

Minutes of the second meeting of the informal committee of Phones 4u Finance plc's senior secured noteholders (the "Committee").

Date: Wednesday 26 November 2014

Time: 9.30am (New York), 2:30pm (London)

Attendees: Ian Green (PwC)

Robert Moran (PwC)

Peter Mayrs (PwC)

Adam Huckerby (PwC)

Michael Rennoff (Scoggin Capital Management)

Peter Sisitsky (Stonehill Investment Management)

Colbert Cannon (Wingspan Investment Management)

Lucien Farrell (C)

Peter Scott (C)

Matthew Hill (Allen & Overy)

Lucy Xu (Allen & Overy)

Lorna Rosell (Allen & Overy)

1. Introductions

The meeting was opened by Peter Mayrs and the below agenda items were outlined.

It was noted that the purpose of the meeting was discuss largely procedural matters and that the quantum of any figures to be discussed were under £1m in aggregate. It was explained that the Administrators did not consider that there would be any information provided on the call that would be material or price sensitive but that the Committee would need to form their own assessment.

2. Progress in paying down the rotating credit facility ("RCF")

It was highlighted that under the terms of the bond documentation the costs and expenses of the Security Trustee and Senior Note Trustee rank in priority for repayment out of any distribution.

The costs incurred to date by the Senior Note Trustee and the Security Trustee were outlined. It was explained that supporting analysis of the costs had been requested and would be assessed but that this had not yet been received. The Committee was surprised by the level of fees incurred by the Senior Note Trustee and expressed a desire to ensure that these any future fees were subject to appropriate scrutiny. The Committee also suggested that appropriate steps to minimise future fees should also be considered

It was further highlighted that the Security Trustee had indicated an intention to exercise a right under the bond documentation to reserve from distributions amounts relating to their future costs and expenses and those of the Senior Note Trustee but had not yet indicated the size of such a proposed reserve. It was clarified that the understanding is that these amounts will be held in interest bearing accounts.

The committee were updated regarding the commitment fees and default interest (totalling c. £240k to November 2014) which have accrued on the on the RCF.

It was re-iterated that the intention remains to repay the RCF and cash cover the remaining letter of credit relating to LGI as soon as possible.

3. Progress in obtaining approval of Administrators' fees

Peter Mayrs set-out the requirement under the Insolvency Act for the Security Trustee to approve payment of the Administrators' fees but that it was unclear under the bond documentation how the Security Trustee would obtain authority to do so.

It was explained that the Senior Note Trustee would require an indemnity for participating in such a process and that Security Trustee may also do so. It was outlined that the Administrators would need to reserve to cover the potential exposure under any indemnities which were provided and that this was not seen as desirable.

The alternative solutions were outlined and including the possibility of applying to court.

4. Debrief from Quinn Emanuel ("QE")

The process was discussed through which QE would report back their initial findings into possible causes of action arising out of the failure of Phones4u.

It was explained that those findings may be price sensitive. It was discussed whether the Committee would be prepared to restrict themselves on a long-term basis in order to receive the findings. The Committee agreed to consider the possibility but it was considered unlikely. As such a process was discussed through which a limited version of the findings could be shared with the Committee.

5. Any other business

The Committee was informed that the Senior Note Trustee had requested to join the Committee including as a non-voting member. It was explained that this request had been rejected and the Committee supported this decision.

There was no other business and the meeting was closed.