credit and from time to time thereafter (including the Default Rate, if applicable), payable on the date of issuance for the period from such date to the next succeeding Interest Payment Date and thereafter monthly in advance on each Interest Payment Date on the Letter of Credit Amount of such Letters of Credit outstanding on such Interest Payment Date;

(ii) for the account of the Issuing Bank, the standard fees and charges of the Issuing Bank for issuing, administering, amending, renewing, paying and canceling and otherwise administering letters of credit, as and when assessed as to any Letters of Credit; and

(iii) for the account of FCC, an additional fronting fee at a rate of 0.125% per annum of the Letter of Credit Amount of each Letter of Credit, payable in advance on the date of issuance of each Letter of Credit.

(d) General. All fees provided for in this Section 4.2 and otherwise in this Agreement or any other Loan Document, shall be fully earned when due

and payable and, except as otherwise set forth herein or required by applicable law, shall not be subject to refund or rebate. All such fees are for compensation for services and are not, and shall not be deemed to be, interest or a charge for the use of money. Fees payable pursuant to the foregoing subsections (a) and (c) shall be calculated based on a year of 360 days and the actual number of days elapsed.

Section 4.3 Manner of Payment.

(a) Except as otherwise expressly provided in Section 8.1(c), each payment (including prepayments) by the Borrowers on account of the principal of or interest on the Loans or of any other amounts payable to the Administrative Agent or the Lenders under this Agreement or any Note or other Loan Document shall be made not later than 1:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent, at the Administrative Agent's Office, in Dollars, in immediately available funds and shall be made without any setoff, counterclaim or deduction whatsoever. Any payment received after such time but before 5:00 p.m. on such day shall be deemed a payment on such date for the purposes of Section 12.1, but for all other purposes shall be deemed to have been made on the next succeeding Business Day.

(b) The Borrowers hereby irrevocably authorize each Lender and each Affiliate of such Lender and each participant herein to charge any account of a Borrower maintained with such Lender or such Affiliate or participant with such amounts as may be necessary from time to time to pay any Secured Obligations (whether or not owed to such Lender, Affiliate or participant) which are not paid when due.

Section 4.4 General. If any payment under this Agreement or any Note shall be specified to be made on a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and such extension of time shall in such case be included in computing interest, if any, in connection with such payment.

Section 4.5 Loan Accounts; Statements of Account.

(a) Each Lender shall open and maintain on its books a loan account in MasTec's name (each, a "Loan Account" and collectively, the "Loan Accounts"). Each such Loan Account shall show as debits thereto each Loan made under this Agreement by such Lender to the Borrowers and as credits thereto all payments received by such Lender and applied to principal of such Loans, so that the balance of the Loan Account at all times reflects the principal amount due such Lender from the Borrowers.

(b) The Administrative Agent shall maintain on its books a control account for the Borrowers in which shall be recorded (i) the amount of each disbursement made hereunder, (ii) the amount of any principal or interest due or to become due from the Borrowers hereunder, and (iii) the amount of any sum received by the Administrative Agent hereunder from or on behalf of the Borrowers and each Lender's share therein.

(c) The entries made in the accounts pursuant to subsections (a) and (b) shall be prima facie evidence, in the absence of manifest error, of the existence and amounts of the obligations of the Borrowers therein recorded and in case of discrepancy between such accounts, in the absence of manifest error, the accounts maintained pursuant to subsection (b) shall be controlling.

(d) The Administrative Agent will account separately to the Borrowers monthly with a statement of Loans, charges and payments made to and by the Borrowers pursuant to this Agreement, and such accounts rendered by the Administrative Agent shall be deemed final, binding and conclusive, save for manifest error, unless the Administrative Agent is notified by the Borrowers in writing to the contrary within 45 days of the date the account to the Borrowers was so rendered. Such notice by the Borrowers shall be deemed an objection to only those items specifically objected to therein. Failure of the Administrative Agent to render such account shall in no way affect the rights of the Administrative Agent or of the Lenders hereunder.

Section 4.6 Termination of Agreement. The Borrowers shall have the right, at any time, to terminate this Agreement upon not less than 30 days' prior written notice, which notice shall specify the effective date of such termination. Upon receipt of such notice, the Administrative Agent shall promptly notify each Lender thereof. On the date specified in such notice, such termination shall be effected, provided, that the Borrowers shall, on or prior to such date, pay to the Administrative Agent, for its account and the account of the Lenders, in same day funds, an amount equal to all Secured Obligations (other than with respect to Letter of Credit Obligations) outstanding on such date, including, without limitation, all (i) accrued interest thereon, (ii) all accrued fees provided for hereunder, (iii) any amounts payable to the Administrative Agent or the Lenders pursuant to

Sections 4.10, 4.15, 15.2, 15.3, 15.14 and 15.23, and, in addition thereto, shall deliver to the Administrative Agent, in respect of each outstanding Letter of Credit, at the election of the Administrative Agent, either a Supporting Letter of Credit or Cash Collateral as provided in Section 3.9, and (iv) if such termination occurs prior to the first anniversary of the Effective Date, an early termination fee in an amount equal to 1% of the amount of the Commitments so terminated. Additionally, the Borrowers shall provide the Administrative Agent and the Lenders with an indemnification in form and substance satisfactory to the Administrative Agent in its reasonable judgment with respect to collection of uncollected funds credited to the Borrowers in computing any payoff amount. Following a notice of termination as provided for in this Section 4.6(b) and upon payment in full of the amounts specified in this Section 4.6(b), and execution and delivery of any required indemnification, this Agreement shall be terminated and the Administrative Agent, the Lenders and the Borrowers shall have no further obligations to any other party hereto, except for the obligations to the Administrative Agent and the Lenders pursuant to Section 15.12 hereof, which shall survive any termination of this Agreement.

Section 4.7 Making of Loans.

(a) Nature of Obligations of Lenders to Make Loans. The obligations of the Lenders under this Agreement to make the Loans are several and are not joint or joint and several.

(b) Assumption by Administrative Agent. Subject to the provisions of Section 4.8 and notwithstanding the occurrence or continuance of a Default or Event of Default or other failure of any condition to the making of Loans hereunder subsequent to the Loans to be made on the Effective Date, unless the Administrative Agent shall have received notice from a Lender prior to a proposed Borrowing date that such Lender will not make available to the Administrative Agent such Lender's Ratable Share of the Loan to be borrowed on such date, the Administrative Agent may assume that such Lender will make such Ratable Share available to the Administrative Agent in accordance with Section 2.2(a), and the Administrative Agent may, in reliance upon such assumption, make available to the Borrowers on such date a corresponding amount. If and to the extent a Lender shall not make its Ratable Share of any Loan available to the Administrative Agent, and the Administrative Agent has made a corresponding amount available to the Borrowers, such Lender, on the one hand, and the Borrowers, jointly and severally on the other hand, severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount (the "Make-Whole Amount"), together with interest thereon for each day from the date such amount is made available to the Borrowers until the date such amount is repaid to the Administrative Agent at (i) the Federal Funds Rate if repaid by the Lender or (ii) the Effective Interest Rate or, if lower, subject to Section 4.1(e), the Maximum Rate, if repaid by the Borrowers. If such Lender shall repay to the Administrative Agent such corresponding amount, the amount so repaid shall constitute such Lender's Ratable Share of the Loan made on such Borrowing date for purposes of this Agreement. The Administrative Agent shall not be required to make any Loan as to which it shall have received notice by a Lender of such Lender's intention not to make its Ratable Share of such Loan available to the Administrative Agent. The failure of any Lender to make its Ratable Share of any Loan available shall not (without regard to whether the Borrowers shall have returned the amount thereof to the Administrative Agent in accordance with this Section 4.7) relieve it or any other Lender of its obligation, if any, hereunder to make its Ratable Share of the Loan available on such Borrowing date, but no Lender shall be responsible for the failure of any other Lender to make its Ratable Share of a Loan available on the Borrowing date.

(c) Delegation of Authority to Administrative Agent. Without limiting the generality of Section 14.1, each Lender expressly authorizes the Administrative Agent to determine on behalf of such Lender (i) any reduction or increase of advance rates applicable to the Borrowing Base, so long as such advance rates do not at any time exceed the rates set forth in the Borrowing Base definition (as the same may have been amended and be in effect on the applicable date), (ii) any adjustment of the Dilution Reserve consistent with the Administrative Agent's reasonable credit judgment, (iii) creation or elimination of Additional Reserves, (iv) whether an Account Debtor's name shall be added to or removed from the list of Approved Account Debtors and (v) whether or not Accounts shall be deemed to constitute Eligible Accounts or Eligible Unbilled Accounts, as the case may be. The Administrative Agent is further authorized, subject to the applicable provisions of Section 15.9, (x) to subordinate the Security Interest in specific items of Equipment to the interest of the owner/lessor thereof or to the Lien of the holder of a permitted Purchase Money Lien with respect thereto and (y) to release the Security Interest with respect to property and assets of the Loan Parties sold, transferred or otherwise disposed of in accordance with the terms of this Agreement and the other Loan Documents up to \$5,000,000 of Collateral in any Fiscal Year. Any withdrawal of authorization under this

Section 4.7(c) shall not affect the validity of any Loans made prior to the effectiveness thereof.

(d) Overadvances. Notwithstanding anything to the contrary contained elsewhere in this Section 4.7 or this Agreement or the other Loan Documents and whether or not a Default or Event of Default exists at the time, the Administrative Agent may in its discretion require all Lenders to honor requests or deemed requests by the Borrowers for Loans at a time that an Overadvance Condition exists or which would result in an Overadvance Condition and each Lender shall be obligated to continue to make its Ratable Share of any such Overadvance Loan up to a maximum amount outstanding equal to its Commitment, so long as such Overadvance is not known by the Administrative Agent to exceed \$3,000,000 or to exist for more than 10 consecutive Business Days or more than 30 Business Days in any Fiscal Year.

Section 4.8 Settlement Among Lenders.

(a) Revolving Credit Loans. It is agreed that each Lender's Net Outstandings are intended by the Lenders to be equal at all times to such Lender's Ratable Share of the aggregate principal amount of all Revolving Credit Loans outstanding. Notwithstanding such agreement, the several and not joint obligation of each Lender to make its Ratable Share of Loans in accordance with the terms of this Agreement and each Lender's right to receive its Ratable Share of principal payments on Revolving Credit Loans, the Lenders agree that, in order to facilitate the administration of this Agreement and the Loan Documents, settlement among them may take place on a periodic basis in accordance with the provisions of this Section 4.8.

(b) Settlement Procedures. Settlement among the Lenders as to Base Rate Revolving Credit Loans may occur periodically on Settlement Dates determined from time to time by the Administrative Agent, which may occur before or after the occurrence or during the continuance of a Default or Event of Default and whether or not all of the conditions set forth in Section 5.2 have been met, provided each Interest Payment Date shall be a Settlement Date and a Settlement Date shall occur not less often than every fifth Business Day. Between Settlement Dates, FCC may, if requested to do so by the Administrative Agent, make non-Ratable Revolving Credit Loans and accept prepayments of principal thereon solely for its own account subject to each other Lender's obligation to purchase its Ratable Share of any such non-Ratable Loan and right to receive its Ratable Share of any net prepayment of Revolving Credit Loans. On each Settlement Date payments shall be made by or to FCC and the other Lenders in accordance with the settlement report delivered by the Administrative Agent in respect of such Settlement Date, so that as of each Settlement Date, and after giving effect to the transactions to take place on such Settlement Date, each Lender's Net Outstandings shall equal such Lender's Ratable Share of the Revolving Credit Loans.

(c) Settlement of Other Secured Obligations. All other amounts received by the Administrative Agent on account of, or applied by the Administrative Agent to the payment of, any Secured Obligation owed to the Lenders (including, without limitation, fees payable to the Lenders pursuant to Sections 4.2(b) and (d) and proceeds from the sale of, or other realization upon, all or any part of the Collateral following an Event of Default) that are received by the Administrative Agent at or prior to 1:00 p.m. on a Business Day will be paid by the Administrative Agent to each Lender on the same Business Day, and any such amounts that are received by the Administrative Agent after 1:00 p.m. will be paid by the Administrative Agent to each Lender on the following Business Day. Unless otherwise stated herein, the Administrative Agent shall distribute to each Lender such Lender's Ratable Share of fees payable to the Lenders pursuant to Sections 4.2(b) and (d) and shall distribute to each Lender such Lender's Ratable Share of the proceeds from the sale of, or other realization upon, all or any part of the Collateral following an Event of Default.

Section 4.9 Mandatory Prepayments. The Borrowers shall permanently reduce the Commitments (Ratably) by an amount equal to any amount that would otherwise constitute "Excess Proceeds" as defined in the Indenture and be required by the terms thereof to be applied to the prepayment of the Subordinated Notes. To the extent necessary to comply with the provisions of Sections 2.3(b) and 4.6(a) after giving effect to such reduction, the Borrowers shall also prepay the Loans. Any such prepayment pursuant to this Section 4.9 shall be applied first to Base Rate Loans to the extent thereof and then to LIBOR Loans. If any payments are received which result in prepayment of LIBOR Loans prior to the end of the applicable Interest Period, the Borrowers shall also pay any amounts due pursuant to Section 4.10.

Section 4.10 Payments Not at End of Interest Period; Failure to Borrow. If for any reason any payment of principal with respect to any LIBOR Loan is made on any day prior to the last day of the Interest Period applicable to such LIBOR Loan or, after having given a Notice of Borrowing with respect to

any LIBOR Loan or a Notice of Conversion or Continuation with respect to any Loan to be continued as or converted into a LIBOR Loan, such Loan is not made or is not continued as or converted into a LIBOR Loan due to the Borrowers' failure to borrow or to fulfill the applicable conditions set forth in Article 5, the Borrowers shall pay to each Lender, an amount equal to such Lender's costs and expenses incurred as a result of such failure, including in connection with obtaining deposits to fund its Ratable Share of such new (or continued or converted) Loan and redeploying such deposits. The Borrowers shall pay such amount upon presentation by the Administrative Agent of a statement setting forth the amount and the applicable Lender's calculation thereof in reasonable detail, which statement shall be deemed true and correct absent manifest error.

Section 4.11 Notice of Conversion or Continuation. Whenever the Borrowers desire, subject to the provisions of Sections 4.12 and 4.13, to convert an outstanding Loan into a Loan or Loans of a different Type or to continue all or a portion of an outstanding LIBOR Loan for a subsequent Interest Period, the Borrowers shall notify the Administrative Agent in writing (which notice shall be irrevocable) by telecopy or electronic mail not later than 1:00 p.m. on the date two Business Days before the day on which such proposed conversion or continuation is to be effective (and such effective date of any continuation shall be the last day of the Interest Period for the LIBOR Loan). Each such notice (a "Notice of Conversion or Continuation") shall (i) identify the Loan to be converted or continued, the aggregate outstanding principal balance thereof and, if a LIBOR Loan, the last day of the Interest Period applicable to such Loan, (ii) specify the effective date of such conversion or continuation, (iii) specify the principal amount of such Loan to be converted or continued and, if converted, the Type or Types into which the same is to be converted, and (iv) the Interest Period to be applicable to the LIBOR Loan as converted or continued, and shall be immediately followed by a written confirmation thereof by the Borrowers in a form acceptable to the Administrative Agent, provided that if such written confirmation differs in any respect from the action taken by the Lenders, the records of the Administrative Agent shall control absent manifest error.

Section 4.12 Conversion or Continuation. Provided that no Event of Default shall have occurred and be continuing (but subject to the provisions of Sections 4.11 and 4.13), the Borrowers may request that all or any part of any outstanding Loan be converted into a Loan or Loans of a different Type or be continued as a Loan or Loans of the same Type, in the same aggregate principal amount, on any Business Day (which, in the case of continuation of a LIBOR Loan, shall be the last day of the Interest Period applicable to such Loan), upon notice (which notice shall be irrevocable) given in accordance with Section 4.11.

Section 4.13 Duration of Interest Periods; Maximum Number of LIBOR Loans; Minimum Increments.

(a) Subject to the provisions of the definition "Interest Period," the duration of each Interest Period applicable to a LIBOR Loan shall be as specified in the applicable Notice of Borrowing or Notice of Conversion or Continuation. The Borrowers may elect a subsequent Interest Period to be applicable to any LIBOR Loan by giving a Notice of Conversion or Continuation with respect to such Loan in accordance with Section 4.11.

(b) If the Administrative Agent does not receive a notice of election in accordance with Section 4.11 with respect to the continuation of LIBOR Loan within the applicable time limits specified in said Section 4.11, or if, when such notice must be given, an Event of Default exists or such type of Loan is not available, the Borrowers shall be deemed to have elected to convert such LIBOR Loan in whole into a Base Rate Loan on the last day of the Interest Period therefor.

(c) Notwithstanding the foregoing, the Borrowers may not select an Interest Period that would end, but for the provisions of the definition "Interest Period," after the Termination Date.

(d) In no event shall there be more than seven LIBOR Loans outstanding hereunder at any time. For the purpose of this subsection (d), each Loan having a distinct Interest Period shall be deemed to be a separate Loan hereunder.

(e) Each LIBOR Loan shall be in a minimum amount of \$1,000,000 or an integral multiple of \$100,000 in excess thereof.

Section 4.14 Changed Circumstances.

(a) If the introduction of or any change in or in the interpretation of (in each case, after the date hereof) any law or regulation makes it unlawful, or any governmental authority asserts, after the date hereof, that it is unlawful, for any Lender to perform its obligations hereunder to make LIBOR

Loans or to fund or maintain LIBOR Loans hereunder, such Lender shall notify the Administrative Agent of such event and the Administrative Agent shall notify the Borrowers of such event, and the right of the Borrowers to select LIBOR Loans for any subsequent Interest Period or in connection with any subsequent conversion of any Loan shall be suspended until the Administrative Agent shall notify the Borrowers that the circumstances causing such suspension no longer exist, and the Borrowers shall forthwith prepay in full all LIBOR Loans then outstanding and shall pay all interest accrued thereon through the date of such prepayment or conversion, unless the Borrowers, within three Business Days after such notice from the Administrative Agent, request the conversion of all LIBOR Loans then outstanding into Base Rate Loans; provided, that if the date of such repayment or proposed conversion is not the last day of the Interest Period applicable to such LIBOR Loans, the Borrowers shall also pay any amount due pursuant to Section 4.10.

(b) If the Administrative Agent shall, at least one Business Day before the date of any requested Borrowing or the effective date of any conversion or continuation of an existing Loan to be made or continued as or converted into a LIBOR Loan (each such requested Borrowing made and Loan to be converted or continued, a "Pending Loan"), notify the Borrowers that the LIBOR will not adequately reflect the cost to the Lenders of making or funding such Pending Loan as a LIBOR Loan or that LIBOR is not determinable from any interest rate reporting service of recognized standing, then the right of the Borrowers to select a LIBOR Loan for such Pending Loan, any subsequent Loan or in connection with any subsequent conversion or continuation of any Loan shall be suspended until the Administrative Agent shall notify the Borrowers that the circumstances causing such suspension no longer exist, and each Pending Loan and each such subsequent Loan requested to be made, continued or converted shall be made or continued as or converted into a Base Rate Loan.

Section 4.15 Increased Capital. If any Lender shall have determined that the adoption of any applicable law, rule, regulation, guideline, directive or request (whether or not having force of law) regarding capital requirements for banks or bank holding companies, or any change therein or in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, in each case after the Agreement Date, or compliance by such Lender with any of the foregoing, imposes or increases a requirement by such Lender to allocate capital resources to such Lender's Commitment to make Loans hereunder which has or would have the effect of reducing the return on such Lender's capital to a level below that which such Lender could have achieved (taking into consideration such Lender's then existing policies with respect to capital adequacy and assuming full utilization of such Lender's capital) but for such adoption, change or compliance by any amount deemed by such Lender to be material: (i) such Lender shall promptly after its determination of such occurrence give notice thereof to the Borrower; and (ii) the Borrowers shall pay to such Lender as an additional fee from time to time on demand such amount as such Lender certifies to be the amount that will compensate it for such reduction. A certificate of such Lender claiming compensation under this Section 4.15 shall be conclusive in the absence of manifest error. Such certificate shall set forth the nature of the occurrence giving rise to such compensation, the additional amount or amounts to be paid to it hereunder and the method by which such amounts were determined. In determining such amount, such Lender may use any reasonable averaging and attribution methods.

Section 4.16 Net Payments.

(a) No Reduction for Taxes. All payments by the Borrowers hereunder to or for the benefit of any Lender or the Administrative Agent shall be made without setoff, counterclaim or other defense. Except as required by law or as provided in Section 4.16(b), all such payments will be made free and clear of, and without deduction or withholding for, any present or future taxes, levies, imposts, duties, fees, assessments, or other charges of whatever nature now or hereafter imposed by any jurisdiction or by any political subdivision or taxing authority thereof or therein with respect to such payments (excluding any tax imposed on or measured by the net income or profits of such Lender or the Administrative Agent, as the case may be together with all interest, penalties or similar liabilities with respect thereto (collectively, "Covered Taxes"). Except as provided in Section 4.16(b), if the Borrowers shall be required by law to deduct or withhold any Covered Taxes from any sum payable hereunder to any Lender or the Administrative Agent, (A) the sum payable shall be increased as may be necessary so that after making all required deductions or withholdings of Covered Taxes (including deductions or withholdings of Covered Taxes applicable to additional sums payable under this Section 4.16(a)) such Lender or the Administrative Agent, as the case may be, receives an amount equal to the sum it would have received had such deductions or withholdings not been made, (B) the Borrowers shall make such deductions or withholdings, and (C) the Borrowers shall pay the full amount so deducted or withheld to the relevant taxing authority or other authority in accordance with Applicable

Law. The Borrowers shall furnish to the Administrative Agent within 45 days after the date on which the payment of any Covered Taxes is due certified copies of tax receipts evidencing such payment by the Borrowers. Except as provided in Section 4.16(b), the Borrowers agree to indemnify and hold harmless the Lenders and the Administrative Agent and reimburse each of them, as the case may be, for the amount of any Covered Taxes that are levied against or imposed on the Lenders or the Administrative Agent and that are paid by the Lenders or the Administrative Agent, as the case may be.

(b) Foreign Lenders.

(i) Each Foreign Lender shall deliver to the Administrative Agent and the Borrowers (A) two valid, duly completed copies of IRS Form W-8BEN or Form W-8ECI or applicable successor form, as the case may be, and any other required form, certifying in each case that such Foreign Lender is entitled to receive payments under this Agreement or the Note(s) payable to it without deduction or withholding of any United States federal income taxes or, in the case of a Foreign Lender claiming exemption from withholding under Section 871(b) or 881(c) of the Code, a certificate to such effect and a valid, duly completed IRS Form W-8BEN or applicable successor form, to establish an exemption from United States backup withholding tax. Each such Foreign Lender shall also deliver to the Administrative Agent and the Borrowers such forms, or other manner of required certification, on or before the date that any such form expires or becomes obsolete or otherwise is required to be resubmitted as a condition to obtaining an exemption from a required withholding of United States federal income tax or after the occurrence of any event requiring a change in the most recent form previously delivered by it to the Borrowers and the Administrative Agent, and such extensions or renewals thereof as may reasonably be requested by the Borrowers and the Administrative Agent.

(ii) If the forms provided by a Foreign Lender under Section 4.16(b)(i) at the time such Foreign Lender first becomes a party to this Agreement indicate that such Foreign Lender is subject to a rate of United States withholding tax in excess of zero, then withholding tax at such rate shall be considered excluded from Covered Taxes unless and until such Foreign Lender provides the appropriate forms certifying that a lesser rate of withholding applies, whereupon withholding tax at such lesser rate only shall be excluded from Covered Taxes for period governed by such forms.

(iii) For any period with respect to which a Foreign Lender has failed to provide the Borrowers with the appropriate forms described in Section 4.16(b)(i), such Foreign Lender shall not be entitled to indemnification under Section 4.16(a) with respect to Covered Taxes imposed by the United States by reason of such failure.

(c) Affected Lenders. If the Borrowers are obligated to pay to any Lender any amount under Section 4.15 or this Section 4.16, the Borrowers may, if no Default or Event of Default then exists, replace such Lender with another lender acceptable to the Administrative Agent, and such Lender hereby agrees to be so replaced subject to the following:

(i) The obligations of the Borrowers hereunder to the Lender to be replaced (including such increased or additional costs incurred from the date of notice to the Borrowers of such increase or additional costs through the date such Lender is replaced hereunder) shall be paid in full to such Lender concurrently with such replacement;

(ii) The replacement Lender shall be a bank or other financial institution that is not subject to the increased costs which caused the Borrowers' election to replace any Lender hereunder, and each such replacement Lender shall execute and deliver to the Administrative Agent such documentation satisfactory to the Administrative Agent pursuant to which such replacement Lender is to become a party hereto, conforming to the provisions of Section 13.1 hereof, with a Commitment equal to that of the Lender being replaced and shall make Revolving Credit Loans in the aggregate principal amount equal to the aggregate outstanding principal amount of the Revolving Credit Loans of the Lender being replaced;

(iii) Upon such execution of such documents referred to in clause (ii) and repayment of the amounts referred to in clause (i), the replacement Lender shall be a "Lender" with a Commitment as specified hereinabove and the Lender being replaced shall cease to be a "Lender" hereunder, except with respect to indemnification provisions under this Agreement, which shall survive as to such replaced Lender;

(iv) The Administrative Agent shall reasonably cooperate in effectuating the replacement of any Lender under this Section 4.16, but at no time shall the Administrative Agent be obligated to initiate any such replacement;

(v) Any Lender replaced under this Section 4.16 shall be replaced at the Borrowers' sole cost and expense and at no cost or expense to the Administrative Agent or any of the Lenders; and

(vi) If the Borrowers propose to replace any Lender pursuant to this Section 4.16 because the Lender seeks reimbursement hereunder, then the Borrowers must also replace any other Lender who seeks similar levels of reimbursement (as a percentage of such Lender's Commitment) under such Sections.

(vii) Each Lender agrees that to the extent requested by MasTec and not inconsistent with such Lender's internal policies, such Lender shall use reasonable efforts and take such actions as are reasonably appropriate if as a result thereof the additional fees or amounts which would otherwise be required to be paid to such Lender pursuant to Section 4.14, 4.15 or 4.16 would be materially reduced, or the illegality or other adverse circumstances which would otherwise require a conversion of such Loans would cease to exist, and in each case, if as determined by such Lender in its discretion, the taking of such actions would not adversely affect such Lender or the Loans or otherwise be disadvantageous to such Lender. To the extent practicable and applicable, each Lender shall allocate such cost increases among its customers in good faith and on an equitable basis.

Section 4.17 Cash Collateral Account; Investment Accounts.

(a) Cash Collateral Account. The Borrowers shall establish a Cash Collateral Account in which to deposit Collateral consisting of cash or Cash Equivalents from time to time

(i) representing payments received pursuant to Section 2.3(c) in excess of then outstanding Loans or on account of LIBOR Loans which would otherwise result in repayment of such Loans prior to the end of the Interest Period applicable thereto,

(ii) with respect to Letter of Credit Obligations (x) at the request of the Administrative Agent upon the occurrence of an Event of Default, or (y) for the purposes set forth in Section 4.6 in the event of termination of this Agreement, or

(iii) for any other purpose as may be agreed between the Administrative Agent and the Borrowers to provide security for the Secured Obligations.

On the last day of the applicable Interest Period as to any amounts deposited to the Cash Collateral Account pursuant to clause (i) above or if a drawing under a Letter of Credit occurs with respect to any amounts deposited to the Cash Collateral Account pursuant to clause (ii) above, the Borrowers hereby authorize the Administrative Agent to use the monies deposited in the Cash Collateral Account to make payment to the payee with respect to such Loan or drawing. The Cash Collateral Account shall be in the name of MasTec and the Administrative Agent shall have sole dominion and control over, and sole access to, the Cash Collateral Account. Neither any Borrower nor any Person claiming on behalf of or through any Borrower shall have any right to withdraw any of the funds held in the Cash Collateral Account. The Borrowers agree that they will not at any time (x) sell or otherwise dispose of any interest in the Cash Collateral Account or any funds held therein or (y) create or permit to exist any Lien upon or with respect to the Cash Collateral Account or any funds held therein, except as provided in or contemplated by this Agreement. The Administrative Agent shall exercise reasonable care in the custody and preservation of any funds held in the Cash Collateral Account and shall be deemed to have exercised such care if such funds are accorded treatment substantially equivalent to that which the Administrative Agent accords other funds deposited with the Administrative Agent, it being understood that the Administrative Agent shall not have any responsibility for taking any necessary steps to preserve rights against any parties with respect to any funds held in the Cash Collateral Account. Subject to the right of the Administrative Agent to withdraw funds from the Cash Collateral Account as provided herein, the Administrative Agent will, so long as no Default or Event of Default shall have occurred and be continuing, from time to time invest funds on deposit in the Cash Collateral Account, reinvest proceeds of any such investments which may mature or be sold, and invest interest or other income received from any such investments, in each case, in Cash Equivalents, as the Borrowers may direct prior to the occurrence of a Default or Event of Default and as the Administrative Agent may select after the occurrence and during the continuance of a Default or Event of Default. Such proceeds, interest and income which are not so invested or reinvested in Cash Equivalents shall be deposited and held by the Administrative Agent in the Cash Collateral Account. The Administrative Agent makes no representation or warranty as to, and shall not be responsible for, the rate of return, if any, earned in any Cash Collateral. Any earnings on Cash Collateral shall be held as additional Cash Collateral on the terms set forth in this Section 4.17.

(b) Investment Accounts. The Borrowers may from time to time establish one or more Investment Accounts with the Administrative Agent, any Lender or any Affiliate of a Lender, for the purpose of investing in Cash Equivalents any Cash Collateral representing payments received pursuant to Section 2.3(c) in excess of then outstanding Loans or on account of LIBOR Loans which would otherwise result in repayment of such Loans prior to the end of the Interest Period applicable thereto. The Borrowers hereby acknowledge and agree that each such Investment Account shall constitute Collateral hereunder and shall be maintained with the Administrative Agent, a Lender or Affiliate of a Lender as security for the Secured Obligations. Notwithstanding the foregoing, until such time as the Administrative Agent shall otherwise instruct the Lender or the Affiliate of a Lender maintaining such account, the Borrowers shall be entitled to direct the investment of the funds deposited therein. The Borrowers agree that they will not at any time (x) sell or otherwise dispose of any interest in any Investment Account or any funds held therein other than by application thereof to any Secured Obligation, or (y) create or permit to exist any Lien upon or with respect to any Investment Account or any funds held therein, except as provided in or contemplated by this Agreement. The Borrowers agree that at any time, and from time to time, at the expense of the Borrowers, the Borrowers will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Administrative Agent or any Lender may request, in order to perfect and protect any security interest in any Investment Account granted or purported to be granted hereby or to enable the Borrowers, for their respective benefit and the benefit of the Lenders, to exercise and enforce its rights and remedies hereunder with respect to such Investment Account.

Section 4.18 Allocation of Payments from Borrowers. All monies to be applied to the Secured Obligations, whether such monies represent voluntary payments by the Borrowers or are received pursuant to demand for payment or realized from any disposition of Collateral, shall be allocated among the Administrative Agent and such of the Lenders and other holders of the Secured Obligations as are entitled thereto (and, with respect to monies allocated to the Lenders, on a Ratable basis unless otherwise provided in this Section 4.18): (i) first, to the Swingline Lender (or to any Lender to the extent such Lender has previously repaid such Loan) to pay principal and accrued interest on any portion of any Swingline Loan; (ii) second, to the Administrative Agent to pay the amount of expenses that have not been reimbursed to the Administrative Agent by the Borrowers or the Lenders, together with interest accrued thereon; (iii) third, to the Administrative Agent to pay any indemnified amount that has not been paid to the Administrative Agent by the Borrowers or the Lenders, together with interest accrued thereon; (iv) fourth, to the Administrative Agent to pay any fees due and payable to the Administrative Agent under this Agreement; (v) fifth, to the Lenders for any indemnified amount that they have paid to the Administrative Agent and for any expenses that they have reimbursed to the Administrative Agent; (vi) sixth, to the Lenders to pay any fees due and payable to the Lenders under this Agreement; (vii) seventh, in payment of (A) the unpaid principal and accrued interest in respect of the Loans and (B) any other Secured Obligations then outstanding and held by any Lender to be shared among the Lenders on a pro rata basis according to the outstanding Secured Obligations then owing to each Lender expressed as a percentage of the outstanding Secured Obligations then owing to all Lenders, or on such other basis as may be agreed upon in writing by all of the Lenders (which agreement or agreements may be entered into without notice to or the consent or approval of the Borrowers); and (viii) eighth, to the holders of the other Secured Obligations who are not Lenders on a pro rata basis. The allocations set forth in this Section 4.18 are solely to determine the rights and priorities of the Administrative Agent and the Lenders as among themselves and may be changed by the Administrative Agent and the Lenders without notice to or the consent or approval of the Borrowers or any other Person.

Section 4.19 Borrowers' Representative. MasTec shall act under this Agreement as the representative of all Borrowers, and each other Borrower hereby appoints MasTec as its representative hereunder for all purposes, including, without being limited to, requesting borrowings and receiving account statements and other notices and communications to the Borrowers (or any of them) from the Administrative Agent or any Lender. The Administrative Agent and the Lenders may rely, and shall be fully protected in relying, on any request for borrowing, disbursement instruction, report, information or any other notice or communication made or given by MasTec, whether in its own name, on behalf of any other Borrower or on behalf of "the Borrowers," and neither the Administrative Agent nor any Lender shall have any obligation to make any inquiry or request any confirmation from or on behalf of any other Borrower as to the binding effect on it of any such request, instruction, report, information, notice or communication, nor shall the joint and several character of the Borrowers' liability for the Secured Obligations be affected. The Administrative Agent and each Lender intend to maintain a single Loan Account in the name of "MasTec, Inc." hereunder and each Borrower expressly agrees to

such arrangement and confirms that such arrangement shall have no effect on the joint and several character of its liability for the Secured Obligations.

Section 4.20 Joint and Several Liability.

(a) Joint and Several Liability. The Secured Obligations shall constitute one joint and several direct and general obligation of all of the Borrowers. Notwithstanding anything to the contrary contained herein, each of the Borrowers shall be jointly and severally, with each other Borrower, directly and unconditionally liable to the Administrative Agent and the Lenders for all Secured Obligations and shall have the obligations of co-maker with respect to the Loans, the Notes, and the Secured Obligations, it being agreed that the advances to each Borrower inure to the benefit of all Borrowers, and that the Administrative Agent and the Lenders are relying on the joint and several liability of the Borrowers as co-makers in extending the Loans hereunder. Each Borrower hereby unconditionally and irrevocably agrees that upon default in the payment when due (whether at stated maturity, by acceleration or otherwise) of any principal of, or interest on, any Loan or other Secured Obligation payable to the Administrative Agent or any Lender, it will forthwith pay the same, without notice or demand.

(b) No Modification or Release of Obligations. No payment or payments made by any of the Borrowers or any other Person or received or collected by the Administrative Agent or any Lender from any of the Borrowers or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Secured Obligations shall be deemed (except to the extent Secured Obligations are satisfied) to modify, release or otherwise affect the liability of each Borrower under this Agreement, which shall remain liable for the Secured Obligations until the Secured Obligations are paid in full and the Commitments are terminated.

Section 4.21 Obligations Absolute. Each Borrower agrees that the Secured Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Administrative Agent or any Lender with respect thereto. All Secured Obligations shall be conclusively presumed to have been created in reliance hereon. The liabilities under this Agreement shall be absolute and unconditional irrespective of:

(a) any lack of validity or enforceability of any Loan Documents or any other agreement or instrument relating thereto;

(b) any change in the time, manner or place of payments of, or in any other term of, all or any part of the Secured Obligations, or any other amendment or waiver thereof or any consent to departure therefrom, including, but not limited to, any increase in the Secured Obligations resulting from the extension of additional credit to any Borrower or otherwise;

(c) any taking, exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any guaranty for all or any of the Secured Obligations;

(d) any change, restructuring or termination of the corporate structure or existence of any Borrower; or

(e) any other circumstance which might otherwise constitute a defense available to, or a discharge of, any Borrower or a guarantor.

This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Secured Obligations is rescinded or must otherwise be returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise, all as though such payment had not been made.

Section 4.22 Waiver of Suretyship Defenses. Each Borrower agrees that the joint and several liability of the Borrowers provided for in Section 4.20 shall not be impaired or affected by any modification, supplement, extension or amendment or any contract or agreement to which the other Borrowers may hereafter agree (other than an agreement signed by the Administrative Agent and the Lenders specifically releasing such liability), nor by any delay, extension of time, renewal, compromise or other indulgence granted by the Administrative Agent or any Lender with respect to any of the Secured Obligations, nor by any other agreements or arrangements whatever with the other Borrowers or with anyone else, each Borrower hereby waiving all notice of such delay, extension, release, substitution, renewal, compromise or other indulgence, and hereby consenting to be bound thereby as fully and effectually as if it had expressly agreed thereto in advance. The liability of each Borrower is direct and unconditional as to all of the Secured Obligations, and may be enforced without requiring the Administrative Agent or any Lender

first to resort to any other right, remedy or security. Each Borrower hereby expressly waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Secured Obligations, the Notes, this Agreement or any other Loan Document (other than notices expressly required in this Agreement or by any of the Loan Documents) and any requirement that the Administrative Agent or any Lender protect, secure, perfect or insure any Lien or any property subject thereto or exhaust any right or take any action against any Borrower or any other Person or any collateral, including any rights any Borrower may otherwise have under O.C.G.A.SS10-7-23 and 10-7-24.

ARTICLE 5

CONDITIONS PRECEDENT

Section 5.1 Conditions Precedent to Initial Loans. Notwithstanding any other provision of this Agreement, the Lenders shall not have any obligation to make any Loans nor shall FCC have any obligation to cause any Letter of Credit to be issued on the Effective Date unless and until the following conditions precedent are satisfied:

(a) Documents. The Administrative Agent shall have received on or before the Effective Date the following, each in form and substance satisfactory to the Administrative Agent, its special counsel and the Lenders and (except for the Notes) in sufficient copies for each Lender:

(1) Agreement. This Agreement, duly executed and delivered by the Borrowers and the other Lenders;

(2) Notes. The Notes, each dated the Effective Date and duly executed and delivered by the Borrowers;

(3) Articles, Bylaws and Resolutions. A certificate, dated the Effective Date, of the Secretary or an Assistant Secretary of each Loan Party, as to and having attached thereto copies of the articles of incorporation and by-laws and shareholder agreements of such Loan Party as in effect on the Effective Date and all corporate action, including shareholder approval, if necessary, taken by such Loan Party and/or its shareholders to authorize the execution, delivery and performance of this Agreement and the other Loan Documents to which such Loan Party is a party and, in the case of each Borrower, the Borrowings under this Agreement;

(4) Incumbency Certificates. A certificate, dated the Effective Date, of the Secretary or an Assistant Secretary of each Loan Party, as to the incumbency and specimen signatures of each of the officers of such Loan Party who is authorized to execute and deliver this Agreement or any other Loan Document on behalf of such Loan Party or any document, certificate or instrument to be delivered in connection with this Agreement or the other Loan Documents to which such Loan Party is a party and, in the case of each Borrower, to request Borrowings under this Agreement;

(5) Good Standing Certificates. A certificate as of a recent date evidencing the good standing of each Loan Party in the jurisdiction of its incorporation and in each other jurisdiction in which it is qualified as a foreign corporation to transact business;

(6) Financing Statements. The Financing Statements to be filed and evidence satisfactory to the Administrative Agent that the Financing Statements have been filed in each jurisdiction where such filing may be necessary or appropriate to perfect the Security Interest or, at the Administrative Agent's discretion, in appropriate form for such filing;

(7) Landlord's Waiver. Landlord's waiver and consent agreements duly executed on behalf of each landlord of real property on which any material Collateral is located as requested by the Administrative Agent, that is not included in the Rent Reserve;

(8) Schedules of Inventory and Accounts. A summary Schedule of Inventory and a Schedule of Accounts, each prepared as of November 30, 2001;

(9) Insurance Coverage. Certificates or binders of insurance relating to each of the policies of insurance covering any of the Collateral together with loss payable clauses which comply with the terms of Section 8.8(b);

(10) Borrowing Base Certificate. A Borrowing Base Certificate prepared as of November 30, 2001, duly executed and delivered by the Financial Officer demonstrating Availability of not less than \$22,500,000, after giving effect to the Loans to be made on the Effective Date and any transactions contemplated by this Agreement to occur on or before the Effective Date;

(11) Notice of Borrowing. The Initial Notice of Borrowing dated the Effective Date from the Borrowers to the Administrative Agent requesting the Loans to be made on the Effective Date and specifying the method of disbursement;

(12) Financial Statements. Copies of all the financial statements referred to in Section 6.1(n) and meeting the requirements thereof;

(13) Officer's Certificate. A certificate of the President or a Vice President of MasTec stating that, to the best of his or her knowledge and based on an examination sufficient to enable him or her to make an informed statement, (a) all of the representations and warranties made or deemed to be made under this Agreement are true and correct as of the Effective Date, both with and without giving effect to the Loans to be made on the Effective Date and the application of the proceeds thereof, and (b) as of the Effective Date, no Default or Event of Default exists;

(14) Appraisal. An appraisal of the value of the Equipment of the Loan Parties, satisfactory to the Administrative Agent;

(15) Subordinated Notes. Evidence satisfactory to the Administrative Agent (which may be a legal opinion) that the Secured Obligations will constitute "Designated Senior Debt" for purposes of and as defined in the Indenture;

(16) Factual Certificate. A certification from an appropriate officer of each Borrower as to such factual matters as shall be required by the Administrative Agent;

(17) Payoff Letter. A payoff letter with respect to the obligations outstanding under and the commitments under the Existing Loan Agreement and confirming, among other things, the absence of permanent reductions in the facility available thereunder;

(18) Intercreditor Agreement. An intercreditor agreement duly executed and delivered by Liberty Mutual Bond Services, Inc. (and any other surety) and MasTec, or other evidence satisfactory to the Administrative Agent that no issuer of surety bonds for the account of any Loan Party claims a Lien on property of any Loan Party other than the bonded contract, proceeds thereof and materials used in performance of such bonded contract;

(19) Mortgages. Mortgages, encumbering the Real Estate located at 3155 N.W. 77th Avenue, Miami, Florida, 209 Art Bryan Drive, Asheboro, North Carolina, and Highway #2 East, Shevlin, Minnesota;

(20) Title Certificates. An appropriate officer or senior employee of MasTec, acceptable to the Administrative Agent, shall have entered into a limited agency agreement with the Administrative Agent in respect of all title certificates, in form and substance satisfactory to the Administrative Agent, and the Administrative Agent shall be satisfied that certificates of title for all Equipment Collateral for which certificates of title have been issued, are physically assembled in MasTec's office in Ft. Myers, Florida;

(21) Other Loan Documents. Copies of each of the other Loan Documents, including, without being limited to, Pledge Agreements, dated the Effective Date, duly executed by the parties thereto with evidence satisfactory to the Administrative Agent and its counsel of the due authorization, binding effect and enforceability of each such Loan Document on each such party and such other documents and instruments as the Administrative Agent may reasonably request;

(22) Legal Opinions. Opinions dated the Effective Date of each of Jose Sariego, Esquire, General Counsel of MasTec, Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A. and Powell Goldstein Frazer & Murphy, LLP special counsel for the Borrowers, and of such other counsel, including local counsel, as the Administrative Agent shall reasonably deem necessary or desirable, opining as to such matters in connection with this Agreement, including, without being limited to, its enforceability under the laws of the State of Georgia as the Administrative Agent or its counsel may reasonably request;

(23) Fees. The Administrative Agent shall have received from the Borrowers all of the fees payable on the Effective Date referred to herein; and

(24) Priority. The Administrative Agent shall have received satisfactory evidence that the Administrative Agent (for the benefit of Lenders) has a valid and perfected first priority security interest as of such date in all of the Collateral, subject only to Permitted Liens.

(25) Other. The Administrative Agent shall have received such other certificates, instruments, agreements and other documents as the Administrative

Agent may reasonably have requested;

(b) Litigation. The Administrative Agent shall have received evidence satisfactory to it that no action, proceeding, investigation, regulation or legislation, shall have been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of, this Agreement, or the consummation of the transactions contemplated hereby, or which may otherwise have a Materially Adverse Effect.

(c) Capital Structure. The Administrative Agent shall be satisfied in its reasonable credit judgment with the capital structure of MasTec and its Consolidated Subsidiaries as described in this Agreement and the Forecasts, including the terms and conditions of Debt, after giving effect to the initial Loans hereunder and the application of the proceeds thereof.

(d) No Material Adverse Change. There shall not have occurred any event or series of events or circumstances or group of circumstances which individually or in the aggregate, in the reasonable credit judgment of the Administrative Agent, would have a Materially Adverse Effect.

Section 5.2 All Loans; Letters of Credit. The obligation of the Lenders to make (but not to continue or convert any outstanding Loan, which shall be subject to the provisions of Section 4.12) any Loan hereunder, including any Loans to be made on the Effective Date and all subsequent Loans, and of FCC to cause the issuance of any Letter of Credit are further subject to the following:

(a) at such time, both with and without giving effect to the Loans to be made at such time and the application of the proceeds thereof or the Letter of Credit Guarantee to be issued, no Default or Event of Default exist, and the representatives and warranties of the Loan Parties set forth herein and in the other Loan Documents are true and correct in all material respects and

(b) the corporate actions of the Loan Parties referred to in Section 5.1(a)(3) shall remain in full force and effect and the incumbency of officers shall be as stated in the certificates of incumbency delivered pursuant to Section 5.1(a)(4) or as subsequently modified and reflected in a certificate of incumbency delivered to the Administrative Agent.

Each request or deemed request for any Borrowing or other advance or submission of any request for any Letter of Credit hereunder shall be deemed to be a certification by the Borrowers to the Administrative Agent and the Lenders as to the matters set forth in Section 5.2(a) and (b) and the Administrative Agent and the Lenders may, without waiving either condition, consider the conditions specified in Sections 5.2(a) and (b) fulfilled and a representation by the Borrowers to such effect made, if no written notice to the contrary is received by the Administrative Agent prior to the making of the Loan then to be made or the issuance of the Letter of Credit so requested.

Section 5.3 Mortgages; Title Certificates.

(a) On or before 60 days after the Effective Date, the applicable Loan Parties shall deliver to the Administrative Agent Mortgages encumbering the Real Estate described in column 2 on Annex D and unless previously sold, as soon thereafter as practicable but in no event later than 120 days after the Effective Date, Mortgages encumbering the Real Estate described in column 3 on Annex D, duly executed and delivered by each such Loan Party and evidencing the recording of each such instrument in the appropriate jurisdiction for the recording thereof on the Real Estate subject thereto or, in the Administrative Agent's discretion, in proper form for recording in such jurisdiction.

(b) In respect of the Mortgages referred to in Section 5.1(a)(19), the applicable Loan Parties shall deliver to the Administrative Agent, on or before 60 days after the Effective Date,

(i) one or more fully paid mortgagee title insurance policies or, in the Administrative Agent's discretion, unconditional commitments for the issuance thereof with all requirements and conditions to the issuance of the final policy deleted or marked satisfied, issued by a title insurance company satisfactory to the Administrative Agent, each in an amount equal to not less than the fair market value of the Real Estate subject to the Mortgage insured thereby, insuring that such Mortgage creates a valid first lien on, or security title to, all Real Estate described therein, with no survey exceptions and no other exceptions which the Administrative Agent shall not have approved in writing; and

(ii) such materials and information concerning the Real Estate encumbered by such Mortgages as the Administrative Agent may reasonably require, including, without limitation, (A) current and accurate surveys, certified to the Administrative Agent and showing the location of any "special

flood hazard areas" thereon, (B) zoning letters as to the zoning status of the Real Estate, (C) certificates of occupancy covering the Real Estate or evidence satisfactory to the Administrative Agent that they cannot be obtained, and (D) owner's affidavits as to such matters relating to the Real Estate as the Administrative Agent or the issuer of title insurance may request.

(c) On or before 60 days after the Effective Date, the Loan Parties shall have obtained Title Certificates in respect of all of the Loan Parties' motor vehicles, trailers and other property for which a certificate of title has been issued or, at the Administrative Agent's discretion, shall have delivered such certificates of title to the Administrative Agent together with applications to reissue the same with the Security Interest noted thereon, duly executed by the appropriate Loan Party and in form for submission to the applicable Governmental Authority.

Section 5.4 Conditions as Covenants. In the event that the Lenders permit this Agreement to become effective and make any Loans on the Effective Date or permit FCC to issue a Letter of Credit Guarantee prior to the satisfaction of all conditions precedent set forth in Section 5.1, and such conditions are not waived in writing by the Administrative Agent, the Borrowers shall nevertheless cause such condition or conditions to be satisfied within 30 days after the making of such Loans or the issuance of such Letter of Credit Guarantee.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF BORROWERS

Section 6.1 Representations and Warranties. The Borrowers represent and warrant to the Administrative Agent and to the Lenders as follows:

(a) Organization; Power; Qualification. Each Borrower and each of its Subsidiaries is a corporation or limited liability company, duly organized, validly existing and in good standing under the laws of its jurisdiction of organization, having the power and authority to own its properties and to carry on its business as now being and hereafter proposed to be conducted and is duly qualified and authorized to do business in each jurisdiction in which the failure to be so qualified could reasonably be expected to have a Materially Adverse Effect. The jurisdictions in which each of the Borrowers and each of their respective Subsidiaries is qualified to do business as foreign entities are listed on Schedule 6.1(a).

(b) Capitalization; Shareholder Agreements. The outstanding capital stock of the Borrowers has been duly and validly issued and is fully paid and nonassessable, and the number and owners of such shares of capital stock of the Borrowers, other than MasTec, are set forth on Schedule 6.1(b). Except as set forth on Schedule 6.1(b), (1) no individual or "group" (within the meaning of SS13d of the Securities Exchange Act of 1934, as amended, and SEC regulations thereunder) owns 5% or more of MasTec's issued and outstanding common stock, (2) the issuance and sale of the Borrowers' capital stock have been registered or qualified under applicable federal and state securities laws or are exempt therefrom, and (3) there are no shareholders or members agreements, options, subscription agreements or other agreements or understandings to which any Borrower is a party in effect with respect to the capital stock of a Borrower, including, without limitation, agreements providing for special voting requirements or arrangements for approval of such Borrower's actions or other matters relating to corporate governance or restrictions on share or member interest transfer or providing for the issuance of any securities convertible into shares of the capital stock of or member interests in any Borrower, any warrants or other rights to acquire any shares or member interests or securities convertible into such shares or member interests, or any agreement that obligates a Borrower, either by its terms or at the election of any other Person, to repurchase such shares or member interests under any circumstances.

(c) Subsidiaries. Schedule 6.1(c) correctly sets forth the name of each Subsidiary of any Borrower, its jurisdiction of organization, the name of its immediate parent or parents, and the percentage of its issued and outstanding securities owned by the Borrowers or any other Subsidiary of any Borrower. Except as set forth on Schedule 6.1(c),

(i) no Subsidiary has issued any securities convertible into shares of such Subsidiary's capital stock or member interests or any options, warrants or other rights to acquire any shares or securities convertible into such shares or member interests,

(ii) the outstanding stock and securities of or member interests in each Subsidiary are owned by a Borrower or a Wholly Owned Subsidiary of a Borrower, or by a Borrower and one or more of its Wholly Owned Subsidiaries, free and clear of all Liens, warrants, options and rights of others of any

kind whatsoever, and

(iii) no Borrower has any Subsidiaries.

The outstanding capital stock of each Subsidiary that is a corporation has been duly and validly issued and is fully paid and nonassessable by the issuer, and the number and owners of the shares of such capital stock are set forth on Schedule 6.1(c). Each member of a Borrower that is a limited liability company and such member's percentage interest in the equity of such Borrower are set forth on Schedule 6.1(c).

(d) Authorization of Agreement, Notes, Loan Documents and Borrowing. Each Loan Party has the right and power, and has taken all necessary action to authorize it, to execute, deliver and perform this Agreement and each of the Loan Documents to which it is a party in accordance with their respective terms. This Agreement and each of the Loan Documents have been duly executed and delivered by the duly authorized officers of each Loan Party and each is, or when executed and delivered in accordance with this Agreement will be, a legal, valid and binding obligation of each such Loan Party, enforceable in accordance with its terms.

(e) Compliance of Agreement, Notes, Loan Documents and Borrowing with Laws, Etc. Except as set forth on Schedule 6.1(e), the execution, delivery and performance of this Agreement and each of the Loan Documents in accordance with their respective terms and the borrowings hereunder do not and will not, by the passage of time, the giving of notice or otherwise,

(i) require any Governmental Approval or violate any Applicable Law relating to a Borrower or any of its Subsidiaries,

(ii) conflict with, result in a breach of or constitute a default under the articles or certificate of incorporation, by-laws or any shareholders' agreement of a Borrower or any of its Subsidiaries,

(iii) conflict with, result in a breach of or constitute a default under any material provisions of any indenture, agreement or other instrument to which a Borrower or any of its Subsidiaries is a party or by which a Borrower, any of its Subsidiaries or any of any Borrower's or such Subsidiaries' property may be bound or any Governmental Approval relating to a Borrower or any of its Subsidiaries, or

(iv) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by any Loan Party other than the Security Interest.

(f) Business. Each Borrower and each Subsidiary is engaged in the business described on Schedule 6.1(f).

(g) Compliance with Law; Governmental Approvals. Except as set forth in Schedule 6.1(g), each Borrower and each of its Subsidiaries

(i) has all Governmental Approvals, including permits relating to federal, state and local Environmental Laws, ordinances and regulations, required by any Applicable Law for it to conduct its business, each of which is in full force and effect, is final and not subject to review on appeal and is not the subject of any pending or, to the knowledge of any Borrower, threatened attack by direct or collateral proceeding, and

(ii) is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws relating to it, including, without being limited to, all Environmental Laws and all occupational health and safety laws applicable to any Borrower, any of its Subsidiaries or their respective properties, except for instances of noncompliance which would not, singly or in the aggregate, cause a Default or Event of Default or have a Materially Adverse Effect and in respect of which appropriate reserves have been established.

(h) Title to Properties. Except as set forth in Schedule 6.1(h), each Borrower and each of the Subsidiaries has valid and legal title to or leasehold interest in all personal property, Real Estate and other assets used in its business, including, but not limited to, those reflected on the most recent balance sheet of the Borrowers delivered pursuant to Section 6.1(n).

(i) Liens. Except as set forth in Schedule 6.1(i), none of the properties and assets of any Borrower or any Subsidiary is subject to any Lien, except Permitted Liens. Other than the Financing Statements, no financing statement under the UCC of any State or other instrument evidencing a Lien which names a Borrower or any Subsidiary as debtor has been filed (and has not been terminated) in any State or other jurisdiction, and neither any Borrower nor any Subsidiary has signed any such financing statement or other instrument (which financing statement or other instrument has not been

terminated) or any security agreement (which security agreement has not been terminated) authorizing any secured party thereunder to file any such financing statement or instrument, except to perfect those Liens listed on Schedule 6.1(i).

(j) Indebtedness and Guarantees. Schedule 6.1(j) is a complete and correct listing of all (i) Debt and (ii) Guarantees of each Borrower and each of its Subsidiaries. Each Borrower and each of its Subsidiaries has performed and is in compliance in all material respects with all of the terms of such Debt and Guarantees and all instruments and agreements relating thereto, and no default or event of default, or event or condition which with notice or lapse of time, or both, would constitute such a default or event of default, exists with respect to any such Debt or Guaranty.

(k) Litigation. Except as set forth on Schedule 6.1(k), as of the Effective Date there are no actions, suits or proceedings pending (nor, to the knowledge of any Borrower, are there any actions, suits or proceedings threatened, or any reasonable basis therefor) against or in any other way relating to or affecting a Borrower or its Subsidiaries or any of their respective properties in any court or before any arbitrator of any kind or before or by any governmental body, except actions, suits or proceedings of the character normally incident to the kind of business conducted by the Borrowers and their Subsidiaries which, if adversely determined, would not singly or in the aggregate have a Materially Adverse Effect, and there are no strikes or walkouts in progress, pending or contemplated relating to any labor contracts to which a Borrower or any of its Subsidiaries is a party, relating to any labor contracts being negotiated, or otherwise.

(l) Tax Returns and Payments. Except as set forth on Schedule 6.1(l), all United States federal, state and local as well as foreign national, provincial and local and other tax returns of each Borrower and each of its Subsidiaries required by Applicable Law to be filed have been duly filed, and all United States federal, state and local and foreign national, provincial and local and other taxes, assessments and other governmental charges or levies upon a Borrower or any of its Subsidiaries or their respective property, income, profits and assets which are due and payable have been paid, except any such nonpayment which is at the time permitted under Section 9.6. The charges, accruals and reserves on the books of the Borrowers and each Subsidiary as of the Effective Date in respect of United States federal, state and local and foreign national, provincial and local taxes for all fiscal years and portions thereof since January 1, 1994 are in the judgment of the Borrowers adequate, and the Borrowers know of no reason to anticipate any additional assessments for any of such years which, singly or in the aggregate, might have a Materially Adverse Effect.

(m) Burdensome Provisions. Except as set forth on Schedule 6.1(m), neither Borrower nor any Subsidiary is a party to any indenture, agreement, lease or other instrument, or subject to any charter or corporate restriction, Governmental Approval or Applicable Law compliance with the terms of which is reasonably likely to have a Materially Adverse Effect.

(n) Financial Statements.

(i) The Borrowers have furnished to the Administrative Agent and the Lenders copies of MasTec's (A) audited consolidated balance sheet as at December 31, 2000 and the related audited consolidated statements of income, cash flow and shareholders equity for the Fiscal Year then ended and (B) unaudited consolidated balance sheets as at November 30, 2001 and the related consolidated statements of income and cash flows for the one-month and eleven-month periods then ended and the unaudited consolidating balance sheets and related unaudited consolidating statements of income and cash flows for MasTec's NAOperations (in the aggregate) and for MasTec Brazil and all other Subsidiaries taken together for the same periods, which financial statements present fairly and in all material respects in accordance with GAAP the financial positions of MasTec and its Consolidated Subsidiaries and MasTec's NAOperations as at their respective dates, and the results of operations of MasTec and its Consolidated Subsidiaries and MasTec's NAOperations for the periods then ended (except, in the case of the interim statements, for the omission of notes and subject to normal year-end audit adjustments).

(ii) Except as set forth on Schedule 6.1(n) or as disclosed or reflected in the financial statements described in clause (i) above, MasTec and its Subsidiaries, taken as a whole, have no material liabilities, contingent or otherwise.

(iii) The Borrowers have furnished to the Administrative Agent and the Lenders copies of MasTec's forecasts for 2001-2006, prepared on a quarterly basis for the last Fiscal Quarter of 2001 and for Fiscal Year 2002 and on an annual basis thereafter (the "Forecasts"), together with a statement of the assumptions on which such forecasts are based. The Forecasts

reflect MasTec's good faith estimate of the consolidated financial position and results of North American operations of MasTec and its Consolidated Subsidiaries over the forecast periods and were prepared on a reasonable basis provided that the Forecasts are subject to the assumptions on which they are based, as well as to a number of risks and uncertainties, including that the Borrowers' revenue may differ from that projected, that the Borrowers may be adversely affected by slowdowns in the Borrowers' clients' businesses or deterioration in the Borrowers' clients' financial condition, that the Borrowers' reserves may be inadequate or the Borrowers' equity investments may be impaired, that the Borrowers may experience increased costs associated with realigning the Borrowers' business or may be unsuccessful in those efforts. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual results may differ significantly from results expressed or implied in the Forecasts.

(o) Adverse Change. Since the date of the latest financial statements referred to in Section 6.1(n)(i),

(i) no material adverse change has occurred in the business, assets, liabilities, financial condition, results of operations or business prospects of MasTec, the other Borrowers and their respective Subsidiaries taken as a whole, and

(ii) no event has occurred or failed to occur which has had, or may have, singly or in the aggregate, a Materially Adverse Effect.

(p) ERISA. Neither any Borrower nor any Related Company maintains or contributes to any Benefit Plan other than those listed on Schedule 6.1(p). Except as set forth on Schedule 6.1(p), and subject to correction of possible Remediable Defects, each Benefit Plan is in substantial compliance with ERISA and the Code, including but not limited to those provisions thereof relating to reporting and disclosure, and neither any Borrower nor any Related Company has received any notice asserting that a Benefit Plan is not in compliance with ERISA. No material liability to the PBGC or to a Multiemployer Plan has been, or is expected to be, incurred by any Borrower or any Related Company. Except as set forth on Schedule 6.1(p), and subject to correction of possible Remediable Defects, each Benefit Plan intended to qualify under Section 401(a) of the Code so qualifies and any related trust is exempt from federal income tax under Section 501(a) of the Code. A favorable determination letter from the IRS (if required) has been issued or applied for with respect to each such plan and trust and nothing that is not a Remediable Defect has occurred since the date of such determination letter that would adversely affect such qualification or tax-exempt status. No Benefit Plan subject to the minimum funding standards of the Code has failed to meet such standards. Neither the Borrower or any Related Company has transferred any pension plan liability in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA. Except as set forth on Schedule 6.1(p), neither any Borrower nor any Related Company has any liability, actual or contingent, with respect to any Benefit Plan other than to make payments to the Benefit Plan in accordance with its terms, and there are no pending or threatened claims against a Benefit Plan. No non-exempt prohibited transaction with the meaning of Section 4975 of the Code or Section 406 of ERISA has occurred with respect to a Benefit Plan. Except under plans listed on Schedule 6.1(p), no employee or former employee of any Borrower or any Related Company is or may become entitled to any benefit under a Benefit Plan that is a "welfare plan" within the meaning of Section 3(1) of ERISA following such employee's termination of employment. Except as set forth on Schedule 6.1(p), each such welfare plan that is a group health plan has been operated in compliance in all material respects with the provision of Section 4980B of the Code and Sections 601-609 of ERISA and any applicable provisions of state law that are similar.

(q) Absence of Defaults. No Borrower nor any Subsidiary is in default under its articles or certificate of incorporation or by-laws and no event has occurred, which has not been remedied, cured or waived,

(i) which constitutes a Default or an Event of Default, or

(ii) which constitutes, or which with the passage of time or giving of notice, or both, would constitute, a default or event of default by a Borrower or any of its Subsidiaries under any material agreement (other than this Agreement) or judgment, decree or order to which such Borrower or any of its Subsidiaries is a party or by which such Borrower, any of its Subsidiaries or any of such Borrower's or any of its Subsidiaries' properties may be bound or which would require a Borrower or any Subsidiary to make any payment under any thereof prior to the scheduled maturity date therefor, except, in the case only of any such agreement, for alleged defaults which are being contested in good faith by appropriate proceedings and with respect to which reserves in respect of a Borrower's or such Subsidiary's reasonably anticipated liability have been established on the appropriate books or which could not reasonably be expected to have a Materially Adverse Effect.

(r) Accuracy and Completeness of Information.

(i) As of the Effective Date, no fact is known to the Borrowers (other than as reflected in EBITDA Adjustment Amounts) which has had, or is reasonably likely in the future to have (so far as the Borrowers can reasonably foresee), a Materially Adverse Effect which has not been set forth in the financial statements or disclosure delivered to the Administrative Agent and the Lenders prior to the Effective Date. No document furnished or written statement made to the Administrative Agent or any Lender by the Borrowers (or any of them) prior to the Agreement Date, in connection with the negotiation, preparation or execution of this Agreement or any of the Loan Documents contained, except to the extent corrected or superseded prior to the Agreement Date, any untrue statement of a fact material to the creditworthiness of a Borrower or omitted to state a material fact necessary in order to make the statements contained therein not misleading.

(ii) The Borrowers have no reason to believe that any document furnished or written statement made to the Administrative Agent or any Lender prior to the Agreement Date by any Person other than the Borrowers in connection with the negotiation, preparation or execution of this Agreement or any of the Loan Documents contained any incorrect statement of a material fact or omitted to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, that has not been corrected or superseded prior to the Effective Date.

(s) Solvency. In each case after giving effect to the Debt represented by the Loans to be incurred and the transactions contemplated by this Agreement, each Borrower and each of its Subsidiaries is solvent, having assets of a fair salable value which exceeds the amount required to pay its debts as they become absolute and matured (including contingent, subordinated, unmatured and unliquidated liabilities), and each Borrower and each of its Subsidiaries is able to and anticipates that it will be able to meet its debts as they mature and has adequate capital to conduct the business in which it is or proposes to be engaged.

(t) Accounts.

(i) Status.

(1) Each Account reflected in the computations included in any Borrowing Base Certificate meets the criteria enumerated in clauses (a) through (p) of the definition "Eligible Accounts," except as disclosed in such Borrowing Base Certificate or as disclosed in a timely manner in a subsequent Borrowing Base Certificate or otherwise in writing to the Administrative Agent.

(2) No Borrower has any knowledge of any fact or circumstance not disclosed to the Administrative Agent in a Borrowing Base Certificate or otherwise in writing which would impair the validity or collectibility of any Account of \$500,000 or more or of Accounts which (regardless of the individual amount thereof) aggregate \$1,000,000 or more.

(ii) Chief Executive Office. The chief executive office of each Borrower and the books and records relating to the Accounts are located on the Effective Date at the address or addresses set forth on Schedule 6.1(t).

(u) Inventory and Equipment.

(i) Condition of Inventory. All Inventory: (i) is owned by a Loan Party, is subject to the Security Interest which is perfected as to such Inventory, and is not subject to any other Lien whatsoever other than a Permitted Lien; (ii) is in good condition and meets in all material respects the standards applicable to such goods, their use or sale imposed by any governmental agency, or department or division thereof, having regulatory authority over such matters; and (iii) is currently either usable or saleable, at prices approximating at least the cost thereof, in the normal course of the applicable Loan Party's business except to the extent reserved against in the financial statements referred to in Section 6.1(n).

(ii) Condition of Equipment. All Equipment is in good condition, ordinary wear and tear excepted, other than obsolete equipment no longer used or useful in the business of the Borrowers or MasTec's NA Operations.

(iii) Location. All Inventory and Equipment, other than Inventory and Equipment having a value not greater than \$500,000 in total, is in the possession and control of a Loan Party within the continental United States at an address listed on Schedule 6.1(u).

(v) Corporate and Fictitious Names. Except as otherwise disclosed on Schedule 6.1(v), during the five-year period preceding the Agreement

Date, neither any Borrower nor any predecessor thereof has been known as or used any corporate or fictitious name other than the registered name of such Borrower on the Effective Date.

(w) Federal Reserve Regulations. Neither any Borrower nor any of its Subsidiaries is engaged, principally or as one of its important activities, in the business of extending credit for the purpose of "purchasing" or "carrying" any "Margin Stock" (as each of the quoted terms is defined or used in Regulation U of the Board of Governors of the Federal Reserve System).

(x) Investment Company Act. No Borrower is an "investment company" or a company "controlled" by an "investment company" (as each of the quoted terms is defined or used in the Investment Company Act of 1940, as amended).

(y) Employee Relations. None of the Borrowers or their Subsidiaries is, except as set forth on Schedule 6.1(y), party to any collective bargaining agreement nor has any labor union been recognized as the representative of a Borrower's or any of its Subsidiaries' employees, and the Borrowers know of no pending, threatened or contemplated strikes, or of any work stoppage or other labor dispute involving a Borrower's or any Subsidiary's employees that could reasonably be expected to have a Materially Adverse Effect.

(z) Proprietary Rights. Each Borrower owns or has the right to use all Proprietary Rights necessary or desirable in the conduct of its business as conducted on the Agreement Date and as expected on the Agreement Date to be conducted in the future. All federally registered Trademarks, Patents and Copyrights of any Loan Party are listed on Schedule 6.1(z). To the best of the Borrowers' knowledge, none of such Proprietary Rights infringes on or conflicts with any other Person's property, and no other Person's property infringes on or conflicts with the Proprietary Rights.

(aa) Trade Names. All trade names or styles under which any Loan Party sells Inventory or creates Accounts, or to which instruments in payment of Accounts are made payable, all as of the Effective Date, are listed on Schedule 6.1(aa).

(bb) Bank Accounts. Attached hereto as Schedule 6.1(bb) is a complete and correct list of all checking accounts, depository accounts, special deposit accounts and other accounts maintained by any Borrower or Subsidiary with any commercial bank or savings bank as of the Effective Date and each such account (except any account indicated by an asterisk (*)) is subject to a Control Agreement.

(cc) Real Property. No Borrower nor any Subsidiary owns any Real Estate nor leases any Real Estate other than that described on Schedule 6.1(dd).

Section 6.2 Survival of Representations and Warranties, Etc. All representations and warranties set forth in this Article 6 and all statements contained in any certificate, financial statement, or other instrument, delivered by or on behalf of the Borrowers pursuant to or in connection with this Agreement or any of the Loan Documents (including, but not limited to, any such representation, warranty or statement made in or in connection with any amendment thereto) shall constitute representations and warranties made under this Agreement. All representations and warranties made under this Agreement shall be made or deemed to be made at and as of the Agreement Date at and as of the Effective Date, and as provided in Section 5.2, except that representations and warranties which, by their terms are applicable only to one such date shall be deemed to be made only at and as of such date. All representations and warranties made or deemed to be made under this Agreement shall survive and not be waived by the execution and delivery of this Agreement, any investigation made by or on behalf of the Administrative Agent or any Lender or any borrowing hereunder.

ARTICLE 7

SECURITY INTEREST

Section 7.1 Security Interest.

(a) Each Borrower hereby mortgages, pledges and assigns all of the Collateral to the Administrative Agent, for the benefit of itself as Administrative Agent, the Lenders and Affiliates of the Lenders, and grants to the Administrative Agent, for the benefit of itself as Administrative Agent, the Lenders and Affiliates of the Lenders, a continuing security interest in, and a continuing Lien upon, all of the Collateral as security for the payment, observance and performance of the Secured Obligations.

(b) As additional security for all of the Secured Obligations, the Borrowers grant to the Administrative Agent, for the benefit of itself as Administrative Agent, the Lenders and Affiliates of the Lenders, a security

interest in, and assigns to the Administrative Agent, for the benefit of itself as Administrative Agent and the Lenders and Affiliates of the Lenders, all of the Borrowers' right, title and interest in and to, any deposits or other sums at any time credited by or due from each Lender and each Affiliate of a Lender to a Borrower, or credited by or due from any participant of any Lender to a Borrower, with the same rights therein as if the deposits or other sums were credited by or due from such Lender. Each Borrower hereby authorizes each Lender and each Affiliate of such Lender and each participant to pay or deliver to the Administrative Agent, for the account of the Lenders, without any necessity on the Administrative Agent's or any Lender's part to resort to other security or sources of reimbursement for the Secured Obligations, at any time during the continuation of any Event of Default or in the event that the Administrative Agent, on behalf of the Lenders, should make demand for payment hereunder in accordance with the terms hereof, then and without further notice to any Borrower (such notice being expressly waived), any of the aforesaid deposits (general or special, time or demand, provisional or final) or other sums for application to any Secured Obligation, irrespective of whether any demand has been made or whether such Secured Obligation is mature, and the rights given the Administrative Agent, the Lenders, their Affiliates and participants hereunder are cumulative with such Person's other rights and remedies, including other rights of set-off. The Administrative Agent will promptly notify the Borrowers of its receipt of any such funds for application to the Secured Obligations, but failure to do so will not affect the validity or enforceability thereof. The Administrative Agent may give notice of the above grant of a security interest in and assignment of the aforesaid deposits and other sums, and authorization, to, and make any suitable arrangements with, any Lender, any such Affiliate of any Lender or participant for effectuation thereof, and each Borrower hereby irrevocably appoints the Administrative Agent as its attorney to collect any and all such deposits or other sums to the extent any such payment is not made to the Administrative Agent or any Lender by such Lender, Affiliate or participant.

Section 7.2 Continued Priority of Security Interest.

(a) The Security Interest granted by the Borrowers shall at all times be valid, perfected and enforceable against each Borrower and all third parties in accordance with the terms of this Agreement, as security for the Secured Obligations, and the Collateral shall not at any time be subject to any Liens that are prior to, on a parity with or junior to the Security Interest, other than Permitted Liens.

(b) The Borrowers shall, at their sole cost and expense, take all action that may be necessary or desirable, or that the Administrative Agent may reasonably request, so as at all times to maintain the validity, perfection, enforceability and rank of the Security Interest in the Collateral in conformity with the requirements of Section 7.2(a), or to enable the Administrative Agent and the Lenders to exercise or enforce their rights hereunder, including, but not limited to:

(i) paying all taxes, assessments and other claims lawfully levied or assessed on any of the Collateral, except to the extent that such taxes, assessments and other claims constitute Permitted Liens,

(ii) using all reasonable efforts to obtain, after the Agreement Date, landlords', mortgagees', bailees', warehousemen's or processors' releases, subordinations or waivers and mechanics' releases, subordinations or waivers,

(iii) delivering to the Administrative Agent, for the benefit of the Lenders, endorsed or accompanied by such instruments of assignment as the Administrative Agent may specify, and stamping or marking, in such manner as the Administrative Agent may specify, any and all chattel paper, instruments, letters and advices of guaranty and documents evidencing or forming a part of the Collateral, and

(iv) executing and delivering financing statements, pledges, designations, hypothecations, notices and assignments in each case in form and substance satisfactory to the Administrative Agent relating to the creation, validity, perfection, maintenance or continuation of the Security Interest under the UCC or other Applicable Law.

(c) The Administrative Agent is hereby authorized to file one or more financing or continuation statements or amendments thereto for any purpose described in Section 7.2(b), including, without being limited to, any financing statement describing the collateral as "all assets."

(d) Each Borrower shall mark its books and records as directed by the Administrative Agent and as may be necessary or appropriate to evidence, protect and perfect the Security Interest and shall cause its financial statements to reflect the Security Interest.

ARTICLE 8

COLLATERAL COVENANTS

Each Borrower covenants and agrees that until the Commitments have been terminated and all the Secured Obligations have been paid in full, unless the Lenders shall otherwise consent in the manner provided in Section 15.9:

Section 8.1 Collection of Accounts.

(a) The Borrowers will and will cause each other Loan Party to cause all monies, checks, notes, drafts and other payments relating to or constituting proceeds of trade accounts receivable, other Accounts and other Collateral to be deposited in a Controlled Account in accordance with the procedures set out in the corresponding Control Agreement. In particular, each Borrower will and will cause each other Loan Party to advise each Account Debtor that makes payment to such Borrower or other Loan Party by wire transfer, ACH Transfer or similar means to make payment directly to a Controlled Account.

(b) Without limiting the ability of the Administrative Agent and the Lenders to exercise other rights and remedies hereunder, all of the Loan Parties shall have established with a Clearing Bank, Lockboxes to which monies, checks, notes, drafts and other payments relating to or constituting proceeds of Collateral shall be sent and each Borrower will and will cause each other Loan Party to:

(i) advise each Account Debtor on trade accounts receivable that does not make payments directly to a Controlled Account to address all remittances with respect to amounts payable on account thereof to a specified Lockbox, and

(ii) stamp all invoices relating to trade accounts receivable with a legend satisfactory to the Administrative Agent indicating that payment is to be made to such Borrower or other Loan Party via a specified Lockbox.

(c) The Borrowers and the Administrative Agent shall cause all collected balances in each Controlled Account to be transmitted daily by wire transfer, ACH Transfer, depository transfer check or other means in accordance with the procedures set forth in the corresponding Control Agreement or such instructions, to the Administrative Agent in accordance with the instructions set forth in Annex E:

(i) for application, on account of the Secured Obligations, as provided in Sections 2.3(c), 4.16, 12.2, and 12.3, such credits to be entered as of the Business Day they are received if they are received prior to 2:00 p.m. and to be conditioned upon final payment in cash or solvent credits of the items giving rise to them (provided that a collection fee shall be payable by the Borrowers with respect to any such credit received in other than immediately available funds, equal to one day's interest, at the rate applicable to Base Rate Loans, on such amount), and

(ii) with respect to the balance, so long as no Default or Event of Default has occurred and is continuing, for transfer by wire transfer, ACH Transfer or depository transfer check to a Disbursement Account or other account as agreed between the Administrative Agent and the Borrowers.

(d) Any monies, checks, notes, drafts or other payments referred to in subsection (a) or (b) of this Section 8.1 which, notwithstanding the terms of such subsection, are received by or on behalf of the applicable Borrower will be held in trust for the Administrative Agent and will be delivered to the Administrative Agent or a Clearing Bank as promptly as possible, in the exact form received, together with any necessary endorsements for application by the Administrative Agent directly to the Secured Obligations or, as applicable, for deposit in the Controlled Account maintained with such Clearing Bank and processing in accordance with the terms of the corresponding Control Agreement.

Section 8. Verification and Notification. The Administrative Agent shall have the right at any time and from time to time,

(a) in the name of the Administrative Agent, the Lenders or in the name of a Borrower, to verify the validity, amount or any other matter relating to any Accounts by mail, telephone, telegraph or otherwise,

(b) to review, audit and make extracts from all records and files related to any of the Accounts, and

(c) if a Default or Event of Default has occurred and is continuing, to notify the Account Debtors or obligors under any Accounts of the assignment of such Accounts to the Administrative Agent, for the benefit of the Lenders, and to direct such Account Debtor or obligors to make payment of all amounts due or to become due thereunder directly to the Administrative Agent, for the account of the Lenders, and, upon such notification and at the expense of the Borrowers, to enforce collection of any such Accounts and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as the applicable Borrower might have done.

Section 8.3 Disputes, Returns and Adjustments.

(a) In the event any amounts due and owing under any Account for an amount in excess of \$1,000,000 are in dispute between the Account Debtor and the applicable Borrower, the Borrowers shall provide the Administrative Agent with prompt written notice thereof.

(b) The Borrowers shall notify the Administrative Agent promptly of all returns and credits in excess of \$1,000,000 in respect of any Account, which notice shall specify the Account affected.

(c) The Borrowers may, in the ordinary course of business unless a Default or an Event of Default has occurred and is continuing, grant any extension of time for payment of any Account or compromise, compound or settle the same for less than the full amount thereof, or release wholly or partly any Person liable for the payment thereof, or allow any credit or discount whatsoever therein; provided that (i) no such action results in the reduction of more than \$1,000,000 in the amount payable with respect to any Account or of more than \$5,000,000 with respect to all Accounts in any Fiscal Year (in each case, excluding the allowance of credits or discounts generally available to Account Debtors in the ordinary course of the applicable Borrower's business), and (ii) the Administrative Agent is promptly notified of the amount of such adjustments and the Account(s) affected thereby (including by reflecting such reduction in an appropriate Borrowing Base Certificate or Schedule of Accounts).

Section 8.4 Invoices.

(a) No Borrower will issue invoices other than in its own name or in a trade name of which the Administrative Agent has received prior written notice, accompanied by such evidence as the Administrative Agent may reasonably require that all actions required pursuant to Article 7 with respect to Accounts or other Collateral created or held in such name have been taken.

(b) No Borrower will use any invoices other than invoices in its correct legal name or the name "MasTec" and including remittance instructions to a Lockbox.

(c) Upon the request of the Administrative Agent, the Borrowers shall deliver to the Administrative Agent, at the Borrowers' expense, copies of customers' invoices or the equivalent, original shipping and delivery receipts or other proof of delivery, customers' statements, customer address lists, and if an Event of Default has occurred and is continuing, the original copy of all documents, including, without limitation, repayment histories and present status reports, relating to Accounts and such other documents and information relating to the Accounts as the Administrative Agent shall specify.

Section 8.5 Delivery of Instruments. In the event any Account is at any time evidenced by a promissory note, trade acceptance or any other instrument for the payment of money, the Borrowers will, promptly upon request by the Administrative Agent, deliver such instrument to the Administrative Agent for the benefit of the Lenders, appropriately endorsed to the Administrative Agent.

Section 8.6 Sales of Inventory. All sales of Inventory will be made and all services will be rendered in compliance in all material respects with all requirements of Applicable Law.

Section 8.7 Ownership and Defense of Title.

(a) Except for Permitted Liens, the Borrowers shall be or shall cause another Loan Party to be at all times the sole owners or lessees of each and every item of Collateral and shall not create nor permit any other Loan Party to create any lien on, or sell, lease, exchange, assign, transfer, pledge, hypothecate, grant a security interest or security title in or otherwise dispose of, any of the Collateral or any interest therein, except for (i) sales of Inventory in the ordinary course of business, for cash or on open account or on terms of payment ordinarily extended to its customers,

(ii) sales of the Real Estate described in column 3 on Annex D, (iii) sales of Inventory other than in the ordinary course of business and of Equipment and other capital assets (other than the Real Estate described in clause (ii) above) in an aggregate amount not to exceed \$5,000,000 (or 100% of the capital stock of a Subsidiary, the value of all assets of which does not exceed \$5,000,000) in any Fiscal Year and (iv) dispositions that are otherwise expressly permitted under this Agreement, any Security Document, or any Subsidiary Security Agreement.

(b) Each Borrower shall defend and cause each other Loan Party to defend its title or leasehold interest in and to, and the Security Interest in, the Collateral against the claims and demands of all Persons.

Section 8.8 Insurance.

(a) The Borrowers shall at all times maintain and cause the other Loan Parties to maintain insurance on the Collateral and their other property against loss or damage by fire, theft (excluding theft by employees), burglary, pilferage, loss in transit and such other hazards as the Administrative Agent shall reasonably specify, in amounts not to exceed those obtainable at commercially reasonable rates and under policies issued by insurers acceptable to the Administrative Agent in the exercise of its reasonable judgment. The Administrative Agent hereby acknowledges and confirms that the coverages reflected on the certificates delivered pursuant to Section 5.1(a)(9) are acceptable as of the Effective Date. All premiums on such insurance shall be paid by the Borrowers and copies of the policies delivered to the Administrative Agent at its request. The Borrowers will not use or permit the Inventory or its other property to be used in violation in any material respect of Applicable Law or in any manner which might render inapplicable any insurance coverage.

(b) All insurance policies required under Section 8.8(a) relating to Collateral shall name the Administrative Agent as an additional insured and shall contain loss payable clauses in the form submitted to the Borrowers by the Administrative Agent, or otherwise in form and substance satisfactory to the Required Lenders, naming the Administrative Agent, as loss payee, as its interests may appear, and providing that

(i) all proceeds thereunder shall be payable to the Administrative Agent,

(ii) no such insurance shall be affected by any act or neglect of the insurer or owner of the property described in such policy, and

(iii) such policy and loss payable clauses may be canceled, amended or terminated only upon at least 10 days' prior written notice given to the Administrative Agent.

(c) Any proceeds of insurance referred to in this Section 8.8 which are paid to the Administrative Agent shall be applied to the payment or prepayment of the Secured Obligations, provided that in the event that the proceeds from any single casualty do not exceed \$1,000,000, then, upon the Borrowers' written request to the Administrative Agent, provided that no Default or Event of Default shall have occurred and be continuing, such proceeds shall be disbursed by the Administrative Agent to the Borrowers pursuant to such procedures as the Administrative Agent shall reasonably establish for application to the replacement of the damaged or destroyed property or other uses permitted by the Loan Documents.

Section 8.9 Location of Offices and Collateral.

(a) No Borrower will change the location of its chief executive office or the place where it keeps its books and records relating to the Collateral from the address set forth for it on Schedule 6.1(t) or change its name, its identity or corporate structure from that in effect on the Effective Date, complete any transaction that results in a change of such Borrower's jurisdiction of organization or use any trade name not listed on Schedule 6.1(aa), without giving the Administrative Agent 30 days' prior written notice thereof accompanied by such evidence as the Administrative Agent may reasonably require that all actions required to be taken pursuant to Article 7 have been taken.

(b) If any Inventory is in the possession or control of any of a Borrower's agents or processors, the Borrowers shall notify such agents or processors of the Security Interest (and shall promptly provide copies of any such notice to the Administrative Agent and the Lenders) and, upon the occurrence of an Event of Default, shall instruct them (and cause them to acknowledge such instruction) to hold all such Inventory for the account of the Lenders, subject to the instructions of the Administrative Agent.

(c) All Equipment is and will be in a Borrower's possession and

control, is and will be maintained in good working order and condition, ordinary wear and tear excepted, and is mobile goods or is located at a location for such Borrower listed on Schedule 6.1(u).

Section 8.10 Records Relating to Collateral. The Borrowers will and will cause their Subsidiaries to at all times

(a) keep complete and accurate records of Inventory and Equipment on a basis consistent with past practices of MasTec in accordance with GAAP, and

(b) keep complete and accurate records of all other Collateral.

Section 8.11 Inspection. The Administrative Agent and each Lender (by any of their officers, employees or agents) shall have the right, to the extent that the exercise of such right shall be within the control of a Borrower, at any time or times during customary business hours and, if no Event of Default has occurred and is continuing, upon prior notice to MasTec to:

(a) visit the properties of the Borrowers and the Subsidiaries, inspect the Collateral and the other assets of the Borrowers and the Subsidiaries and inspect and make extracts from the books and records of the Borrowers and the Subsidiaries, including but not limited to management letters prepared by independent accountants, all during customary business hours at such premises;

(b) discuss the Borrowers' and the Subsidiaries' business, assets, liabilities, financial condition, results of operations and business prospects, insofar as the same are reasonably related to the rights of the Administrative Agent or the Lenders hereunder or under any of the Loan Documents, with the Borrowers' and the Subsidiaries' (i) principal officers, (ii) independent accountants, and (iii) any other Person; and

(c) verify the amount, quantity, value and condition of, or any other matter relating to, any of the Collateral and in this connection to review, audit and make extracts from all records and files related to any of the Collateral; provided, that the Administrative Agent and the Lenders will maintain all "Confidential Information" (as defined in Section 15.10) obtained under this Section 8 in accordance with the provisions of Section 15.10. The Borrowers will deliver to the Administrative Agent, upon the Administrative Agent's request, any instrument necessary for it to obtain records from any service bureau maintaining records on behalf of the Borrowers or any Subsidiary.

Section 8.12 Information and Reports.

(a) Schedule of Accounts. The Borrowers shall deliver to the Administrative Agent on or before the Effective Date and not later than the 25th day of each calendar month thereafter a Schedule of Accounts which

(i) shall be as of the last day of the immediately preceding month,

(ii) shall be reconciled to the Borrowing Base Certificate as of such last day, and

(iii) shall set forth a summary aging of the Borrowers' then existing Accounts, specifying, if requested to do so by the Administrative Agent, the names, addresses and balance due for each Account Debtor obligated on an Account so listed.

(b) Schedule of Inventory. The Borrowers shall deliver to the Administrative Agent as reasonably requested by the Administrative Agent, a Schedule of Inventory describing the kind, type and quantity of Inventory, the applicable Borrower's cost thereof and the location thereof in summary form reasonably acceptable to the Administrative Agent.

(c) Monthly Collections Reports. The Borrowers shall deliver to the Administrative Agent monthly on the 25th day of each calendar month, as of the last day of the preceding month, a report of collections for the period since the date of the next preceding report and on a cumulative basis for previous 60 days.

(d) Borrowing Base Certificate. The Borrowers shall deliver to the Administrative Agent on the 25th day of each calendar month, a Borrowing Base Certificate prepared as of the last day of the preceding month, accompanied by a calculation of the percentage of Eligible Accounts represented as of such last day by the Accounts of the Borrowers' 10 largest clients and a list of Approved Account Debtors as of such last day.

(e) Notice of Diminution of Value. The Borrowers shall give prompt notice to the Administrative Agent of any matter or event which has resulted in, or is reasonably likely to result in, the diminution in excess of \$5,000,000 in any Fiscal Year in the value of any of its Collateral, except for any such diminution in value in the ordinary course of business which has been appropriately reserved against, as reflected in financial statements previously delivered to the Administrative Agent and the Lenders pursuant to Article 10.

(f) Motor Vehicles. Quarterly within 60 days after the end of each Fiscal Quarter, a certificate of Ellen Odom or her/his successor as agent of the Administrative Agent, in such form as the Administrative Agent and the Borrowers may agree, listing all title certificates for vehicles owned by the Loan Parties as of the last day of such Fiscal Quarter, indicating vehicles sold or transferred and vehicles purchased since the date of the last such certificate and confirming that all title certificates for such purchased vehicles with a purchase price in excess of \$2,500 reflect the Administrative Agent as the first lienor thereof (or that applications for a new title certificate reflecting such Lien has been properly made).

(g) Additional Information. The Administrative Agent may in its reasonable discretion from time to time request that the Borrowers deliver the schedules and certificates described in Sections 8.12(a), (b), (c), (d) and (f) more or less often and on different schedules and in greater or less detail than specified in such Sections and the Borrowers will comply with such requests. The Borrowers will also furnish to the Administrative Agent and each Lender such other information with respect to the Collateral as the Administrative Agent or any Lender may from time to time reasonably request.

Section 8.13 Power of Attorney. Each Borrower hereby appoints the Administrative Agent as its attorney, with power

(a) to endorse the name of such Borrower on any checks, notes, acceptances, money orders, drafts or other forms of payment or security that may come into the Administrative Agent's or any Lender's possession and apply the same in accordance with the provisions of this Agreement, and

(b) if an Event of Default exists, to sign the name of such Borrower on any invoice or bill of lading relating to any Accounts, Inventory or other Collateral, on any drafts against customers related to letters of credit, on schedules and assignments of Accounts furnished to the Administrative Agent or any Lender by such Borrower, on notices of assignment, financing statements and other public records relating to the perfection or priority of the Security Interest, verifications of account and notices to or from customers.

Section 8.14 Assignment of Claims Act. Upon the request of the Administrative Agent, the Borrowers shall execute any documents or instruments and shall take such steps or actions reasonably required by the Administrative Agent so that all monies due or to become due under any contract with the United States of America, the District of Columbia or any state, county, municipality or other domestic or foreign governmental entity, or any department, agency or instrumentality thereof, will be assigned to the Administrative Agent, for the benefit of itself and the Lenders, and notice given thereof in accordance with the requirements of the Assignment of Claims Act of 1940, as amended, or any other laws, rules or regulations relating to the assignment of any such contract and monies due to or to become due.

ARTICLE 9

AFFIRMATIVE COVENANTS

The Borrowers covenant and agree that the Borrowers will, as their joint and several obligation, duly and punctually pay the principal of, and interest on, and all other amounts payable with respect to, the Loans and all other Secured Obligations in accordance with the terms of the Loan Documents and that until the Commitments have been terminated and all the Secured Obligations have been paid in full, unless the Lenders shall otherwise consent in the manner provided for in Section 15.9, each of the Borrowers will, and will cause each of the Subsidiaries to:

Section 9.1 Preservation of Corporate Existence and Similar Matters. Preserve and maintain its registered existence, rights, franchises, licenses and privileges in the jurisdiction of its organization and qualify and remain qualified as a foreign entity and authorized to do business in each jurisdiction in which the character of its properties or the nature of its business requires such qualification or authorization

(except where any failure so to qualify could not reasonably be expected to have a Materially Adverse Effect).

Section 9.2 Compliance with Applicable Law. Comply in all material respects with all Applicable Law relating to the Borrowers or such Subsidiary except to the extent being proceedings and for which reserves in respect of a Borrower's or such Subsidiary's reasonably anticipated liability have been established in accordance with GAAP.

Section 9.3 Maintenance of Property. In addition to, and not in derogation of, the requirements of Section 8.7 and of the Security Documents,

(a) protect and preserve all properties material to its business, including copyrights, patents, trade names and trademarks, and maintain in good repair, working order and condition in all material respects, with reasonable allowance for wear and tear, all tangible properties, and

(b) from time to time make or cause to be made all needed and appropriate repairs, renewals, replacements and additions to such properties necessary for the conduct of its business, so that the business carried on in connection therewith in the ordinary course and in a manner consistent with past practices of the Borrowers.

Section 9.4 Conduct of Business. At all times conduct its business in accordance with sound business practices and engage only in the business(es) described in Schedule 6.1(f).

Section 9.5 Insurance. Maintain, in addition to the coverage required by Section 8.8 and the Security Documents, insurance with responsible insurance companies against such risks and in such amounts as is customarily maintained by similar businesses or as may be required by Applicable Law and in any case, satisfactory to the Administrative Agent in its reasonable judgment, and from time to time deliver to the Administrative Agent or any Lender upon its request a detailed list of the insurance then in effect, stating the names of the insurance companies, the amounts and rates of the insurance, the dates of the expiration thereof and the properties and risks covered thereby.

Section 9.6 Payment of Taxes and Claims. Pay or discharge when due

(a) all taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any properties belonging to it, except that real property ad valorem taxes shall be deemed to have been so paid or discharged if the same are paid before they become delinquent, and

(b) all lawful claims of materialmen, mechanics, carriers, warehousemen and landlords for labor, materials, supplies and rentals which, if unpaid, might become a Lien on any properties of any Borrower; except that this Section 9.6 shall not require the payment or discharge of any such tax, assessment, charge, levy or claim which is being contested in good faith by appropriate proceedings and for which reserves in respect of reasonably anticipated liability have been established in accordance with GAAP.

Section 9.7 Accounting Methods and Financial Records. Maintain a system of accounting, and keep such books, records and accounts (which shall be true and complete), as may be required or as may be necessary to permit the preparation of financial statements in accordance with GAAP and notify the Administrative Agent promptly, and in any event within 10 days after any such account is opened, of the existence, location, number and title of any bank account of a Loan Party not listed on Schedule 6.1(bb).

Section 9.8 Use of Proceeds.

(a) Use the proceeds of the Loans only to repay Debt outstanding under the Existing Loan Agreement and for working capital and general business purposes, including, without being limited to, payment of interest on the Subordinated Notes in accordance with the provisions of this Agreement, and

(b) not use any part of such proceeds to purchase or, to carry or reduce or retire or refinance any credit incurred to purchase or carry, any Margin Stock or, in any event, for any purpose which would involve a violation of Regulation U or of Regulation T or X of the Board of Governors of the Federal Reserve System, or for any purpose prohibited by law or by the terms and conditions of this Agreement.

Section 9.9 Hazardous Waste and Substances; Environmental Requirements. In addition to, and not in derogation of, the requirements

of Section 9.2 and of the Security Documents, comply in all material respects with all Environmental Laws and all Applicable Laws relating to occupational health and safety (except for instances of noncompliance that are being contested in good faith by appropriate proceedings if reserves in respect of any Borrower's or such Subsidiary's reasonably anticipated liability therefor have been appropriately established), promptly notify the Administrative Agent of its receipt of any notice of a violation of any such Environmental Laws or other such Applicable Laws and indemnify and hold harmless the Administrative Agent and the Lenders from all loss, cost, damage, liability, claim and expense incurred by or imposed upon the Administrative Agent or any Lender on account of a Borrower's failure to perform its obligations under this Section 9.9.

Section 9.10 Additional Subsidiaries. Cause each Person that becomes a domestic Subsidiary of MasTec after the Effective Date, promptly upon request by the Administrative Agent, to execute and deliver a Subsidiary Guaranty and a Subsidiary Security Agreement or, if requested by the Administrative Agent, enter into and cause any such new Subsidiary or any existing Subsidiary Guarantor to enter into an amendment to this Agreement or such other documents as may reasonably be determined by the Administrative Agent to be necessary or desirable to add such Subsidiary as an additional "Borrower" hereunder, in each case together with such allonges to the Notes, restated promissory notes, Financing Statements, legal opinions and other certificates, instruments and documents as the Administrative Agent may reasonably request.

Section 9.11 Compliance with Indenture. Comply with the terms and provisions of the Indenture and the Subordinated Notes.

ARTICLE 10

INFORMATION

Until the Commitments have been terminated and all the Secured Obligations have been paid in full, unless the Lenders shall otherwise consent in the manner set forth in Section 15.9, the Borrowers will furnish to the Administrative Agent and to each Lender at its offices then designated for notices pursuant to Section 15.1, the statements, reports, certificates, and other information provided for in this Article 10. All written information, reports, statements and other papers and data furnished to the Administrative Agent or any Lender by or at the request of the Borrowers, whether pursuant to this Article 10 or any other provision of this Agreement or of any other Loan Document, shall be, at the time the same is so furnished, complete and correct in all material respects to the extent necessary to give the Administrative Agent and the Lenders true and accurate knowledge of the subject matter. Specifically, the Borrowers will so furnish:

Section 10.1 Financial Statements.

(a) Audited Year-End Statements. As soon as available, but in any event within 90 days after the end of each Fiscal Year, copies of the consolidated balance sheet of MasTec and its Consolidated Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income, shareholders' equity and cash flows of MasTec and its Consolidated Subsidiaries for such Fiscal Year, and the consolidating balance sheets and related consolidating statements of income and cash flows for MasTec's NA Operations (in the aggregate) and for MasTec Brazil and all other Subsidiaries taken together, in each case setting forth in comparative form the figures for the previous Fiscal Year, and, as to such consolidated financial statements, reported on, without qualification, by PriceWaterhouseCoopers or other "Big Five" independent certified public accountants;

(b) Monthly Financial Statements. As soon as available after the end of each fiscal month, but in any event within 45 days after the end of each month in Fiscal Year 2002 and thereafter within 30 days after the end of each month (or 45 days after the end of any such month that is the last month of a Fiscal Quarter), copies of the unaudited consolidated balance sheet of MasTec and its Consolidated Subsidiaries as at the end of such month and the related unaudited consolidated statements of income and cash flows for MasTec and its Consolidated Subsidiaries and the consolidating balance sheets and related consolidating statements of income and cash flows for MasTec's NA Operations (in the aggregate) and for MasTec Brazil and all other Subsidiaries taken together, for such month and for the portion of the Fiscal Year through such month, certified by a Financial Officer as presenting fairly the financial condition and results of operations of MasTec and its Consolidated Subsidiaries and MasTec's NA Operations (subject to normal year-end audit adjustments) for the applicable

period(s); all such financial statements to be complete and correct in all material respects and prepared in accordance with GAAP (except, with respect to interim financial statements, for the omission of notes and for the effect of normal year-end audit adjustments) applied consistently throughout the periods reflected therein; and

(c) Projections. As soon as available, but in any event not later than 60 days prior to the first day of each Fiscal Year beginning after the Effective Date, Projections for such Fiscal Year in such format and detail as the Administrative Agent may reasonably specify.

Section 10.2 Accountants' Certificate. Together with the financial statements referred to in Section 10.1(a), a copy of the certificate of such accountants addressed to MasTec, stating that in making the examination necessary for the certification of such financial statements, nothing has come to their attention to lead them to believe that any Default or Event of Default exists and, in particular, they have no knowledge of any Default or Event of Default or, if such is not the case, specifying such Default or Event of Default and its nature.

Section 10.3 Officer's Certificate. At the time that the Borrowers furnish the financial statements pursuant to Section 10.1(a) or 10.1(b) for each month, a certificate of the President of MasTec or of a Financial Officer in substantially the form attached hereto as Exhibit D,

(a) setting forth as at the end of such month, Fiscal Quarter or Fiscal Year, as the case may be, the calculations required to establish whether or not the Borrowers were in compliance with the requirements of Sections 11.1, 11.2, 11.4 and 11.5 as at the end of each respective period,

(b) the computation of the Leverage Ratio as at the end of each such Fiscal Quarter or Fiscal Year and the corresponding Applicable Margins, and

(c) stating that, based on a reasonably diligent examination, no Default or Event of Default exists, or, if such is not the case, specifying such Default or Event of Default and its nature, when it occurred, whether it is continuing and the steps being taken by the Borrowers with respect to such Default or Event of Default.

Section 10.4 Copies of Other Reports.

(a) Promptly upon receipt thereof, copies of all reports, if any, submitted to the Borrowers or the Board of Directors of MasTec by the Borrowers' independent public accountants, including, without limitation, any management report.

(b) As soon as practicable, copies of all financial statements and reports that MasTec sends to its shareholders generally in their capacity as such and of all registration statements and all regular or periodic reports which any Borrower shall file with the Securities and Exchange Commission or any successor commission.

(c) From time to time and as soon as reasonably practicable following each request, such data, certificates, reports, statements, opinions of counsel, documents or further information regarding the business, assets, liabilities, financial condition, results of operations or business prospects of a Borrower or any Subsidiary as the Administrative Agent or any Lender may reasonably request and that a Borrower has or (except in the case of legal opinions relating to the perfection or priority of the Security Interest) without unreasonable expense can obtain; provided, however, that the Lenders shall, to the extent reasonably practicable, coordinate examinations of the Borrowers' records by their respective internal examiners. The rights of the Administrative Agent and the Lenders under this Section 10.4 are in addition to and not in derogation of their rights under any other provision of this Agreement or of any other Loan Document.

(d) If requested by the Administrative Agent or any Lender, statements in conformity with the requirements of Federal Reserve Form G-3 or U-1 referred to in Regulation U.

Section 10.5 Notice of Litigation and Other Matters. Prompt notice of:

(a) the commencement, to the extent a Borrower is aware of the same, of all proceedings and investigations by or before any governmental or nongovernmental body and all actions and proceedings in any court or before any arbitrator against or in any other way relating to or affecting any Borrower, any of its Subsidiaries or

any of a Borrower's or any of its Subsidiaries' properties, assets or businesses, which is reasonably likely to, singly or together with other pending proceedings or investigations, result in the occurrence of a Default or an Event of Default, or have a Materially Adverse Effect,

(b) any amendment of the articles of incorporation or by-laws or other organizational documents of a Borrower or any of its Subsidiaries,

(c) any change in the business, assets, liabilities, financial condition, results of operations or business prospects of a Borrower or any of its Subsidiaries which has had or is reasonably likely to have, singly or in the aggregate, a Materially Adverse Effect and any change in the executive officers of a Borrower,

(d) the receipt of any notice from or giving of any notice to the trustee under the Indenture, together with a copy of such notice, and

(e) any Default or Event of Default and any event which constitutes or which with the passage of time or giving of notice or both would constitute a default or event of default by a Borrower or any of its Subsidiaries under any material agreement (other than this Agreement) to which such Borrower or any of its Subsidiaries is a party or by which any Borrower, any of its Subsidiaries or any Borrower's or any Subsidiary's properties may be bound.

Section 10.6 ERISA. As soon as possible and in any event within 30 days after a Borrower knows, or has reason to know, that:

(a) any ERISA Event with respect to a Benefit Plan has occurred or will occur, or

(b) the aggregate present value of the Unfunded Vested Accrued Benefits under all Benefit Plans is equal to an amount in excess of \$0, or

(c) a Borrower or any Subsidiary is in "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Benefit Plan required by reason of a Borrower's or such Subsidiary's complete or partial withdrawal (as described in Section 4203 or 4205 of ERISA) from such Multiemployer Plan, to the Administrative Agent a certificate of the President of MasTec or a Financial Officer setting forth the details of such event and the action which is proposed to be taken with respect thereto, together with any notice or filing which may be required by the PBGC or other agency of the United States government with respect to such event.

ARTICLE 11

NEGATIVE COVENANTS

Until the Commitments have been terminated and all the Secured Obligations have been paid in full, unless the Lenders shall otherwise consent in the manner set forth in Section 15.9, the Borrowers will not directly or indirectly and, in the case of Sections 11.2 through 11.11, will not permit any other Loan Parties to:

Section 11.1 Financial Covenants.

(a) Tangible Net Worth. Permit consolidated Tangible Net Worth of MasTec's NAOperations at any time on or after March 31, 2002, to be less than \$180,000,000 plus an amount equal to 50% of consolidated Net Income (but without deduction for any Net Loss) of MasTec's NAOperations for the period from January 1, 2002 through the date of determination, treated as a single accounting period.

(b) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio at any time to be less than 2.00 to 1, as measured for (1) the successive periods of three, four, five, six, seven, eight, nine, ten and eleven consecutive calendar months beginning January 1, 2002 and (2) each period of 12 consecutive months ending on or after December 31, 2002.

Section 11.2 Debt. Create, assume, or otherwise become or remain obligated in respect of, or permit or suffer to exist or to be created, assumed or incurred or to be outstanding any Debt, except that this Section 11.2 shall not apply to:

(a) Debt of the Loan Parties represented by the Loan Documents,

(b) Subordinated Debt,

(c) Debt of the Canadian Entity owing to the Canadian Funding Agent,

(d) Debt reflected on Schedule 6.1(j) and refinancings thereof that do not result in an increase in the principal amount of any such Debt outstanding on the date of refinancing or in any other Person becoming obligated thereon, but excluding any such scheduled Debt that is to be paid in full on the Effective Date, and

(e) other Debt (including, without being limited to, any Debt assumed in connection with any Acquisition) in an aggregate principal amount outstanding at any time not to exceed \$15,000,000.

Section 11.3 Guarantees. Become or remain liable with respect to any Guaranty of any obligation of any other Persons, except as listed on Schedule 6.1(j) or pursuant to a Guaranty by a Borrower or any Subsidiary of the obligations of a Loan Party.

Section 11.4 Investments and Acquisitions. (a) Acquire after the Agreement Date, any Investment or, after the Agreement Date, maintain any Investment other than Permitted Investments, except that subject to the provisions of Section 11.4(c) and so long as no Event of Default exists before or immediately after giving effect thereto, the Loan Parties may make Investments of up to \$25,000,000 in any Fiscal Year, provided that Availability, after giving effect to any such Investment, is at least \$35,000,000.

(b) Make any Acquisition after the Agreement Date, except that subject to the provisions of Section 11.4(d), so long as no Event of Default exists before or immediately after giving effect thereof, the Loan Parties' may make Acquisitions of (i) more than 50% of the capital stock of any other Person organized under the laws of the United States of America or any state thereof (which thereupon becomes a Subsidiary) or (ii) all or substantially all of the assets of a Business Unit located in the United States, provided, that:

(A) the cash portion of the Purchase Price of such Acquisition does not exceed \$15,000,000 (or, prior to delivery in accordance with the provisions of Section 10.1 of financial statements for the Fiscal Quarter ending June 30, 2002, \$5,000,000) and Availability after giving effect to any such Acquisition shall be at least \$35,000,000,

(B) MasTec or the applicable Loan Party has made available to the Administrative Agent, not later than fourteen days prior to the proposed date of such Acquisition, the results of any investigation of the target performed by or on behalf of such Loan Party, environmental assessment reports if any real property is to be acquired, copies of the Acquisition documents, and historical financial statements of the target for at least the three previous years,

(C) the Administrative Agent shall have received evidence satisfactory to it that no Default of Event of Default has occurred and is continuing or would exist after giving effect to such transaction and of the Loan Parties' continued compliance with the provisions of this Agreement and the other Loan Documents, including, without being limited to, the provisions of Sections 9.4, 9.11 and 11.1, on a pro forma basis after giving effect to such Acquisition,

(D) to the extent financed with Debt other than Loans, such Debt shall be Subordinated Debt payable to the seller,

(E) such Acquisition shall not be "hostile" or contested,

(F) the Administrative Agent shall have received evidence satisfactory to it demonstrating on a pro forma basis that EBITDA of the target for the period of 12 consecutive calendar months ended nearest to the date of determination, is at least equal to the sum of interest expense and scheduled principal payments on any Debt incurred in connection with payment of the Purchase Price (including Loans),

(G) as requested by the Administrative Agent or the Required Lenders, any new Subsidiary shall have executed and delivered the Subsidiary Guaranty and a Subsidiary Security Agreement, or all Loan Parties, as appropriate, and such new Subsidiary shall have executed and delivered an amendment to this Agreement sufficient to cause such new Subsidiary to become a "Borrower" hereunder, and in either case shall have delivered or caused to be delivered as to such Subsidiary the items referred to in Sections 5.1(a)(3), (4), (5), (6), and (8) and an opinion of counsel for such Subsidiary as to such matters in connection with the transactions contemplated by the Subsidiary Guaranty and Subsidiary Security Agreement or such amendment to this Agreement as the

Administrative Agent may reasonably request, and

(H) if such Acquisition is to be consummated on or after August 15, 2002, financial statements shall have been delivered to the Administrative Agent and the Lenders for the Fiscal Quarter ending June 30, 2002, in compliance with the provisions of Section 10.1.

"Purchase Price" means an amount equal to the total consideration paid for such Acquisition, including all cash payments (whether classified as purchase price, noncompete payments, consulting payments, "earn out" or otherwise and without regard to whether such amount is paid in whole or in part at the closing of the Acquisition or over time thereafter, but excluding any finance charges attributable to deferred payments, any salary or other employment compensation paid to a seller for the purpose of retaining such seller's services as an active employee of a Borrower or a Subsidiary and, upon the Administrative Agent's determination to such effect, any "earn out" based upon achievement of a material improvement in financial performance of the target), the remaining principal amount of all Acquired Debt and of any Subordinated Debt owing to the seller, and the value (as determined by the board of directors of MasTec, including pursuant to the applicable purchase agreement between the relevant Borrower and the seller, in the case of any property, the fair value of which is not readily ascertainable) of all other property, other than capital stock or options to acquire such capital stock of MasTec, transferred by MasTec to the seller.

A determination made for purposes of this Section 11.4 on a pro forma basis shall be based upon actual MasTec's NAOperations and actual results of operations of the target for the same period of 12 months ended prior to the date of determination, as if such Acquisition had occurred (and any related Debt had been incurred) on the first day of such 12-month period, as adjusted with the approval of the Administrative Agent to reflect verifiable, adequately documented severance payments and reductions in officer and employee compensation, insurance expenses, interest expense and rental expense that will be realized effective upon completion of such Acquisition.

(c) Notwithstanding any provision of this Agreement to the contrary, in connection with any merger (or other distribution of the assets) of a Subsidiary that is not a Loan Party with and into (or to) a Loan Party, or any Acquisition by a Borrower, whether by purchase of stock, merger, or purchase of assets, and whether in a single transaction or series of related transactions, the Administrative Agent shall have the right to determine in its reasonable credit judgment whether any Accounts so acquired shall be included in the Borrowing Base (subject to the other applicable provisions of this Agreement). In connection with such determination, the Administrative Agent may obtain, at the Borrowers' expense, such appraisals, commercial finance exams and other assessments of such Accounts and related Inventory, Equipment and Real Estate as it may deem desirable.

(d) Notwithstanding the other provisions of this Section 11.4 and of Section 11.6, the maximum aggregate amount of Investments, Acquisitions, Restricted Payments and Restricted Distributions made (i) during the period from the Agreement Date through the timely delivery of financial statements in accordance with the provisions of Section 10.1 for the Fiscal Quarter ending June 30, 2002, shall not exceed \$15,000,000 and (ii) in any Fiscal Year shall not exceed \$25,000,000.

Section 11.5 Capital Expenditures. Make or incur any Capital Expenditures in the aggregate in excess of \$50,000,000 for any Fiscal Year.

Section 11.6 Restricted Distributions and Payments, Etc. Declare or make any Restricted Distribution or Restricted Payment in any Fiscal Year which, when added to all other Restricted Distributions, and Restricted Payments made in the same Fiscal Year of MasTec, would (subject to the provisions of Section 11.4(d)) exceed \$25,000,000; provided, that after giving effect to any such payment, no Event of Default shall exist, Availability is at least equal to \$35,000,000, and MasTec shall pay dividends (if any are declared) only in shares of its own capital stock.

Section 11.7 Merger, Consolidation and Sale of Assets. Merge or consolidate with any other Person or sell, lease or transfer or otherwise dispose of all or a substantial portion of its assets to any Person other than sales of Inventory in the ordinary course of business, except that any Loan Party may transfer assets to another Loan Party and may merge with and into another Loan Party (provided that MasTec shall be the surviving corporation of any merger to which it is a party) and, subject to the provisions of Section 11.4(b), any Subsidiary may merge into a

Loan Party with such Loan Party as the surviving corporation.

Section 11.8 Transactions with Affiliates. Effect any transaction with any Affiliate on a basis less favorable to a Loan Party than would be the case if such transaction had been effected with a Person not an Affiliate.

Section 11.9 Liens. Create, assume or permit or suffer to exist or to be created or assumed any Lien on any of the Collateral or its other assets, other than Liens listed in clauses (a) through (h) of the definition "Permitted Liens" and (a) Liens securing acquired Debt, which Liens affect solely capital or fixed assets (and not Accounts or Inventory or proceeds thereof) of the Business Unit Acquired, existing on the date of the related Acquisition and not created in contemplation thereof, (b) Purchase Money Liens (including Capitalized Lease Obligations) securing Debt otherwise permitted pursuant to Section 11.2, and (c) Liens encumbering assets of the Canadian Entity for the benefit of The Bank of Nova Scotia.

Section 11.10 Sales and Leasebacks. Enter into any arrangement with any Person providing for a Loan Party's leasing from such Person any real or personal property which has been or is to be sold or transferred, directly or indirectly, by a Loan Party to such Person.

Section 11.11 Amendments of Other Agreements. Amend the interest rate or principal amount or schedule of payments of principal and interest with respect to any Debt (other than the Secured Obligations) or any dividend rate or redemption schedule, applicable to any preferred stock of a Loan Party, other than to reduce the interest or dividend rate or to extend any such schedule of payments or redemption schedule, or amend or cause or permit to be amended in any material respect or in any respect that may be adverse to the interests of the Administrative Agent or the Lenders, (i) the Indenture or any other agreement at any time governing Subordinated Debt, (ii) the articles or certificate of incorporation or other organizational documents of any Loan Party, or (iii) the general indemnity agreement in effect on the Agreement Date between MasTec and Liberty Mutual Bond Services, Inc. and the related intercreditor agreement.

ARTICLE 12

DEFAULT

Section 12.1 Events of Default. Each of the following shall constitute an Event of Default, whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment or order of any court or any order, rule or regulation of any governmental or nongovernmental body:

(a) Default in Payment. The Borrowers shall default in any payment of principal of or interest on any Loan or any Note when and as due (whether at maturity, by reason of acceleration or otherwise).

(b) Other Payment Default. The Borrowers shall default in the payment, as and when due, of principal of or interest on, any other Secured Obligation, and such default shall continue for a period of five days after written notice thereof has been given to the Borrowers by the Administrative Agent.

(c) Misrepresentation. Any representation or warranty made or deemed to be made by the Borrowers under this Agreement or any Loan Document, or any amendment hereto or thereto, shall at any time prove to have been incorrect or misleading in any material respect when made.

(d) Default in Performance. The Borrowers shall default in the performance or observance of any term, covenant, condition or agreement to be performed by the Borrowers, contained in

(i) Sections 8.1, 8.2, 8.5, 8.7, 8.8, 10.1, 10.5 or 10.6 or Articles 9 or 11, and the Administrative Agent shall have delivered to the Borrowers written notice of such default, or

(ii) this Agreement (other than as specifically provided for otherwise in this Section 12.1) and such default shall continue for a period of (A) five days in the case of default under Section 8.11 or 8.12 (other than Section 8.12(g)) or (B) 15 days in the case of each other default, in each case after written notice thereof has been given to the Borrowers by the Administrative Agent.

(e) Debt Cross-Default.

(i) A Borrower or any Subsidiary shall fail to pay when due and payable (and within any applicable cure or grace period) the principal of or interest on any Debt (other than the Loans) in an amount in excess of \$2,500,000, or

(ii) the maturity of any such Debt outstanding in a principal amount greater than \$2,500,000 shall have (A) been accelerated in accordance with the provisions of any indenture, contract or instrument providing for the creation of or concerning such Indebtedness, or (B) been required to be prepaid prior to the stated maturity thereof, including, without being limited to, upon a "Change of Control" as defined in the Indenture, or

(iii) any event shall have occurred and be continuing which would permit any holder or holders of such Debt outstanding in an amount in excess of \$2,500,000, any trustee or agent acting on behalf of such holder or holders or any other Person so to accelerate such maturity, and the Borrowers shall have failed to cure such default prior to the expiration of any applicable cure or grace period.

(f) Other Cross-Defaults. A Borrower or any Subsidiary shall default in the payment when due, or in the performance or observance, of any obligation or condition of any agreement, contract or lease (other than this Agreement, the Security Documents or any such agreement, contract or lease relating to Debt), if the existence of any such defaults, singly or in the aggregate, could reasonably be expected to have a Materially Adverse Effect, provided, that for the purposes of this provision, where such a default could result only in a monetary loss, a Materially Adverse Effect shall not be deemed to have occurred unless the aggregate of such losses would exceed \$2,500,000.

(g) Voluntary Bankruptcy Proceeding. A Borrower or any Subsidiary shall

(i) commence a voluntary case under the federal bankruptcy laws (as now or hereafter in effect),

(ii) file a petition seeking to take advantage of any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition for adjustment of debts,

(iii) consent to or fail to contest in a timely and appropriate manner any petition filed against it in an involuntary case under such bankruptcy laws or other laws,

(iv) apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of a substantial part of its property, domestic or foreign,

(v) admit in writing its inability to pay its debts as they become due,

(vi) make a general assignment for the benefit of creditors, or

(vii) take any corporate or other official action for the purpose of authorizing any of the foregoing.

(h) Involuntary Bankruptcy Proceeding. A case or other proceeding shall be commenced against a Borrower or any Subsidiary in any court of competent jurisdiction seeking

(i) relief under the federal bankruptcy laws (as now or hereafter in effect) or under any other laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or adjustment of debts,

(ii) the appointment of a trustee, receiver, custodian, liquidator or the like of a Borrower, any Subsidiary or of all or any substantial part of the assets, domestic or foreign, of a Borrower or any Subsidiary, and such case or proceeding shall continue undismissed or unstayed for a period of 60 consecutive calendar days, or an order granting the relief requested in such case or proceeding against such Borrower or Subsidiary (including, but not limited to, an order for relief under such federal bankruptcy laws) shall be entered.

(i) Loan Documents. Any "Event of Default" under any Loan Document (other than this Agreement) shall occur or a Borrower shall default in the performance or observance of any material term,

covenant, condition or agreement contained in, or the payment of any other sum covenanted to be paid by the Borrowers under, any Loan Document (other than this Agreement) that does not expressly provide for "Events of Default," or any material provision thereof (in each case, after giving effect to any applicable grace or cure period) shall cease to be valid and binding.

(j) Failure of Agreements. A Loan Party shall challenge the validity and binding effect of any provision of any Loan Document after delivery thereof hereunder or shall state in writing its intention to make such a challenge, or any Security Document, after delivery thereof hereunder, shall for any reason (except to the extent permitted by the terms thereof) cease to create a valid and perfected first priority Lien (except for Permitted Liens) on, or security interest in, any of the Collateral purported to be covered thereby.

(k) Judgment. One or more final, unappealable judgments or orders for the payment of money in an aggregate amount that exceeds the insurance (including deductibles or self-insurance amounts) therefor as to which the carrier shall not have disputed or disclaimed coverage, by \$1,000,000 shall be entered against a Borrower by any court and such judgments or orders shall continue undischarged or unstayed for 10 days.

(l) Attachment. A warrant or writ of attachment or execution or similar process which exceeds \$2,500,000 in value shall be issued against any property of a Borrower and such warrant or process shall continue undischarged or unstayed for 10 days.

(m) ERISA. In addition to the breach of any other representation and warranty, any ERISA Event with respect to a Benefit Plan shall occur.

(n) Qualified Audits. The independent certified public accountants retained by MasTec shall refuse to deliver an opinion in accordance with Section 10.1(a) with respect to the annual consolidated financial statements of MasTec and its Consolidated Subsidiaries.

(o) Change of Control. MasTec shall cease to own, directly or indirectly, 100% of the issued and outstanding stock of each other Loan Party (except as otherwise expressly permitted pursuant to Section 8.7) or a "Change of Control" for purposes of the Indenture shall occur.

Section 12.2 Remedies.

(a) Automatic Acceleration and Termination of Facilities. Upon the occurrence of an Event of Default specified in Section 12.1(g) or (h), (i) the principal of and the interest on the Loans and any Note at the time outstanding, and all other amounts owed to the Administrative Agent or the Lenders under this Agreement or any of the other Loan Documents and all other Secured Obligations, shall thereupon become due and payable without presentment, demand, protest, or other notice of any kind, all of which are expressly waived, anything in this Agreement or any of the Loan Documents to the contrary notwithstanding, and (ii) the Commitments and the right of the Borrowers to request Borrowings under this Agreement shall immediately terminate.

(b) Other Remedies. If any Event of Default shall have occurred, and during the continuance of any Event of Default, the Administrative Agent may, and at the direction of the Required Lenders in their sole and absolute discretion shall, do any of the following:

(i) declare the principal of and interest on the Loans and any Note at the time outstanding, and all other amounts owed to the Administrative Agent or the Lenders under this Agreement or any of the other Loan Documents and all other Secured Obligations, to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived, anything in this Agreement or the Loan Documents to the contrary notwithstanding;

(ii) terminate the Commitments and any other right of the Borrowers to request borrowings hereunder;

(iii) notify, or request the Borrowers to notify, in writing or otherwise, any Account Debtor or obligor with respect to any one or more of the Accounts to make payment to the Administrative Agent, for the benefit of the Lenders, or any agent or designee of the Administrative Agent, at such address as may be specified by the Administrative Agent and if, notwithstanding the giving of any notice, any Account Debtor or other such obligor shall make payments to the Borrowers, the Borrowers shall hold all such payments received in trust for the Administrative Agent, for the account of the Lenders,

without commingling the same with other funds or property of, or held by, the Borrowers, and shall deliver the same to the Administrative Agent or any such agent or designee of the Administrative Agent immediately upon receipt by the Borrowers in the identical form received, together with any necessary endorsements;

(iv) settle or adjust disputes and claims directly with Account Debtors and other obligors on Accounts for amounts and on terms which the Administrative Agent considers advisable and in all such cases only the net amounts received by the Administrative Agent, for the account of the Lenders, in payment of such amounts, after deductions of costs and attorneys' fees, shall constitute Collateral and the Borrowers shall have no further right to make any such settlements or adjustments or to accept any returns of merchandise;

(v) enter upon any premises in which Inventory or Equipment may be located and, without resistance or interference by the Borrowers, take physical possession of any or all thereof and maintain such possession on such premises or move the same or any part thereof to such other place or places as the Administrative Agent shall choose, without being liable to the Borrowers on account of any loss, damage or depreciation that may occur as a result thereof, so long as the Administrative Agent shall act reasonably and in good faith;

(vi) require the Borrowers to and the Borrowers shall, without charge to the Administrative Agent or any Lender, assemble the Inventory or Equipment and maintain or deliver it into the possession of the Administrative Agent or any agent or representative of the Administrative Agent at such place or places as the Administrative Agent may designate and as are reasonably convenient to both the Administrative Agent and the applicable Borrower;

(vii) at the expense of the Borrowers, cause any of the Inventory or Equipment to be placed in a public or field warehouse, and the Administrative Agent shall not be liable to the Borrowers on account of any loss, damage or depreciation that may occur as a result thereof, so long as the Administrative Agent shall act reasonably and in good faith;

(viii) without notice, demand or other process, and without payment of any rent or any other charge, enter any of the Borrowers' premises and, without breach of the peace, until the Administrative Agent, on behalf of the Lenders, completes the enforcement of its rights in the Collateral, take possession of such premises or place custodians in exclusive control thereof, remain on such premises and use the same and any of the Borrowers' equipment, for the purpose of (A) completing any work in process, preparing any Inventory for disposition and disposing thereof, and (B) collecting any Account, and the Administrative Agent for the benefit of the Lenders is hereby granted a license or sublicense and all other rights as may be necessary, appropriate or desirable to use the Proprietary Rights in connection with the foregoing, and the rights of the Borrowers under all licenses, sublicenses and franchise agreements shall inure to the Administrative Agent for the benefit of the Lenders (provided, however, that any use of any federally registered trademarks as to any goods shall be subject to the control as to the quality of such goods of the owner of such trademarks and the goodwill of the business symbolized thereby);

(ix) exercise any and all of its rights under any and all of the Security Documents;

(x) apply any Collateral consisting of cash to the payment of the Secured Obligations in any order in which the Administrative Agent, on behalf of the Lenders, may elect or use such cash in connection with the exercise of any of its other rights hereunder or under any of the Security Documents;

(xi) establish or cause to be established one or more Lockboxes or other arrangements for the deposit of proceeds of Accounts and other Collateral, and, in such case, the Borrowers shall cause to be forwarded to the Administrative Agent at the Administrative Agent's Office, on a daily basis, copies of all checks and other items of payment and deposit slips related thereto deposited in such Lockboxes, together with collection reports in form and substance satisfactory to the Administrative Agent; and

(xii) exercise all of the rights and remedies of a secured party under the UCC and under any other Applicable Law, including, without limitation, the right, without notice except as specified below and with or without taking possession thereof, to sell the Collateral or any part thereof in one or more parcels at public or private sale, at any location chosen by the Administrative Agent, for cash, on credit or

for future delivery, and at such price or prices and upon such other terms as the Administrative Agent may deem commercially reasonable. Each Borrower agrees that, to the extent notice of sale shall be required by law, at least 10 days' notice to the Borrowers of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification, but notice given in any other reasonable manner or at any other reasonable time shall constitute reasonable notification. The Administrative Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. The Administrative Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

Section 12.3 Application of Proceeds. All proceeds from each sale of, or other realization upon, all or any part of the Collateral following an Event of Default shall be applied or paid over in accordance with the provisions of Section 4.18.

The Borrowers shall remain liable for and will pay, on demand, any deficiency remaining in respect of the Secured Obligations, together with interest thereon at a rate per annum equal to the highest rate then payable hereunder on such Secured Obligations (whether or not such amount is allowed as a claim in any bankruptcy or insolvency proceeding), which interest shall constitute part of the Secured Obligations.

Section 12.4 Power of Attorney. In addition to the authorizations granted to the Administrative Agent under Section 9.13 or under any other provision of this Agreement or of any other Loan Document, during the continuance of an Event of Default, each Borrower hereby irrevocably designates, makes, constitutes and appoints the Administrative Agent (and all Persons designated by the Administrative Agent from time to time) as such Borrower's true and lawful attorney, and agent in fact, and the Administrative Agent, or any agent of the Administrative Agent, may, without notice to the Borrowers, and at such time or times as the Administrative Agent or any such agent in its sole discretion may determine, in the name of a Borrower, the Administrative Agent or the Lenders,

- (a) demand payment of the Accounts,
- (b) enforce payment of the Accounts by legal proceedings or otherwise,
- (c) exercise all of any Borrower's rights and remedies with respect to the collection of Accounts,
- (d) settle, adjust, compromise, extend or renew any or all of the Accounts,
- (e) settle, adjust or compromise any legal proceedings brought to collect the Accounts,
- (f) discharge and release the Accounts or any of them,
- (g) prepare, file and sign the name of a Borrower on any proof of claim in bankruptcy or any similar document against any Account Debtor,
- (h) prepare, file and sign the name of a Borrower on any notice of Lien, assignment or satisfaction of Lien, or similar document in connection with any of the Collateral,
- (i) endorse the name of a Borrower upon any chattel paper, document, instrument, notice, freight bill, bill of lading or similar document or agreement relating to the Accounts, the Inventory, the Equipment or any other Collateral,
- (j) use the stationery of the Borrowers and sign the names of the Borrowers to verifications of the Accounts and on any notice to the Account Debtors,
- (k) open the Borrowers' mail,
- (l) notify the post office authorities to change the address for delivery of the Borrowers' mail to an address designated by the Administrative Agent, and
- (m) use the information recorded on or contained in any data processing equipment and computer hardware and software relating to the Accounts, Inventory, Equipment or other Collateral to which any Borrower has access.

Section 12.5 Miscellaneous Provisions Concerning Remedies.

(a) Rights Cumulative. The rights and remedies of the Administrative Agent and the Lenders under this Agreement, the Notes and each of the Loan Documents shall be cumulative and not exclusive of any rights or remedies which it or they would otherwise have. In exercising such rights and remedies the Administrative Agent and the Lenders may be selective and no failure or delay by the Administrative Agent or any Lender in exercising any right shall operate as a waiver of it, nor shall any single or partial exercise of any power or right preclude its other or

further exercise or the exercise of any other power or right.

(b) Waiver of Marshalling. Each Borrower hereby waives any right to require any marshalling of assets and any similar right.

(c) Limitation of Liability. Nothing contained in this Article 12 or elsewhere in this Agreement or in any of the Loan Documents shall be construed as requiring or obligating the Administrative Agent, any Lender or any agent or designee of the Administrative Agent or any Lender to make any demand, or to make any inquiry as to the nature or sufficiency of any payment received by it, or to present or file any claim or notice or take any action, with respect to any Account or any other Collateral or the monies due or to become due thereunder or in connection therewith, or to take any steps necessary to preserve any rights against prior parties, and the Administrative Agent, the Lenders and their agents or designees shall have no liability to the Borrowers for actions taken pursuant to this Article 12, any other provision of this Agreement or any of the Loan Documents so long as the Administrative Agent or such Lender shall act in good faith and in a commercially reasonable manner.

(d) Appointment of Receiver. In any action under this Article 12, the Administrative Agent shall be entitled during the continuance of an Event of Default, to the fullest extent permitted by Applicable Law, to the appointment of a receiver, without notice of any kind whatsoever, to take possession of all or any portion of the Collateral and to exercise such power as the court shall confer upon such receiver.

Section 12.6 Trademark License. Each Borrower hereby grants to the Administrative Agent for its benefit as Administrative Agent and for the benefit of the Lenders, the nonexclusive right and license to use its trademarks for the purposes set forth in Section 12.2(b)(viii) and for the purpose of enabling the Administrative Agent to realize on the Collateral and to permit any purchaser of any portion of the Collateral through a foreclosure sale or any other exercise of the Administrative Agent's rights and remedies under this Agreement and the other Security Documents to use, sell or otherwise dispose of the Collateral bearing any such trademark. Such right and license is granted free of charge, without the requirement that any monetary payment whatsoever be made to the Borrowers or any other Person by the Lenders or the Administrative Agent or any purchaser or purchasers of the Collateral. The Borrowers hereby represent, warrant, covenant and agree that they presently have, and shall continue to have, the right, without the approval or consent of others, to grant the license set forth in this Section 12.6.

ARTICLE 13

ASSIGNMENTS

Section 13.1 Successors and Assigns; Participations.

(a) This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Lenders, the Administrative Agent, all future holders of the Notes, and their respective successors and assigns, except that the Borrowers may not assign or transfer any of their rights or obligations under this Agreement without the prior written consent of each Lender.

(b) Each Lender may with the consent of the Administrative Agent and, so long as no Default or Event of Default has occurred and is continuing, MasTec, which consent shall not be unreasonably withheld or delayed, assign to one or more Eligible Assignees all or a portion of its interests, rights and obligations under this Agreement (including, without limitation, all or a portion of the Loans at the time owing to it and the Notes held by it) (provided that no consent shall be required with respect to any assignment to an Eligible Assignee as part of the assigning Lender's transfer of all or substantially all of its assets of a similar type in connection with any acquisition or divestiture or otherwise); provided, however, that (i) each such assignment shall be of a constant, and not a varying, percentage of all the assigning Lender's rights and obligations under this Agreement, (ii) the amount of the Commitment of the assigning Lender that is subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall in no event be less than the Minimum Commitment (or the assigning Lender's entire remaining Commitment, if less) (except that a Lender may assign less than the Minimum Commitment to its Affiliate), (iii) in the case of a partial assignment, the amount of the Commitment that is retained by the assigning Lender (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent) shall in no event be less than the Minimum Commitment, (iv) the parties to each such assignment shall execute

and deliver to the Administrative Agent, for its acceptance and recording in the Register an Assignment and Acceptance, together with any Note or Notes subject to such assignment and the assigning Lender shall pay an assignment fee in the amount of \$3,500, (v) such assignment shall not, without the consent of the Borrowers, require the Borrowers to file a registration statement with the Securities and Exchange Commission or apply to or qualify the Loans or the Notes under the blue sky laws of any state, and (vi) the representation contained in Section 13.2 hereof shall be true with respect to any such proposed assignee. Upon such execution, delivery, acceptance and recording, or from and after the effective date specified by the Administrative Agent (which effective date shall not be later than five Business Days after the delivery thereof), (A) the assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Acceptance, have the rights and obligations of a Lender hereunder, and (B) the Lender assignor thereunder shall, to the extent provided in such assignment, be released from its obligations under this Agreement.

(c) By executing and delivering an Assignment and Acceptance, the Lender assignor thereunder and the assignee thereunder confirm to and agree with each other and the other parties hereto as follows: (i) other than the representation and warranty that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim, such Lender assignor makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or any other instrument or document furnished pursuant hereto; (ii) such Lender assignor makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrowers or the performance or observance by the Borrowers of any of their obligations under this Agreement or any other instrument or document furnished pursuant hereto; (iii) such assignee confirms that it has received a copy of this Agreement, together with copies of the financial statements referred to in Section 6.1(n) and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (iv) such assignee will, independently and without reliance upon the Administrative Agent, such Lender assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (v) such assignee confirms that it is an Eligible Assignee; (vi) such assignee appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Administrative Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of this Agreement are required to be performed by it as a Lender.

(d) The Administrative Agent shall maintain a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders and the Commitment and Ratable Share of, and principal amount of the Loans and Letter of Credit Obligations owing to, each Lender from time to time (the "Register"). The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrowers, the Administrative Agent and the Lenders may treat each person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrowers or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(e) Upon its receipt of an Assignment and Acceptance executed by an assigning Lender and an Eligible Assignee and, if MasTec's consent is required, MasTec, together with any Note subject to such assignment, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in the form of Exhibit C, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register, (iii) give prompt notice thereof to the Lenders and the Borrowers, and (vi) promptly deliver a copy of such Acceptance and Assignment to the Borrowers. As of the date specified by the Administrative Agent, but in any event within five Business Days after receipt of notice, the Borrowers shall execute and deliver to the Administrative Agent in exchange for the surrendered Note, a new Note to the order of such Eligible Assignee in an amount equal to the Commitment assumed by such Eligible Assignee pursuant to such Assignment and Acceptance and a new Note to the order of the assigning Lender in an amount equal to the Commitment retained by it hereunder. Such new Note shall be in an aggregate principal amount equal to the aggregate principal amount of such surrendered Note, shall be

dated the effective date of such Assignment and Acceptance and shall otherwise be in substantially the form of the assigned Note. Each surrendered Note shall be canceled and returned to the Borrowers.

(f) Each Lender may sell participations to one or more banks or other entities in all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment hereunder and the Loans owing to it and the Notes held by it); provided, however, that (i) each such participation (other than to a Lender's own Affiliate) shall be in an amount not less than the Minimum Commitment, (ii) such Lender's obligations under this Agreement (including, without limitation, its Commitment hereunder) shall remain unchanged, (iii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iv) such Lender shall remain the holder of the Notes held by it for all purposes of this Agreement, (v) the Borrowers, the Administrative Agent and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement; provided, that such Lender may agree with any participant that such Lender will not, without such participant's consent, agree to or approve any waivers or amendments which would reduce the principal of or the interest rate on any Loans, extend the term or increase the amount of the commitments of such participant, reduce the amount of any fees to which such participant is entitled, extend any scheduled payment date for principal or release all or substantially all of the Collateral securing the Loans, and (vi) any such disposition shall not, without the consent of the Borrowers, require any Borrower to file a registration statement with the Securities and Exchange Commission or apply to qualify the Loans or the Notes under the blue sky law of any state. The Lender selling a participation to any bank or other entity that is not an Affiliate of such Lender shall give prompt notice thereof to the Administrative Agent, the other Lenders and the Borrowers.

(g) Any Lender may, in connection with any assignment, proposed assignment, participation or proposed participation pursuant to this Section 13.1, disclose to the assignee, participant, proposed assignee or proposed participant, any information relating to the Borrowers furnished to such Lender by or on behalf of the Borrowers, provided that, prior to any such disclosure, each such assignee, proposed assignee, participant or proposed participant shall agree with the Borrowers or such Lender (in the case of an agreement with only such Lender, the Borrowers shall be recognized as third party beneficiaries thereof) to preserve the confidentiality of any confidential information relating to the Borrowers received from such Lender.

Section 13.2 Representation of Lenders. Each Lender hereby represents that it will make each Loan hereunder as a commercial loan for its own account in the ordinary course of its business; provided, however, that, subject to Section 13.1 hereof, the disposition of the Notes or other evidence of the Secured Obligations held by any Lender shall at all times be within its exclusive control.

ARTICLE 14

AGENT

Section 14.1 Appointment of Administrative Agent. Each Lender hereby irrevocably designates and appoints FCC as the Administrative Agent of such Lender under this Agreement and the other Loan Documents. Each Lender irrevocably authorizes the Administrative Agent, as the Administrative Agent for such Lender, to take such action on its behalf under the provisions of this Agreement and the other Loan Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and such other Loan Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement or the other Loan Documents, the Administrative Agent shall not have any duties or responsibilities except those expressly set forth herein and therein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or the other Loan Documents or otherwise exist against the Administrative Agent.

Section 14.2 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement and the other Loan Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with

reasonable care. The Administrative Agent hereby appoints, authorizes and directs each Lender to act as collateral sub-agent for the Administrative Agent for the purposes of perfecting security interests and Liens in Collateral held by such Lender.

Section 14.3 Exculpatory Provisions. Neither the Administrative Agent nor any of its trustees, officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (i) liable to any Lender (or any Lender's participants) for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or the other Loan Documents (except for its or such Person's, as the case may be, own gross negligence or willful misconduct), or (ii) responsible in any manner to any Lender (or any Lender's participants) for any recitals, statements, representations or warranties made by the Borrowers or any of the Subsidiaries, any Affiliate thereof or any other Person or any officer thereof contained in this Agreement or the other Loan Documents or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or the other Loan Documents or for the existence, value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or the other Loan Documents or any Collateral or the Security Interest or other Lien or other interest therein or for any failure of the Borrowers, or any Subsidiary or any Affiliate of the Borrowers to perform its obligations hereunder or thereunder. The Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement, or to inspect the properties, books or records of the Borrowers or the other Loan Parties, provided, that if the Administrative Agent does not perform or cause to be performed at least two field examinations of the Loan Parties in any Fiscal Year or cause at least one appraisal report with respect to the Loan Parties' Eligible Fixed Assets to be ordered from a qualified independent appraiser in each year, the Required Lenders may designate a qualified Person to conduct such field examination or such appraisal and the Required Lenders and such Person shall be entitled to reimbursement or payment for the costs and expenses of such examination or such appraisal to the extent provided for the Administrative Agent in Section 15.2.

Section 14.4 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any Note, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to the Borrowers), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the payee of any Note as the owner thereof for all purposes unless such Note shall have been transferred in accordance with Section 13.1. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement and the other Loan Documents unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate and shall be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the Notes in accordance with a request of the Required Lenders (or all Lenders if such action or inaction would have the effect of amending or waiving a breach of any provision of this Agreement that only all the Lenders may amend or waive in accordance with the provisions of Section 15.9(b)), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Notes.

Section 14.5 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received notice from a Lender or the Borrowers referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". In the event that the Administrative Agent receives such a notice, the Administrative Agent shall promptly give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be directed by the Required Lenders; provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) continue making Loans to the Borrowers on behalf of the Lenders in reliance on the provisions of Section 4.7 and take such other action, or refrain from taking such action, with respect to such Default or Event of Default as

it shall deem advisable and in the best interests of the Lenders.

Section 14.6 Non-Reliance on Administrative Agent and Other Lenders. Each Lender expressly acknowledges that neither the Administrative Agent nor its officers, directors, counsel, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereafter taken, including any review of the affairs of the Borrowers, any Subsidiary or any Affiliate of the Borrowers, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial (and other) condition and creditworthiness of the Borrowers and the Subsidiaries, and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent or any Co-Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial (and other) condition and creditworthiness of the Borrowers and the Subsidiaries. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder or under the other Loan Documents, the Administrative Agent shall have no duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, property, financial (and other) condition or creditworthiness of the Borrowers or the Subsidiaries or the Affiliates of the Borrowers which may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 14.7 Indemnification.

(a) The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers or any other Person to do so), Ratably, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, attorneys' fees, costs, expenses or disbursements of any kind whatsoever which may at any time (including, without limitation, at any time following the payment of the Notes) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Agreement or the other Loan Documents, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, attorneys' fees, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or willful misconduct or resulting solely from transactions or occurrences that occur at a time after such Lender has assigned all of its interests, rights and obligations under this Agreement pursuant to Section 13.1 or, in the case of a Lender to which an assignment is made hereunder pursuant to Section 13.1, at a time before such assignment. The agreements in this Section 14.7 shall survive the payment of the Notes, the Secured Obligations and all other amounts payable hereunder and the termination of this Agreement.

(b) Without limiting the generality of the foregoing provisions of this Section 14.7, if the Administrative Agent should be sued by any receiver, trustee in bankruptcy, debtor-in-possession or other Person on account of any alleged preference or fraudulent transfer received or alleged to have been received from the Borrowers, any Subsidiary or any other Person as the result of any transaction under the Loan Documents, then any monies paid by the Administrative Agent in settlement or satisfaction of such suit, together with all costs and expenses (including attorneys' fees and expenses) incurred by Administrative Agent in the defense of same, shall be promptly reimbursed to the Administrative Agent by the Lenders to the extent of each Lender's Ratable Share.

(c) Further, without limiting the generality of the foregoing provisions of this Section 14.7, if at any time (whether prior to or after the Termination Date) any action or proceeding shall be brought against the Administrative Agent by the Borrowers, any Subsidiary, or by any other Person claiming by, through or under the Borrowers or any Subsidiary, to recover damages for any action taken or omitted by

the Administrative Agent under any of the Loan Documents or in the performance of any rights, powers or remedies of the Administrative Agent against the Borrowers, any Account Debtor, any Subsidiary, the Collateral or with respect to any Loans, or to obtain any other relief of any kind on account of any transaction between the Administrative Agent and the Borrowers, any Subsidiary or any other Person under or in relation to any of the Loan Documents, the Lenders agree to indemnify and hold the Administrative Agent harmless with respect thereto and to pay to Administrative Agent their respective Ratable Shares of such amount as the Administrative Agent shall be required to pay by reason of a judgment, decree or other order entered in such action or proceeding or by reason of any compromise or settlement agreed to by the Administrative Agent, including all interest and costs assessed against the Administrative Agent in defending or compromising such action, together with attorneys' fees and other legal expenses paid or incurred by the Administrative Agent in connection therewith; provided, however, that no Lender shall be liable to the Administrative Agent for any of the foregoing to the extent that they arise from the willful misconduct or gross negligence of the Administrative Agent. In the Administrative Agent's discretion, the Administrative Agent may also reserve for or satisfy any such judgment, decree or order from proceeds of Collateral prior to any distributions therefrom to or for the account of Lenders.

Section 14.8 Administrative Agent in Its Individual Capacity. The institution at the time acting as the Administrative Agent and its Affiliates may make loans to, issue or cause to be issued letters of credit to or for the account of, accept deposits from and generally engage in any kind of business with the Borrowers, any Subsidiary or any Affiliate of the Borrowers as if it were not the Administrative Agent hereunder. With respect to its Commitment, the Loans made or renewed by it and any Note issued to it and any Letter of Credit or Letter of Credit Guarantee issued by it, such institution shall have and may exercise the same rights and powers under this Agreement and the other Loan Documents and shall be subject to the same obligations and liabilities as and to the extent set forth herein and in the other Loan Documents for any other Lender. The terms "Lenders" and "Required Lenders" or any other term shall, unless the context clearly otherwise indicates, include such institution in its individual capacity as a Lender or one of the Required Lenders.

Section 14.9 Successor Administrative Agent.

(a) The Administrative Agent may resign as Administrative Agent upon 30 days' notice to the Lenders and the Borrowers or at any time when there are more than two other Lenders, may be removed by the Required Lenders; provided, however that such resignation shall not take effect until a successor agent has been appointed. If the Administrative Agent shall resign as Administrative Agent under this Agreement or be removed, then the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, subject, so long as no Default or Event of Default exists, to the consent of MasTec, which consent shall not be unreasonably withheld or delayed, whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon its appointment, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Notes. If the Required Lenders have failed to appoint a successor Administrative Agent within 30 days after the resignation notice given by the Administrative Agent as provided above, then the Administrative Agent shall be entitled to appoint a successor agent from among the Lenders. After any retiring Administrative Agent's resignation hereunder as Administrative Agent or the removal of any Administrative Agent, the provisions of Section 14.7 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

(b) It is intended that there shall be no violation of any Applicable Law denying or restricting the right of financial institutions to transact business as agent in any jurisdiction. It is recognized that, in case of litigation under any of the Loan Documents, or in case the Administrative Agent deems that by reason of present or future laws of any jurisdiction the Administrative Agent might be prohibited from or restricted in exercising any of the powers, rights or remedies granted to the Administrative Agent or the Lenders hereunder or under any of the Loan Documents or from holding title to or a Lien upon any Collateral or from taking any other action which may be necessary or desirable hereunder or under any of the Loan Documents, the Administrative Agent may appoint an additional individual or institution as a separate collateral agent or co-collateral agent which is not so prohibited from or restricted in taking any of such actions or exercising any of such powers, rights or

remedies. If the Administrative Agent shall appoint an additional individual or institution as a separate collateral agent or co-collateral agent as provided above, each and every remedy, power, right, claim, demand or cause of action intended by any of the Loan Documents to be exercised by or vested in or conveyed to the Administrative Agent with respect thereto shall be exercisable by and vested in such separate collateral agent or co-collateral agent, but only to the extent necessary to enable such separate collateral agent or co-collateral agent to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate collateral agent or co-collateral agent shall run to and be enforceable by either of them. Should any instrument from the Lenders be required by the separate collateral agent or co-collateral agent so appointed by Administrative Agent in order more fully and certainly to vest in and confirm to him or it such rights, powers, duties and obligations, including without limitation indemnification of such collateral agent or co-collateral agent, any and all of such instruments shall, on request, be executed, acknowledged and delivered by the Lenders. In case any separate collateral agent or co-collateral agent, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, duties and obligations of such separate collateral agent or co-collateral agent, so far as permitted by Applicable Law, shall vest in and be exercised by the Administrative Agent until the appointment of a new collateral agent or successor to such separate collateral agent or co-collateral agent.

Section 14.10 Notices from Administrative Agent to Lenders. The Administrative Agent shall promptly upon receipt thereof, forward to each Lender copies of any updated Schedules and of any written notices, reports or other information supplied to it by the Borrowers or any Subsidiary (but which such Person is not required to supply directly to the Lenders). Except to the extent expressly provided in this Agreement or in the other Loan Documents, the Administrative Agent shall not be obligated to deliver or disclose to any Lender any of the Administrative Agent's internal reports, analysis or investigation or any records or other information in its possession relating to the Borrowers or any of the Subsidiaries or the Affiliates of the Borrowers.

Section 14.11 Declaring Events of Default. Upon the occurrence of a Default, the Administrative Agent may, and at the direction of the Required Lenders shall, give such notice or take such other action as may be required hereunder to declare an Event of Default.

Section 14.12 Other Agents. For avoidance of doubt, it is expressly acknowledged and agreed by the Administrative Agent and each Lender for the benefit of any Documentation Agent, Syndication Agent, or any other agent party hereto at any time, that other than any rights or obligations explicitly reserved to or imposed upon any such agent under this Agreement, each such agent, in such capacity, shall have no rights or obligations hereunder nor shall any such agent, in such capacity, be responsible or accountable to any other party hereto for any action or failure to act hereunder, other than in connection with such explicitly reserved rights or such obligations and then only for claims, damages, losses (other than consequential losses, for which it shall not in any circumstances be liable) and other liabilities arising out of such Person's own gross negligence or willful misconduct.

ARTICLE 15

MISCELLANEOUS

Section 15.1 Notices.

(a) Method of Communication. Except as specifically provided in this Agreement or in any of the Loan Documents, all notices and the communications hereunder and thereunder shall be in writing or by telephone subsequently confirmed in writing. Notices in writing shall be delivered personally or sent by U.S. first class mail, certified or registered, postage pre-paid, return receipt requested, or by reputable overnight courier or facsimile transmission and shall be deemed received in the case of personal delivery, when delivered, in the case of mailing, when receipted for, in the case of overnight delivery, on the next Business Day after delivery to the courier, and in the case of telex and facsimile transmission, upon transmittal, provided that in the case of notices to the Administrative Agent pursuant to Article 2 and 3, notice shall be deemed to have been given only when such notice is actually received by the Administrative Agent. The Administrative Agent may agree to accept, but is not obligated so to agree, notice by electronic mail. A telephonic notice to the Administrative Agent, as understood by the

Administrative Agent, will be deemed to be the controlling and proper notice in the event of a discrepancy with or failure to receive a confirming written notice.

(b) Addresses for Notices. Notices to any party shall be sent to it at the following addresses, or any other address of which all the other parties are notified in writing by such first party:

If to the Borrowers: MasTec, Inc.
3155 N.W. 77th Avenue
Miami, Florida 33122
Attn: Legal Department
Facsimile No.: 305/406-1907

with a copy to: MasTec, Inc.
3155 N.W. 77th Avenue
Miami, Florida 33122
Attn: Finance Department
Facsimile No.: 305/406-1908

If to the
Administrative Agent: Fleet Capital Corporation
300 Galleria Parkway
Suite 800
Atlanta, Georgia 30339
Attn: Loan Administration Manager
Facsimile No.: (770) 859-2483

If to a Lender: At the address of such Lender set
forth on the signature pages
hereof.

(c) Administrative Agent's Office. The Administrative Agent hereby designates its office located at 300 Galleria Parkway, Suite 800, Atlanta, Georgia 30339, or any subsequent office which shall have been specified for such purpose by written notice to the Borrowers, as the office to which payments due are to be made.

Section 15.2 Expenses. The Borrowers agree, jointly and severally, to pay or reimburse on demand all costs and expenses reasonably (other than pursuant to subsection (c) below as to which such requirement shall not apply) incurred

(a) by or on behalf of the Administrative Agent, including, without limitation, the reasonable fees and disbursements of counsel, in connection with

(i) the negotiation, preparation, execution, delivery, administration, enforcement and termination of this Agreement and each of the other Loan Documents, whenever the same shall be executed and delivered, including, without limitation

(A) reasonable out-of-pocket costs and expenses incurred in connection with the administration and interpretation of this Agreement and the other Loan Documents;

(B) reasonable costs and expenses of one "desktop" appraisal of the Equipment per year or if (1) Availability is less than \$20,000,000 and aggregate Commitments are not greater than \$100,000,000 or (2) Availability is less than \$25,000,000 and aggregate Commitments are greater than \$100,000,000 but less than \$125,000,000 or (3) Availability is less than \$30,000,000 and aggregate Commitments are at least \$125,000,000, up to two "desktop" appraisals of the Equipment per year, provided that if an Event of Default has occurred and is continuing, the Borrowers shall be obligated to pay for or to reimburse the Administrative Agent for all costs of any reasonable number of such appraisals of the Equipment and for costs attributable to expanding the scope or methodology of any such appraisal beyond that employed in preparing the appraisal report(s) delivered and accepted pursuant to Section 5.1(a)(14);

(C) the costs and expenses of lien searches; and

(D) taxes, fees and other charges for filing the Financing Statements and continuations and the costs and expenses of taking other actions to perfect, protect, and continue the Security Interests;

(ii) the preparation, execution and delivery of any waiver, amendment, supplement or consent by the Administrative Agent and the Lenders relating to this Agreement or any of the Loan Documents;

(iii) sums paid or incurred to pay any amount or take any action

required of the Borrowers under the Loan Documents that the Borrowers fail to pay or take;

(iv) costs of inspections and verifications of the Collateral, including, without limitation, standard per diem fees charged by the Administrative Agent or the Lenders, travel (coach class or equivalent), lodging, and meals for inspections of the Collateral and the Borrowers' operations and books and records by the Administrative Agent's agents (or the agents of any Person appointed by the Required Lenders pursuant to Section 14.3) up to two times per year and also whenever (A) an Event of Default exists or (B)(1) Availability is less than \$20,000,000 and aggregate Commitments are not greater than \$100,000,000 or (2) Availability is less than \$25,000,000 and aggregate Commitments are greater than \$100,000,000 but less than \$125,000,000 or (3) Availability is less than \$30,000,000 and aggregate Commitments are at least \$125,000,000;

(v) costs and expenses of forwarding loan proceeds, collecting checks and other items of payment, and establishing and maintaining each Disbursement Account, Controlled Account and Lockbox; and

(vi) costs and expenses of preserving and protecting the Collateral;

(b) by or on behalf of the Arranger in connection with the initial syndication of the Revolving Credit Facility and any subsequent syndication in connection with a Commitment Increase; and

(c) by or on behalf of the Administrative Agent or any Lender in connection with

(i) consulting, after the occurrence of a Default, with one or more Persons, including appraisers, accountants and lawyers, concerning the value of any Collateral for the Secured Obligations or related to the nature, scope or value of any right or remedy of the Administrative Agent or any Lender hereunder or under any of the Loan Documents, including any review of factual matters in connection therewith, which expenses shall include the fees and disbursements of such Persons; and

(ii) costs and expenses paid or incurred to obtain payment of the Secured Obligations, enforce the Security Interests, sell or otherwise realize upon the Collateral, and otherwise enforce the provisions of the Loan Documents, or to prosecute or defend any claim in any way arising out of, related to or connected with, this Agreement or any of the Loan Documents, which expenses shall include the reasonable fees and disbursements of counsel and of experts and other consultants retained by the Administrative Agent or any Lender.

The foregoing shall not be construed to limit any other provisions of the Loan Documents regarding costs and expenses to be paid by the Borrowers. The Borrowers hereby authorize the Administrative Agent and the Lenders to debit the Borrowers' Loan Accounts (by increasing the principal amount of the Loans) in the amount of any such costs and expenses owed by the Borrowers when due.

Section 15.3 Stamp and Other Taxes. The Borrowers will pay any and all stamp, registration, recordation and similar taxes, fees or charges and shall indemnify the Administrative Agent and the Lenders against any and all liabilities with respect to or resulting from any delay in the payment or omission to pay any such taxes, fees or charges, which may be payable or determined to be payable in connection with the execution, delivery, performance or enforcement of this Agreement and any of the Loan Documents or the perfection of any rights or security interest thereunder, including, without limitation, the Security Interest.

Section 15.4 Setoff. In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, during the continuance of any Event of Default, each Lender, any participant with such Lender in the Loans and each Affiliate of each Lender are hereby authorized by the Borrowers at any time or from time to time, without notice to the Borrowers or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured) and any other indebtedness at any time held or owing by any Lender or any Affiliate of any Lender or any participant to or for the credit or the account of the Borrowers against and on account of the Secured Obligations irrespective of whether or not

(a) the Administrative Agent or such Lender shall have made any demand under this Agreement or any of the Loan Documents, or

(b) the Administrative Agent or such Lender shall have declared any or all of the Secured Obligations to be due and payable as permitted by Section 12.2 and although such Secured Obligations shall be contingent or unmatured.

Section 15.5 Consent to Advertising and Publicity. With the prior written consent of the Borrowers, which consent may be withheld in their sole discretion, the Administrative Agent, on behalf of the Lenders, may issue and disseminate to the public information describing the credit accommodation entered into pursuant to this Agreement, including the name and address of the Borrowers, the amount, interest rate, maturity, collateral for and a general description of the credit facilities provided hereunder and of the Borrowers' business.

Section 15.6 Reversal of Payments. The Administrative Agent and each Lender shall have the continuing and exclusive right to apply, reverse and re-apply any and all payments to any portion of the Secured Obligations in a manner consistent with the terms of this Agreement. To the extent the Borrowers make a payment or payments to the Administrative Agent, for the account of the Lenders, or any Lender receives any payment or proceeds of the Collateral for the Borrowers' benefit, which payment(s) or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or proceeds received, the Secured Obligations or part thereof intended to be satisfied shall be revived and continued in full force and effect, as if such payment or proceeds had not been received by the Administrative Agent or such Lender.

Section 15.7 Injunctive Relief. The Borrowers recognize that, in the event the Borrowers fail to perform, observe or discharge any of their obligations or liabilities under this Agreement, any remedy at law may prove to be inadequate relief to the Administrative Agent and the Lenders; therefore, the Borrowers agree that if any Event of Default shall have occurred and be continuing, the Administrative Agent and the Lenders, if the Administrative Agent or any Lender so requests, shall be entitled to temporary and permanent injunctive relief without the necessity of proving actual damages.

Section 15.8 Accounting Matters. All financial and accounting calculations, measurements and computations made for any purpose relating to this Agreement, including, without limitation, all computations utilized by the Borrowers to determine whether they are in compliance with any covenant contained herein, shall, unless this Agreement otherwise provides or unless Required Lenders shall otherwise consent in writing, be performed in accordance with GAAP.

Section 15.9 Amendments.

(a) Except as set forth in subsection (b) below and subject to the provisions of Section 15.24, any term, covenant, agreement or condition of this Agreement or any of the other Loan Documents may be amended or waived, and any departure therefrom may be consented to by the Required Lenders, if, but only if, such amendment, waiver or consent is in writing signed by the Required Lenders and, in the case of an amendment (other than an amendment described in Section 15.9(d)), by the Borrowers, provided that no such amendment, unless consented to by the Administrative Agent, shall alter or affect the rights or responsibilities of the Administrative Agent, and in any such event, the failure to observe, perform or discharge any such term, covenant, agreement or condition (whether such amendment is executed or such waiver or consent is given before or after such failure) shall not be construed as a breach of such term, covenant, agreement or condition or as a Default or an Event of Default. Unless otherwise specified in such waiver or consent, a waiver or consent given hereunder shall be effective only in the specific instance and for the specific purpose for which given. The Administrative Agent and the Lenders may require and charge a fee in connection with any amendment or waiver and in consideration thereof in such amount as shall be determined by the Administrative Agent and the Required Lenders in their discretion.

(b) Without the prior unanimous written consent of the Lenders, no amendment, consent or waiver shall (A) increase the amount or extend the time of any Lender's obligation to make Loans or (B) extend the originally scheduled time or times of repayment of the principal of any Loan or (C) alter (other than to accelerate or make more frequent) the time or times of payment of interest on any Loan or of any fees payable for the account of the Lenders or (D) decrease the amount of the principal of any Loan or the rate of interest thereon or (E) decrease

the amount of any commitment fee or other fee payable hereunder for the account of the Lenders' or (F) permit any subordination of the principal of or interest on any Loan or (G) permit any amendment to Section 4.18. Without the prior unanimous written consent of the Lenders, no Borrower or material Guarantor shall be released from its liability for the Secured Obligations nor shall Collateral be released in excess of the amount thereof disposed of in any Fiscal Year in compliance with Section 8.7(a). Except to the extent expressly provided in Sections 4.7 and 14.1, without the prior unanimous written consent of the Lenders, no amendment shall be made to the following definitions: "Borrowing Base" or the defined terms used therein, "Eligible Assignee", "Ratable", "Ratable Share", "Commitment Percentage", "Secured Obligations" (other than to include additional obligations of the Loan Parties owing to all Lenders), "Lenders" or "Required Lenders", or to the provisions of this Section 15.9 or the provisions of Article 12. Neither the Administrative Agent nor any Lender shall consent to any amendment to or waiver of the amortization, deferral or subordination provisions of any instrument or agreement evidencing or relating to obligations (whether or not Debt) of the Borrowers that are expressly subordinate to any of the Secured Obligations if such amendment or waiver would be adverse to the Lenders in their capacities as Lenders hereunder, without the prior written consent of each Lender affected thereby. Notwithstanding anything herein to the contrary, the Required Lenders shall have the right to waive any Default or Event of Default and the consequences hereunder of such Default or Event of Default provided only that such Default or Event of Default does not arise under Section 12.1(g) or (h) or out of a breach of or failure to perform or observe any term, covenant or condition of this Agreement or any other Loan Document (other than the provisions of Article 12 of this Agreement) the amendment of which requires the unanimous consent of the Lenders. The Required Lenders shall have the right, with respect to any Default or Event of Default that may be waived by them, to enter into an agreement with the Borrowers providing for the forbearance from the exercise of any remedies provided hereunder or under the other Loan Documents without thereby waiving any such Default or Event of Default.

(c) The making of Loans hereunder by the Lenders during the existence of a Default or Event of Default shall not be deemed to constitute a waiver of such Default or Event of Default.

(d) Notwithstanding any provision of this Agreement or the other Loan Documents to the contrary, no consent, written or otherwise, of the Borrowers shall be necessary or required in connection with any amendment to Section 4.8 or Article 14, and any amendment to such provisions may be effected solely by and among the Administrative Agent and the Lenders, provided that no such amendment shall impose any obligation on the Borrowers or limit or reduce any right granted hereunder or thereunder to the Borrowers.

Section 15.10 Confidentiality. Neither the Administrative Agent nor any Lender shall, except with the prior written consent of MasTec, disclose any Confidential Information to any Person, other than (a) to the Administrative Agent's or such Lender's Affiliates and their officers, directors, employees, agents and advisors that are involved in the administration or monitoring of this Agreement and the credit facilities extended hereunder, (b) to actual or prospective Eligible Assignees and participants, and then only on a confidential basis, (c) as required by any law, rule or regulation or judicial process, (d) as requested or required by any state, federal or foreign authority or examiner regulating such Lender and (e) to any rating agency when required by it, provided that, prior to any such disclosure the Administrative Agent shall make all reasonable efforts to notify MasTec and such rating agency shall undertake to preserve the confidentiality of any Confidential Information relating to MasTec and its Subsidiaries received by it from the Administrative Agent or any Lender. For purposes of this Section 15.10, "Confidential Information" means information that any Loan Party furnishes to the Administrative Agent or any Lender in a writing designated as "confidential," but does not include any such information that is or becomes generally available to the public other than as a result of a breach by the Administrative Agent or such Lender of its obligations hereunder or that is or becomes available to the Administrative Agent or such Lender from a source other than the Loan Parties that is not, to the best of the Administrative Agent's or such Lender's knowledge, acting in violation of a confidentiality agreement with a Loan Party.

Section 15.11 Performance of Borrowers' Duties.

(a) The Borrowers' obligations under this Agreement and each of the Loan Documents shall be performed by the Borrowers at their sole cost and expense.

(b) If the Borrowers shall fail to do any act or thing which they have covenanted to do under this Agreement or any of the Loan Documents, the Administrative Agent, on behalf of the Lenders, may (but shall not be obligated to) do the same or cause it to be done either in the name of the Administrative Agent or the Lenders or in the name and on behalf of the Borrowers, and each Borrower hereby irrevocably authorizes the Administrative Agent so to act.

Section 15.12 Indemnification. The Borrowers agree to reimburse the Administrative Agent and the Lenders for all costs and expenses, including reasonable counsel fees and disbursements, incurred, and to indemnify and hold harmless the Administrative Agent and the Lenders from and against all losses suffered by, the Administrative Agent or any Lender in connection with

(a) the exercise by the Administrative Agent or any Lender of any right or remedy granted to it under this Agreement or any of the Loan Documents,

(b) any claim, and the prosecution or defense thereof, arising out of or in any way connected with this Agreement or any of the Loan Documents, and

(c) the collection or enforcement of the Secured Obligations or any of them, other than such costs, expenses and liabilities arising out of the Administrative Agent's or any Lender's gross negligence or willful misconduct.

Section 15.13 All Powers Coupled with Interest. All powers of attorney and other authorizations granted to the Administrative Agent and the Lenders and any Persons designated by the Administrative Agent or the Lenders pursuant to any provisions of this Agreement or any of the Loan Documents shall be deemed coupled with an interest and shall be irrevocable so long as any of the Secured Obligations remain unpaid or unsatisfied.

Section 15.14 Survival. Notwithstanding any termination of this Agreement,

(a) until all Secured Obligations have been irrevocably paid in full or otherwise satisfied, the Administrative Agent, for the benefit of the Lenders, shall retain its Security Interest and shall retain all rights under this Agreement and each of the Security Documents with respect to such Collateral as fully as though this Agreement had not been terminated,

(b) the indemnities to which the Administrative Agent and the Lenders are entitled under the provisions of this Article 15 and any other provision of this Agreement and the Loan Documents shall continue in full force and effect and shall protect the Administrative Agent and the Lenders against events arising after such termination as well as before, and

(c) in connection with the termination of this Agreement and the release and termination of the Security Interests, the Administrative Agent shall execute and deliver or authorize the filing of such termination statements and other instruments as may be necessary to continue the release of the Security Interest and that the Borrowers reasonably request, provided that the Administrative Agent, on behalf of itself as agent and the Lenders, may require such assurances and indemnities as it shall reasonably deem necessary or appropriate to protect the Administrative Agent and the Lenders against loss on account of such release and termination, including, without limitation, with respect to credits previously applied to the Secured Obligations that may subsequently be reversed or revoked.

Section 15.15 Titles and Captions. Titles and captions of Articles, Sections and subsections in this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

Section 15.16 Severability of Provisions. Any provision of this Agreement or any Loan Document which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 15.17 Governing Law; Waiver of Jury Trial.

(a) This Agreement and the Notes shall be governed by and

construed in accordance with the laws of the State of Georgia.

(b) Each Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Superior Court of any county in the Northern District of the State of Georgia and of the United States District Court for the Northern District of Georgia, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Georgia State court or, to the extent permitted by law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent, any Issuing Bank, FCC as issuer of any Letter of Credit Guarantee or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Borrower or its properties in the courts of any jurisdiction.

(c) Each Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 15.1. Nothing in this Agreement will affect the right of any party to this Agreement to service of process in any other manner permitted by law.

(e) Each Borrower, the Administrative Agent and each Lender hereby knowingly, intentionally and voluntarily waive trial by jury in any action or proceeding of any kind or nature in any court in which an action may be commenced by or against a Borrower, the Administrative Agent or such Lender arising out of this Agreement, the Collateral or any assignment thereof or by reason of any other cause or dispute whatsoever between the Borrowers and the Administrative Agent or any Lender of any kind or nature.

Section 15.18 Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and shall be binding upon all parties, their successors and assigns, and all of which taken together shall constitute one and the same agreement.

Section 15.19 Reproduction of Documents. This Agreement, each of the Loan Documents and all documents relating thereto, including, without limitation, (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by the Administrative Agent or any Lender, and (c) financial statements, certificates and other information previously or hereafter furnished to the Administrative Agent or any Lender, may be reproduced by the Administrative Agent or such Lender by any photographic, photostatic, microfilm, microcard, miniature photographic or other similar process and such Person may destroy any original document so produced. Each party hereto stipulates that, to the extent permitted by Applicable Law, any such reproduction shall be as admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original shall be in existence and whether or not such reproduction was made by the Administrative Agent or such Lender in the regular course of business), and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence.

Section 15.20 Term of Agreement. This Agreement shall remain in effect from the Agreement Date through the Termination Date and thereafter until all Secured Obligations shall have been irrevocably paid and satisfied in full. No termination of this Agreement shall affect the rights and obligations of the parties hereto arising prior to such termination.

Section 15.21 Pro-Rata Participation.

(a) Each Lender agrees that if, as a result of the exercise of a

right of setoff, banker's lien or counterclaim or other similar right or the receipt of a secured claim it receives any payment in respect of the Secured Obligations, it shall promptly notify the Administrative Agent thereof (and the Administrative Agent shall promptly notify the other Lenders). If, as a result of such payment, such Lender receives a greater percentage of the Secured Obligations owed to it under this Agreement than the percentage received by any other Lender, such Lender shall purchase a participation (which it shall be deemed to have purchased simultaneously upon the receipt of such payment) in the Secured Obligations then held by such other Lenders so that all such recoveries of principal and interest with respect to all Secured Obligations owed to each Lender shall be pro rata on the basis of its respective amount of the Secured Obligations owed to all Lenders, provided that if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered by or on behalf of the Borrower from such Lender, such purchase shall be rescinded and the purchase price paid for such participation shall be returned to such Lender to the extent of such recovery, together with interest thereon at the rate, if any, required to be paid on the amount recovered from such purchasing Lender.

(b) Each Lender which receives such a secured claim shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this Section 15.22 to share in the benefits of any recovery on such secured claim.

(c) Each Lender shall include in any arrangement or agreement it enters into with any participant in such Lender's interests hereunder, an undertaking by such participant substantially similar to the foregoing subsections (a) and (b).

(d) The Borrowers expressly consent to the foregoing arrangements and agree that any holder of a participation in any Secured Obligation so purchased or otherwise acquired of which such Borrower has received notice may exercise any and all rights of banker's lien, set-off or counterclaim with respect to any and all monies owing by such Borrower to such holder as fully as if such holder were a holder of such Secured Obligation in the amount of the participation held by such holder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers in several counterparts all as of the day and year first written above.

BORROWERS:

MASTEC, INC.

[Corporate Seal]

Attest:

By:

Jose Sariego
Senior Vice President

Steven E. Davis
Assistant Secretary

FLEET CAPITAL CORPORATION, as
Administrative Agent and as a Lender

By:

Dennis S. Losin
Senior Vice President

Address:
Fleet Capital Corporation
300 Galleria Parkway
Suite 800
Atlanta, Georgia 30339
Attn: Loan Administration Manager
Facsimile No.: (770) 859-2483

CHURCH & TOWER, INC.

By:

Jose Sariego
Vice President

CHURCH & TOWER ENVIRONMENTAL, INC.

By:

Jose Sariego
Vice President

CRUZ-CELL, INC.

By:

Jose Sariego
Vice President

MASTEC TELCOM & ELECTRICAL
SERVICES, INC.

By:

Jose Sariego
Vice President

DRESSER/AREIA CONSTRUCTION, INC.

By:

Jose Sariego
Vice President

FLAIRE INCORPORATED

By:

Jose Sariego
Vice President

GMR TELECOM, L.L.C.

By: -----
Jose Sariego
Vice President

MASTEC INTEGRATION SYSTEMS, INC.

By: -----
Jose Sariego
Vice President

MASTEC NETWORK SERVICES, INC.

By: -----
Jose Sariego
Vice President

MASTEC NORTH AMERICA, INC.

By: -----
Jose Sariego
Vice President

MASTEC NORTH CAROLINA, INC.

By: -----
Jose Sariego
Vice President

MASTEC VIRGINIA, INC.

By: -----
Jose Sariego
Vice President

PHASECOM AMERICA INC.

By: -----
Jose Sariego
Vice President

PROTEL IND., INC.

By: -----
Jose Sariego
Vice President

RENEGADE OF IDAHO, INC.

By: -----
Jose Sariego
Vice President

S.S.S. CONSTRUCTION, INC.

By: -----
Jose Sariego
Vice President

UPPER VALLEY UTILITIES CORP.

By: -----
Jose Sariego
Vice President

WILDE HOLDING CO., INC.

By: -----
Jose Sariego
Vice President

WILDE ACQUISITION CO., INC.

By: -----
Jose Sariego
Vice President

NORTHLAND CONTRACTING, INC.

By: -----
Jose Sariego
Vice President

WILDE OPTICAL SERVICE, INC.

By:

Jose Sariego
Vice President

MASTEC FC, INC.

By:

Jose Sariego
Vice President

MASTEC REAL ESTATE HOLDINGS, INC.

By:

Jose Sariego
Vice President

MASTEC OF TEXAS, INC.

By:

Jose Sariego
Vice President

MASTEC TC, INC.

By:

Jose Sariego
Vice President

STACKHOUSE REAL ESTATE HOLDINGS, INC.

By:

Jose Sariego
Vice President

ANNEX A
COMMITMENTS

Lender

Commitment

Fleet Capital Corporation

\$75,000,000

Total

\$75,000,000

ANNEX B
PRICING MATRIX

Level	Leverage Ratio	LIBOR Loans	Base Rate Loans
Level I	< 1.50:1	2.00%	0.50%
Level II	> 1.50:1 and < 2.00:1	2.25%	0.75%
Level III	> 2.00:1 and < 2.50:1	2.50%	1.00%
Level IV	> 2.50:1 and < 3.00:1	2.75%	1.25%
Level V	> 3.00:1	3.00%	1.50%

ANNEX D

REAL PROPERTY TO BE SUBJECT TO MORTGAGES

Column 1	Column 2	Column 3
Real Estate to be Mortgaged at Closing	Real Estate to be to be Mortgaged Post Closing	Land Held for Sale
209 Art Bryan Drive Asheboro, NC 27203	7221 Dr. Martin Luther King Blvd. Tampa, FL 33619	SR540 Reclamation Located on north side of State Road 540, approximately one mile east of US Highway 98 in Lakeland, Polk County, Florida (485 acres)
Highway #2 East Shevlin, MN 56676	2801 SW 47th Avenue Ft. Lauderdale, FL 33314	US 41 Property: 3050 Jacaranda Pkwy E Ft. Myers, FL
3155 NW 77th Avenue Miami, FL 33122	4250 N. Powerline Road Pompano Beach, Florida 33073	US 41 Property: 16701 N Cleveland Ave Ft. Myers, FL
		2801 SW 46 Ave Davie, FL

ANNEX E

TRANSFER INSTRUCTIONS

Bank Name: Fleet National Bank
Location: 1 Constitution Plaza

Hartford, Connecticut

ABA Routing No.: 011 900 571

Credit Account No.: 9369337552

For Credit to Account of: Fleet Capital Corporation

Reference: MasTec, Inc.

ANNEX F

APPROVED ACCOUNT DEBTORS

Adelphia Communications Corp.

Verizon Communications

Virginia Power/Dominion Resources

SBC Communications, Inc.

Cox Communications, Inc.

Comcast Corporation

Sprint Corp.

Hughes Electronics/DirecTV

Qwest Communications/US West, Inc.

Sierra Pacific Resources, Inc.

Sierra Touch America LLC

Florida Power & Light Co.

ANNEX G

EBITDA ADJUSTMENT AMOUNTS

(all figures in millions)

First Fiscal Quarter, 2001 \$22 - increase in reserve for doubtful accounts

Second Fiscal Quarter, 2001 \$16 - increase in reserve for doubtful accounts
\$6.5 - write-off of equity investment in customer
\$.7 - severance compensation to former officer

Third Fiscal Quarter, 2001 \$106.7 - increase in reserve for doubtful accounts
\$9.8 - severance compensation to former officer
\$10.0 - write-off of certain foreign assets

Fourth Fiscal Quarter, 2001 \$35 - increase in reserve for doubtful accounts

Fourth Fiscal Quarter, 2001, Fiscal Year 2002 and thereafter Effect on MasTec's NA Operations' Net Income of compliance with FASB 142.

ANNEX H

Canadian Priming Liens

Amounts due to/for:

1. Sales and excise taxes.
2. Employee payroll deductions (UIC, CPP, income tax)
3. Provincial taxes
4. Workers' Compensation Board
5. Accrued wages, commissions, vacation pay to employees
6. Pension plans
7. Overdue rent and real property taxes

ANNEX I

From and After -----	Deduct from Eligible Fixed Assets Value -----
July 1, 2002	\$ 1,875,000
October 1, 2002	\$ 3,750,000
January 1, 2003	\$ 5,625,000
April 1, 2003	\$ 7,500,000
July 1, 2003	\$ 9,375,000
October 1, 2003	\$11,250,000
January 1, 2004	\$13,125,000
April 1, 2004	\$15,000,000
July 1, 2004	\$16,875,000
October 1, 2004	\$18,750,000
January 1, 2005	\$20,625,000
April 1, 2005	\$22,500,000
July 1, 2005	\$24,375,000
October 1, 2005	\$26,250,000
January 1, 2006	\$28,125,000
April 1, 2006	\$30,000,000

\$125,000,000
REVOLVING CREDIT AND SECURITY AGREEMENT

Dated as of February 7, 2002

Between

MASTEC, INC.
CERTAIN OF ITS SUBSIDIARIES
(the Borrowers)

and

FLEET CAPITAL CORPORATION
WACHOVIA BANK, N.A.
LASALLE BUSINESS CREDIT, INC.
JPMORGAN CHASE BANK
PNC BANK, NATIONAL ASSOCIATION
(the Lenders)

and

FLEET CAPITAL CORPORATION
(the Administrative Agent)

WACHOVIA BANK, N.A.
(the Syndication Agent)

and

LASALLE BUSINESS CREDIT, INC.
JPMORGAN CHASE BANK
(the Documentation Agents)

Arranged by:

FLEET SECURITIES, INC.

EXECUTION COPY

ASSUMPTION AND AMENDMENT AGREEMENT

Dated as of February 7, 2002

Reference is made to the Revolving Credit and Security Agreement dated as of January 22, 2002 (as amended, modified, supplement, or restated and in effect from time to time, the "Credit Agreement"), among MasTec, Inc., a Florida corporation ("MasTec"), certain of its subsidiaries (with MasTec, collectively, the "Borrowers"), the lenders parties thereto, and Fleet Capital Corporation, a Rhode Island corporation, as administrative agent (the "Administrative Agent") for said lenders. Unless otherwise defined herein, terms defined in the Credit Agreement are used herein with the same meanings.

Each of the undersigned, WACHOVIA BANK, N.A., LASALLE BUSINESS CREDIT, INC., JPMORGAN CHASE BANK and PNC BANK, NATIONAL ASSOCIATION (each, an "Additional Lender"), FCC, as a Lender and as the Administrative Agent, and the Borrowers hereby agree as follows:

1. Each Additional Lender hereby agrees that, effective as of February 7, 2002 (the "Effective Date"), and subject to the satisfaction on or prior to the Effective Date of the conditions set forth in Section 2.5(b)(ii) of the Credit Agreement, (i) each Additional Lender will become a Lender under the Credit Agreement, (ii) the Commitment of each Lender, including each Additional Lender, will be as set forth on Annex 1 hereto, (iii) each Additional Lender will be bound by all the terms and provisions of the Credit Agreement binding upon each Lender, including, without being limited to, Sections 2.5(b)(iii) and 4.7 and Article 14, (iv) until such time as MasTec's Energy Group's systems are upgraded, its Eligible Unbilled Accounts will be estimated based on the Energy Group's trailing 12-month revenues, and (v) each Additional Lender will pay to the Administrative Agent in accordance with the terms of Section 2.2(a)(iii) an amount (each such Additional Lender's "Initial Loan") such that, after giving effect to all Initial Loans, the Net Outstandings of the Lenders shall be Ratable. Each Additional Lender

acknowledges and agrees that the amount of its Initial Loan will be applied by the Borrowers to repay Loans outstanding from FCC and to permanently reduce FCC's outstanding Commitment.

2. Each Borrower consents to the foregoing and agrees to deliver to the Administrative Agent, on or prior to the Effective Date, any evidence of authorization, opinions and certificates required pursuant to Section 2.5(b)(ii) of the Credit Agreement and an original Revolving Credit Note to the order of each Lender in the amount of such Lender's Commitment after giving effect to the Commitment Increase reflected in Annex 1.

3. The Credit Agreement is hereby amended, effective as of the Effective Date, subject to the satisfaction on or prior to the Effective Date of the conditions set forth in Section 2.5(b)(ii) of the Credit Agreement, by:

(i) amending Section 1.1 Definitions by adding thereto in the appropriate alphabetical order the following new definitions:

"Documentation Agent" means each of JPMorgan Chase Bank and LaSalle Business Credit, Inc.

"Syndication Agent" means Wachovia Bank, N.A.

(ii) amending subsection (b) of Section 15.9 Amendments in its entirety to read as follows:

(b) (1) Without the prior unanimous written consent of the Lenders, no amendment, consent or waiver shall (A) increase the amount or extend the time of any Lender's obligation to make Loans or (B) extend the originally scheduled time or times of repayment of the principal of any Loan or (C) alter (other than to accelerate or make more frequent) the time or times of payment of interest on any Loan or of any fees payable for the account of the Lenders or (D) decrease the amount of the principal of any Loan or the rate of interest thereon or (E) decrease the amount of any commitment fee or other fee payable hereunder for the account of the Lenders' or (F) permit any subordination of the principal of or interest on any Loan or (G) permit any amendment to Section 4.18. Without the prior unanimous written consent of the Lenders, no Borrower or material Guarantor shall be released from its liability for the Secured Obligations nor shall Collateral be released in excess of the amount thereof disposed of in any Fiscal Year in compliance with Section 8.7(a). Except to the extent expressly provided in Sections 4.7 and 14.1, without the prior unanimous written consent of the Lenders, no amendment shall be made to the following definitions: "Borrowing Base" or the defined terms used therein, "Eligible Assignee", "Ratable", "Ratable Share", "Commitment Percentage", "Letter of Credit Guarantee Facility", "Secured Obligations" (other than to include additional obligations of the Loan Parties owing to all Lenders), "Lenders" or "Required Lenders", or to the provisions of this Section 15.9 or the provisions of Article 12. Neither the Administrative Agent nor any Lender shall consent to any amendment to or waiver of the amortization, deferral or subordination provisions of any instrument or agreement evidencing or relating to obligations (whether or not Debt) of the Borrowers that are expressly subordinate to any of the Secured Obligations if such amendment or waiver would be adverse to the Lenders in their capacities as Lenders hereunder, without the prior written consent of each Lender affected thereby.

(2) Without the consent of the Lenders whose Commitment Percentages are equal to 66-2/3% or more (or if the Commitments have been terminated, the Lenders holding at least 66-2/3% of the outstanding principal of and accrued interest on all Loans and Reimbursement Obligations), permit any amendment to Section 4.7(d).

provided, however, that notwithstanding anything herein to the contrary, the Required Lenders shall have the right to waive any Default or Event of Default and the consequences hereunder of such Default or Event of Default provided only that such Default or Event of Default does not arise under Section 12.1(g) or (h) or out of a breach of or failure to perform or observe any term, covenant or condition of this Agreement or any other Loan Document (other than the provisions of Article 12 of this Agreement) the amendment of which requires the unanimous or "super majority" consent of the Lenders. The Required Lenders shall have the right, with respect to any Default or Event of Default that may be waived by them, to enter into an agreement with the Borrowers providing for the forbearance from the exercise of any remedies provided hereunder or under the other Loan Documents without thereby waiving any such Default or Event of Default.

4. This Assumption Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

5. This Assumption Agreement may be signed in multiple counterparts, each of which shall be an original and all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be executed and delivered by their officers thereunto duly authorized, as of the date first above written.

FLEET CAPITAL CORPORATION, as
Administrative Agent and as a Lender

By: _____
Dennis S. Losin
Senior Vice President

WACHOVIA BANK, N.A., as a Lender

By: _____
Name: _____
Title: _____

LASALLE BUSINESS CREDIT, INC., as a
Lender

By: _____
Name: _____
Title: _____

JPMORGAN CHASE BANK, as a Lender

By: _____
Name: _____
Title: _____

PNC BANK, NATIONAL ASSOCIATION, as a
Lender

By: _____
Name: _____
Title: _____

BORROWERS:

MASTEC, INC.

By: _____
Steven E. Davis
Assistant Secretary

CHURCH & TOWER, INC.

By: _____
Steven E. Davis
Assistant Secretary

CHURCH & TOWER ENVIRONMENTAL, INC.

By: _____
Steven E. Davis
Assistant Secretary

CRUZ-CELL, INC.

By: _____
Steven E. Davis
Assistant Secretary

DRESSER/AREIA CONSTRUCTION, INC.

By: _____
Steven E. Davis
Assistant Secretary

FLAIRE INCORPORATED

By: _____
Steven E. Davis
Assistant Secretary

GMR TELECOM, L.L.C.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC INTEGRATION SYSTEMS, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC NETWORK SERVICES, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC NORTH AMERICA, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC NORTH CAROLINA, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC TELCOM & ELECTRICAL SERVICES, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC VIRGINIA, INC.

By: _____
Steven E. Davis
Assistant Secretary

PHASECOM AMERICA INC.

By: _____
Steven E. Davis
Assistant Secretary

PROTEL IND., INC.

By: _____
Steven E. Davis
Assistant Secretary

RENEGADE OF IDAHO, INC.

By: _____
Steven E. Davis
Assistant Secretary

S.S.S. CONSTRUCTION, INC.

By: _____
Steven E. Davis
Assistant Secretary

UPPER VALLEY UTILITIES CORP.

By: _____
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WILDE HOLDING CO., INC.

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WILDE ACQUISITION CO., INC.

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NORTHLAND CONTRACTING, INC.

By: _____
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MASTEC FC, INC.

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MASTEC REAL ESTATE HOLDINGS, INC.

By: _____
Steven E. Davis
Assistant Secretary

STACKHOUSE REAL ESTATE HOLDINGS, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC OF TEXAS, INC.

By: _____
Steven E. Davis
Assistant Secretary

MASTEC TC, INC.

By: _____
Steven E. Davis
Assistant Secretary

ANNEX 1
COMMITMENTS

Lender (With Address for Notices)	Commitment
Fleet Capital Corporation 300 Galleria Parkway Suite 800 Atlanta, Georgia 30339 Attention: Loan Administration Manager Facsimile: (770) 859-2483	\$32,500,000
Wachovia Bank, N.A. 191 Peachtree Street Atlanta, Georgia 30303 Attention: Dan Denton Facsimile: (404) 332-6920	\$25,000,000

LaSalle Business Credit, Inc. \$25,000,000
135 S. LaSalle Street
Suite 425
Chicago, Illinois 60603
Attention: Raphael Shin
Facsimile: (312) 904-6450

JPMorgan Chase Bank \$25,000,000
1166 Avenue of Americas
16th Floor
New York, New York 10036
Attention: Robert Morrow
Facsimile: (212) 899-2929

PNC Bank, National Association \$17,500,000
201 S. Tryon Street
Suite 900
Charlotte, North Carolina 28202
Attention: Alex M. Council
Facsimile: (704) 342-8450

Total \$125,000,000
=====