

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, 1998

Commission File Number 0-3797

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 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 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 X 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 26, 1999 was 27,341,385. The aggregate market value of the voting stock held by non-affiliates of the registrant based on the \$22 5/8 closing price for the registrant's Common Stock on the New York Stock Exchange on March 26, 1999 was approximately \$304,703,626. 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 1999 Annual Meeting of Shareholders to be held on May 25, 1999, are incorporated by reference.

The following statement is made pursuant to the safe harbor provisions for forward-looking statements described in the Private Securities Litigation Reform Act of 1995. MasTec, Inc. and subsidiaries ("MasTec" or the "Company") may make certain statements in this Annual Report on Form 10-K that are forward-looking, such as statements regarding MasTec's future growth and profitability, growth strategy and anticipated trends in the industries and economies in which MasTec operates. These forward-looking statements are based on MasTec's current

expectations and are subject to a number of risks, uncertainties and assumptions relating to MasTec's operations, financial condition and results of operations, competitive factors, shifts in market demand, and other risks and uncertainties, including risks and uncertainties relating to MasTec's dependence on key customers and the telecommunications industry, MasTec's growth strategy, foreign operations, restrictions imposed by MasTec's credit agreements, the impact of competition, MasTec's dependence on the labor supply and on senior management, the ability of MasTec to dispose of non-core assets and seasonality, among others. 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 MasTec. These and other risks are detailed in this Annual Report on Form 10-K and in other documents filed by MasTec with the Securities and Exchange Commission. MasTec does not undertake any obligation to revise these forward-looking statements to reflect future events or circumstances.

BUSINESS

General

MasTec is one of the preeminent builders of internal and external voice, video, data, internet and other computer and communications networks for leading telecommunications service providers, cable television operators, Fortune 500 corporations and power companies. MasTec designs, installs, constructs and maintains aerial, underground and buried copper, coaxial and fiber optic cable networks as well as wireless antenna networks ("external network services"). Clients for MasTec's external network services include major domestic and international telecommunication service providers, incumbent and competitive local exchange carriers, cable television operators, long-distance carriers and wireless phone companies. MasTec also provides external network services to the electric power industry ("power") that are similar to the services it provides to telecommunications customers. Additionally, MasTec designs, installs and maintains integrated local and wide area networks and provides systems integration and other value added services ("internal network services") for corporate customers and other organizations with multiple locations.

MasTec was formed in March 1994 through the combination of two companies providing services to the telecommunications and other utility infrastructure construction industry since 1969 and 1929. MasTec has grown significantly in the past five years expanding its customer base and its geographic presence across the United States and Latin America. Since March 1994, MasTec has completed 31 domestic and seven foreign acquisitions. Currently, MasTec is consolidating its existing domestic acquisitions and emphasizing domestic internal growth, although it intends to continue to grow through selected acquisitions to take advantage of consolidation opportunities in the fragmented telecommunications and other utilities construction industry in the United States. MasTec is currently evaluating strategic alternatives for its international operations and investments in order to maximize their value. On December 31, 1998, MasTec sold substantially all of its operations in Spain, Argentina, Chile, Colombia, Peru, Puerto Rico and Venezuela.

Customers. MasTec provides a full range of infrastructure services to a diverse customer base. Domestically, MasTec provides external network services to incumbent local exchange customers ("ILEC's") such as BellSouth Telecommunications, Inc. ("BellSouth"), US West Communications, Inc., Bell Atlantic Corp., SBC Communications, Inc. and GTE Corporation. MasTec also provides external network services to competitive local exchange carriers ("CLEC's") such as Qwest Communications, Inc. and MFS Communications Company, Inc., cable television operators ("CATV's") such as Charter Cable, Inc., Cablevision Systems, Inc., Time Warner Inc., Tele-Communications, Inc., Comcast Corporation, and Cox Communications, Inc., long distance carriers such as AT&T Corporation and Sprint Corp. and wireless communications providers such as Sprint Spectrum, L.P. Internationally, MasTec provides external network services to the local, long distance and wireless telephone companies formed as a result of the privatization of Telecomunicacoes Brasileiras S.A. ("Telebras"), the Brazilian telecommunications system, primarily in Sao Paulo, Rio de Janeiro, Parana and other states in the southern region of Brazil.

MasTec provides external network services to power companies such as Carolina Power and Light Co., Florida Power and Light Co., Texas Utilities Company, Virginia Power Co., the City of Austin Electric Department, City Public Service of San Antonio, Georgia Power Co., and a number of regional electrical cooperatives. MasTec provides internal network services to large corporate customers with multiple locations such as First Union National Bank, Montgomery Wards and Co., other major retailers, universities and health care providers.

MasTec believes that its customer base allows it to take advantage of technological advances and other market developments that may favor one class of customer over another. MasTec also believes that its diverse customer base makes it less susceptible to downturns in any particular geographic region or industry sector. For the year ended December 31, 1998, MasTec derived approximately 6.7% of its revenue (or 10.6% of its North American revenue) from services performed for BellSouth, its largest customer; no other on going customer accounted for more than 5% of total revenue. See Note 9 of Notes to Consolidated Financial Statements.

Turn-key Capabilities. MasTec believes it is one of the few contractors capable of providing all of the design, construction, installation and maintenance services necessary for a cable or wireless network starting from a transmission point, such as a central office or head-end, and running continuously through aerial, underground and buried cables or through wireless transmission to the ultimate end users' voice and data ports, cable outlets or cellular stations. MasTec can also install the switching devices at a central office or set up local and wide area voice, video, data and internet networks to expand a business' telecommunications infrastructure both inside a specific structure or between multiple structures.

MasTec believes that its customers increasingly are seeking comprehensive solutions to their infrastructure needs by turning to fewer qualified contractors who have the size, financial capability and technical expertise to provide a full range of infrastructure services. MasTec believes that this trend will accelerate as industry consolidations increase and as these consolidated entities begin to provide bundled services to end users. MasTec believes it has positioned itself as a full service provider of external and internal network services to take advantage of this trend.

Nationwide Presence. MasTec believes it is capable of servicing customers across the United States. MasTec has significantly broadened its geographic presence in recent years beyond its historical base in the Southeastern United States. Currently, MasTec has external network operations in more than 40 states in the Southeast, Northeast, mid-Atlantic, Southwest, West and upper Midwest regions of the country. MasTec provides internal network services for corporate customers and external network services for wireless communication companies nationwide. MasTec believes that its customers are looking for contractors who can provide services nationwide on a consistent and timely basis and that MasTec's broad geographic presence is a competitive advantage with these customers. MasTec is developing the brand name "MasTec" across all of its operating units nationwide to further position itself as a single, national company.

Growth Strategy

Internal Expansion. MasTec believes that current industry trends, including deregulation and demonopolization, increased competition among telecommunications and other utility providers, increased outsourcing, and increased use of more powerful computers and the Internet, will lead to a significant increase in the demand for its services over the next several years. During 1998, MasTec realigned its North American operations along service and customer lines to focus on its core businesses and believes it is well-positioned to capitalize on this anticipated growth as one of the leading telecommunications infrastructure contractors in the United States. MasTec believes that its strong customer relationships, reputation for quality and reliability, operating efficiency, financial strengths, technical expertise,

presence in key geographic areas and ability to offer a full range of construction services make it well positioned to compete for this increased business, particularly the larger, more technically complex infrastructure projects.

Strategic Acquisitions. MasTec plans to continue to pursue selected acquisitions in the fragmented telecommunications and utilities infrastructure industry that either expand its geographic coverage and customer base or broaden the range of services it can offer to clients. MasTec focuses its acquisition efforts primarily on profitable companies with good reputations and strong management. MasTec has acquired 38 companies, domestic and international, since March 1994 and has significant experience in identifying, purchasing and integrating telecommunications infrastructure businesses. MasTec believes that it is able to improve the acquired companies' operating performance by providing strategic guidance, administrative support, greater access to capital and savings in the cost of capital, purchasing and insurance costs.

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North American Service Lines

MasTec's principal business is providing telecommunications and other utilities infrastructure construction services, consisting of external network services for telecommunications service providers, external network services for power companies, and internal network services. For the years ended December 31, 1996, 1997 and 1998, revenue expressed as a percentage of North American revenue generated by external network services for telecommunications service providers was 77.1%, 74.6% and 68.1%, respectively, by external network services for power companies was 1.3%, 5.2% and 18.0%, respectively, and by internal network services was 12.5%, 12.5% and 13.4%, respectively.

External Networks - Telecommunications

MasTec's principal domestic business consists of external network services for telecommunications providers such as ILEC's, CLEC's, CATV's, long-distance carriers and wireless communications providers. External network services consist of all of the services necessary to design, install, construct and maintain the physical facilities used to provide telecommunications service from the provider's central office, switching center or cable head-end to the ultimate consumer's home or business. These services include designing conduit networks and fiber rings; placing and splicing of cable; excavating trenches in which to place the cable; fabricating and placing related structures such as poles, anchors, conduits, manholes, cabinets and closures; placing drop lines from the main distribution terminals to the customer's home or business; maintaining, removing and replacing these facilities; and installing transmission and central office equipment. MasTec has developed expertise in directional boring, a highly specialized and increasingly common method of placing underground and buried cable networks.

MasTec provides a full range of external network services to its telecommunications company customers, although certain of MasTec's customers handle certain of these services in-house. MasTec's customers generally supply materials such as cable, conduit and telephone equipment, and MasTec provides the expertise, personnel, tools and equipment necessary to perform the required installation, construction and maintenance services.

Services rendered to ILEC's, including BellSouth, are performed primarily under master service agreements, which typically are exclusive service agreements to provide all of the carrier's external network requirements up to a specified dollar amount per job within certain geographic areas. These contracts generate revenue ranging from \$3.0 million to \$30.0 million over their respective contract terms, generally two to three years. Such contracts are typically subject to termination at any time upon 90 to 180 days prior notice to MasTec. Each master services agreement contemplates hundreds of individual construction and maintenance projects generally valued at less than \$100,000 each. These master services agreement are typically awarded on a competitive bid basis, although customers are sometimes willing to negotiate contract extensions

beyond their original terms without opening them up to bid. MasTec currently has 43 master service agreements with telecommunications and other utility customers covering defined regions within the United States, including 10 with BellSouth.

In addition to services rendered pursuant to master services agreement, MasTec provides external network services on individual projects awarded on a competitive bid basis or through individual negotiation. While such projects are generally substantially larger than the individual projects covered by master contracts, they typically require services identical to those rendered under master services agreement. Most of MasTec's external network contracts, whether master services agreement or individual projects, are based either on a fixed price for the entire project or on a unit price basis for units of work performed. MasTec also performs work under cost-plus contracts under which MasTec is reimbursed for certain costs plus a fee in a fixed amount or equal to a percentage of reimbursable costs. Many of MasTec's contracts require performance and payment bonds. Contracts generally include payment provisions under which 5% to 10% is withheld from payment until the contract work has been completed. MasTec typically agrees to indemnify its customers against certain claims and warrants the quality of its services for specified time periods, usually one year.

MasTec also provides turn-key design, installation and maintenance services to the wireless communications industry, including project and construction management, site acquisition and development, design and construction of communications towers, placement of antennas and associated wiring, construction of equipment huts, and site maintenance.

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Technology convergence has led to the development of "smart highways," which employ video cameras, remote controlled traffic signals, "talking" message signs, road sensors and other similar devices interconnected by fiber optic cable to a central computer that monitors and controls traffic flow remotely. MasTec provides infrastructure construction services to the traffic control and highway safety industry, including the design, construction and maintenance of "smart highway" equipment and networks. These services consist of installing and maintaining traffic signals and their associated supporting mechanisms (such as mast-arm poles, conduit, electrical wiring and sensors), installing and maintaining traffic controllers, connecting signals and controllers with fiber optic cables, and erecting signs on highways and expressways. The labor, equipment and expertise required for traffic control and highway safety systems construction are similar to those required for external network services for telecommunications service providers, such as the installation of fiber optic or coaxial cable and conduit for electronically controlled signage and other traffic control systems. These services primarily are rendered on specific projects awarded on a competitive bid basis. Customers include state transportation departments, cities and counties, highway contractors and private developers, principally in the Southeast. MasTec conducts this business both as a prime contractor and as a subcontractor. MasTec currently has three master service agreements to provide these services.

External Networks - Power

MasTec provides external network services to power companies, including investor-owned utilities and rural cooperatives. These services, which are substantially similar to the external network services provided to telecommunications companies, include overhead and underground construction and maintenance of electrical and other utilities transmission and distribution networks, substation construction and maintenance, right-of-way maintenance and restoration of asphalt and concrete surfaces. The work often involves the installation and splicing of high-voltage transmission and distribution lines. Services to many of these customers are provided under exclusive master contracts with 2 to 3 year initial terms expiring at various dates, as well as on a project by project basis awarded under competitive bidding and individual negotiations. MasTec currently has 42 master service agreements with power companies.

Internal Network Services

MasTec provides design, installation and maintenance of internal networks linking the customers' voice, video, data and internet computer and communications networks at multiple locations. MasTec also provides systems integration services, which involve the selection, configuration, installation and maintenance of software, hardware, other computing and communications equipment and cabling to provide an integrated computing and communications system. Internal network services is less capital intensive than external network construction but requires a more technically proficient work force. MasTec provides these services to its customers nationwide, primarily on the east and west coasts of the United States.

MasTec provides internal network services to certain customers under master service agreements similar to those in the external network business that grant MasTec the exclusive right to provide network services to the customer within certain geographic regions. MasTec also provides inside wiring on individual projects that are awarded on a competitive bid basis or through individual negotiation. MasTec currently has two master service agreements to provide internal network services. MasTec intends to take advantage of the fragmentation of the internal network services industry by marketing a full range of network services to organizations with multiple locations across the country. MasTec believes that these types of customers increasingly are seeking a single vendor to provide all of their network services needs.

International Operations and Investments

MasTec operated in 1998 principally in North America (the United States and Canada), the Caribbean and Latin America ("CALA") and in Spain (CALA and Spain combined are also referred to as "International"). Combined revenue generated by International operations, as a percentage of total revenue was 39.8% in 1996, 42.8% in 1997 and 36.2% in 1998. See Note 9 of Notes to Consolidated Financial Statements for a description of operations by geographic areas and segments. MasTec provides external network construction outside of North America primarily in Brazil through MasTec Inepar S/A Sistemas de Telecomunicacoes ("MasTec Inepar"), a Brazilian company owned 51% by MasTec and 49% by Inepar SA Industrias e Construcoes ("Inepar"), a leading telecommunications and power infrastructure and equipment company in Brazil. MasTec Inepar provides external network services to the local, long distance and wireless telephone companies formed as a result of the privatization of Telebras, primarily in Sao Paulo, Rio de Janeiro, Parana and other states in the more populous and developed southern region of Brazil.

In December 1998, MasTec disposed of 87% of its Spanish operations, which included affiliates in Argentina, Chile, Colombia, Peru, Puerto Rico, and Venezuela to a group of investors. The investor group included the chief executive officer of Sintel and a member of its board of directors. MasTec received \$0.9 million (130.5 million pesetas at an exchange rate of 142 pesetas to the dollar) on the date of closing and through March 31, 1999 has received \$10.2 million. Payment terms are being re-negotiated not to extend beyond 1999. The sale included the assumption of the remaining indebtedness of MasTec to Telefonica S.A. for the purchase of the Spanish operations of \$25.0 million (3.6 billion pesetas). See Notes 2 and 9 of Notes to Consolidated Financial Statements for a description of the Spanish operations and additional terms of the sale.

MasTec has invested in certain telecommunications businesses located in or servicing Latin America. These include minority interests in Supercanal Holding, S.A. ("Supercanal") and related entities, which operate a cable television system in Argentina, and in Consorcio Ecuatoriano de Telecomunicaciones, S.A. ("Conecel"), an Ecuadorian cellular company. MasTec also has an investment in a company with a license to construct and operate a personal communication system ("PCS") in Paraguay. MasTec is seeking to maximize the value of these investments and has hired investment bankers to explore strategic alternatives.

Backlog

At December 31, 1998, MasTec had a backlog for domestic operations of approximately \$249.9 million consisting of the uncompleted portion of services to be performed under project-specific contracts. MasTec does not include as backlog the estimated amount of work under master services agreements because the customer under these contracts is not committed to order a specific volume of services from MasTec. MasTec expects to complete substantially all of its backlog at December 31, 1998 during calendar years 1999 through 2002, of which approximately 88.0% of the domestic backlog is expected to be completed during 1999. MasTec also has international backlog through its Brazilian subsidiary MasTec Inepar of approximately R\$148.2 million denominated in Brazilian reais, representing approximately \$123.4 million in U.S. dollars as of December 31, 1998, of which 75% is expected to be completed during 1999. Due to the recent devaluation of the Brazilian currency and the likelihood of further devaluation and deteriorating economic conditions in Brazil it is uncertain the amount of revenue that MasTec will recognize from its international backlog. See Note 1 of Notes to Consolidated Financial Statements.

Marketing

MasTec has developed a company-wide marketing plan to emphasize the "MasTec" brand name to its customers. Marketing efforts are principally carried out by management of MasTec's service lines. Executives of MasTec's service lines market to existing and potential telecommunications and other utility customers in order to negotiate new contracts or be placed on lists of vendors invited to submit bids for master services agreement and individual construction projects. External and internal network services are also marketed through commissioned salespeople. These efforts are supported by MasTec's corporate marketing department.

Suppliers

MasTec's customers supply the majority of the raw materials and supplies necessary to carry out MasTec's contracted work, although MasTec is increasingly supplying materials and supplies on turn-key projects. MasTec obtains materials and supplies for its own account from independent third-party providers and does not manufacture any significant amount of materials or supplies for resale. MasTec is not dependent on any one supplier for any materials or supplies that MasTec obtains for its own account. MasTec has not experienced any difficulty in obtaining an adequate supply of materials and supplies.

MasTec also uses independent contractors to perform portions of its services and to manage work flow. These independent contractors typically are sole proprietorships or small business entities. Independent contractors typically provide their own vehicles, tools and insurance coverage. MasTec is not dependent on any single independent contractor.

Competition

The industry in which MasTec competes is highly competitive and fragmented. MasTec competes with a number of contractors in the markets in which it operates, ranging from small independent firms servicing local markets to larger firms servicing regional markets, as well as with large national and international engineering firms and equipment vendors on turn-key projects who subcontract construction work to contractors other than MasTec. These engineering firms and equipment vendors typically are better capitalized and have greater resources than MasTec. Most companies engaged in the same or similar business tend to operate in a specific, limited geographic area, although larger competitors may bid on a particular project without regard to location. Although MasTec believes it is the largest provider of external network services for telecommunications service providers and power companies in the United States and has a significant presence in Brazil, neither MasTec nor any of its competitors can be considered dominant in the industry on a national or international basis. MasTec also faces competition from the in-house

construction and maintenance departments of various customers and potential customers, which employ personnel who perform some of the same types of services as those provided by MasTec.

Because of the highly competitive bidding environment for infrastructure services, the price of the contractor's bid historically has often been the principal factor in determining whether the contractor is awarded the work. Smaller competitors are sometimes able to win bids based on price alone due to their lower overhead costs. MasTec believes that as demand for its services increases, customers will increasingly consider other factors in choosing a contractor, including technical expertise and experience, financial and operational resources, nationwide presence, industry reputation and dependability, which should benefit larger, national contractors such as MasTec.

Employees

As of December 31, 1998, MasTec (excluding its unconsolidated companies) had approximately 8,250 employees, 7,400 of whom were employed in North American operations and 850 of whom were employed in International operations. Approximately 250 employees are represented by a labor union, principally the Communication Workers of America or the International Brotherhood of Electrical Workers. MasTec believes that its employee relations are good.

EXECUTIVE OFFICERS OF THE REGISTRANT

Pursuant to General Instruction G(3), the information regarding executive officers of MasTec called for by Item 401(b) of Regulation S-K is hereby included in this Annual Report on Form 10-K.

The following is a list of the names and ages of all of the executive officers of MasTec, indicating all positions and offices with MasTec held by each such person, and each such person's principal occupation or employment during the past five years. The executive officers hold office for one year or until their successors are elected by the Board of Directors.

Name	Age	Position
Jorge Mas	36	Chairman of the Board of Directors, President and Chief Executive Officer
Joel-Tomas Citron	36	Vice Chairman of the Board of Directors
Carmen M. Sabater	34	Senior Vice President-Finance
Jose Sariego	44	Senior Vice President-General Counsel
Arlene Vargas	32	Vice President and Controller

Jorge Mas has been President, Chief Executive Officer and a Director of MasTec since March 1994 and was elected Chairman of the Board of Directors of MasTec in January 1998. Prior to March 1994, Mr. Mas served as the President and Chief Executive Officer of Church & Tower, Inc., MasTec's predecessor. In addition, Mr. Mas is the Chairman of the Board of Directors of Neff Corporation, a publicly-held construction equipment sales and leasing company, and Atlantic Real Estate Holding Corp., a private real estate holding company controlled by Mr. Mas and, during all or a portion of the past five years, has served as the President and Chief Executive Officer of these corporations.

Joel-Tomas Citron has been a member of the Board of Directors of MasTec since January 1998 and was elected Vice Chairman of the Board of Directors in November 1998. Mr. Citron was the managing partner of Triscope Capital LLC, a private investment partnership between January 1998 and December 1998; Chairman of the Board of Directors of the United States subsidiary of Proventus AB, a privately held investment company based in Stockholm, Sweden, and a member of the Executive Committee of the group between January 1992 and December 1997; a member of the Board of Directors of Neff Corporation since 1998; Chairman of the Board of American Information Systems, Inc., a provider of intranet and internet systems solutions between September 1996 and January 1999; between and a member of the Board of Directors of Nesuah Zannex Limited, a publicly-traded full

service Israeli securities firm between May 1998 and February 1999.

Carmen M. Sabater has been MasTec's Corporate Controller since 1994 and was elected Senior Vice President-Director of Finance in December 1998. Prior to joining MasTec, Ms. Sabater was a Senior Manager with Deloitte & Touche, a public accounting firm.

Jose Sariego has been Senior Vice President-General Counsel of MasTec since September 1995. Prior to joining MasTec, 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 MasTec's Vice President and Corporate Controller since September 1998. Prior to joining MasTec, Ms. Vargas was a Senior Manager from June 1997 to September 1998 and a Manager from June 1994 to June 1997 with PricewaterhouseCoopers LLP, a public accounting firm.

PROPERTIES

MasTec's corporate headquarters are located in a 60,000 square foot building owned by MasTec in Miami, Florida. MasTec's principal operations are conducted from regional and field offices, equipment yards and temporary storage locations, none of which MasTec believes is material to its operations because most of MasTec's services are performed on the customers' premises or on public rights of way. In addition, MasTec believes that equally suitable alternative locations are available in all areas where it currently does business.

MasTec also owns a substantial amount of construction equipment, which at December 31, 1998 had a gross book value of \$170.9 million. This equipment includes trucks, tractors, trailers, bucket trucks, backhoes, bulldozers, directional boring machines, digger derricks and cranes. MasTec obtains substantially all of its equipment from various third-party vendors, none of which MasTec is dependent upon, and has not experienced any difficulties in obtaining desired equipment.

LEGAL PROCEEDINGS

In December 1990, Albert H. Kahn, a shareholder of MasTec, filed a class action and derivative suit in Delaware state court against MasTec, the then-members of its Board of Directors and National Beverage Corporation ("NBC"), MasTec's then-largest shareholder. The complaint alleges, among other things, that MasTec's Board of Directors and NBC breached their respective fiduciary duties in approving certain transactions. The lawsuit seeks to rescind these transactions and to recover damages in an unspecified amount.

In November 1993, Mr. Kahn filed a class action and derivative suit in the same court against MasTec, the then members of its Board of Directors, and Jorge L. Mas, Jorge Mas and Juan Carlos Mas, the principal shareholders of MasTec. The lawsuit alleges, among other things, that MasTec's Board of Directors and NBC breached their respective fiduciary duties by approving the terms of the acquisition of MasTec by the Mas family, and that the Mas family had knowledge of the fiduciary duties owed by NBC and MasTec's Board of Directors and knowingly and substantially participated in the breach of these duties. The lawsuit also claims derivatively that each member of MasTec's Board of Directors engaged in mismanagement, waste and breach of fiduciary duties in managing MasTec's affairs prior to the acquisition by the Mas family.

There has been no significant activity in either of these lawsuits in more than two years. MasTec believes that the allegations in each of these lawsuits are without merit and intends to defend these lawsuits vigorously.

In November 1997, Church & Tower, Inc., a wholly-owned subsidiary of MasTec, filed a lawsuit against Miami-Dade County in Florida state court

alleging breach of contract and seeking damages exceeding \$3.0 million in connection with the county's refusal to pay amounts due to Church & Tower under a multi-year agreement to perform road restoration work for the Miami-Dade Water and Sewer Department ("MWSD"), a department of the county, and the county's wrongful termination of the agreement. The county has refused to pay amounts due to Church & Tower under the agreement until alleged overpayments under the agreement have been resolved, and has counterclaimed against Church & Tower seeking damages. The county also has refused to award a new road restoration agreement for MWSD to Church & Tower, which was the low bidder for the new agreement. MasTec is vigorously pursuing this lawsuit.

MasTec is a party to other pending legal proceedings arising in the normal course of business, none of which MasTec believes is material to its financial position or results of operations.

SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

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

Market Information. MasTec's 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.

	Fiscal Year Ended December 31,			
	1997		1998	
	High	Low	High	Low
First Quarter	\$ 46 11/32	\$ 23	\$ 34 3/16	\$ 22 3/8
Second Quarter ...	\$ 48 5/8	\$ 25 1/8	\$ 34	\$ 19 13/16
Third Quarter	\$ 55 1/4	\$ 38 1/4	\$ 26 3/8	\$ 14 1/2
Fourth Quarter ...	\$ 45 1/2	\$ 20 3/8	\$ 28 3/4	\$ 12 3/8

Holders. As of March 26, 1999, there were 4,679 shareholders of record of the Common Stock.

Dividends. MasTec has not declared cash dividends since its inception and does not anticipate paying any cash dividends in the foreseeable future, but intends instead to retain any future earnings for reinvestment in its business. On January 15, 1997, MasTec announced a three-for-two split of its outstanding shares of Common Stock. The stock split was effected in the form of a stock dividend and entitled each shareholder of record on February 3, 1997 to receive an additional share of Common Stock for every two shares of Common Stock held by such shareholder of record on the record date. The stock split was paid on February 28, 1997. MasTec paid cash in lieu of fractional shares resulting from the stock split 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 have been adjusted to give effect to the stock split.

Any future determination as to the payment of dividends will be made at the discretion of the Board of Directors of MasTec and will depend upon its 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 MasTec is a party prohibit from paying dividends or making other distributions on the Common Stock without the prior written consent of the lenders under such credit agreements. See "Management's Discussion and Analysis of Financial Condition and Results of Operations--Liquidity and Capital Resources."

SELECTED FINANCIAL DATA

The following statement of operations and balance sheet data have been

derived from MasTec's audited financial statements including the consolidated balance sheets at December 31, 1998 and 1997 and the related consolidated statements of operations, of changes in shareholders' equity and of cash flows for each of the years in the three-year period ended December 31, 1998 and the notes thereto, appearing elsewhere in this Annual Report. The following selected financial data should be read in conjunction with such consolidated financial statements and the notes thereto, as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Year Ended December 31,				
	1994 (1)	1995	1996 (2)	1997 (3)	1998 (4)
(In thousands, except per share data)					
Statement of Income Data:					
Revenue	\$111,294	\$174,583	\$472,800	\$659,439	\$1,048,922
Costs of revenue	83,952	130,762	352,329	496,230	803,112
Depreciation and amortization	4,439	6,913	12,000	23,465	43,313
Compensation charge	--	--	--	--	33,765
General and administrative expenses	13,022	19,081	58,529	82,261	140,472
Operating income	9,881	17,827	49,942	57,483	28,260
Interest expense	3,587	4,954	11,434	11,541	29,580
Interest income	1,469	3,349	3,246	1,783	9,093
Real estate and investment write-downs (5) ...	--	23,086	--	--	--
Other income (expense), net (6)	2,386	4,424	769	8,332	(5,155)
Income (loss) before provision (benefit) for income taxes, equity in earnings (losses) of unconsolidated companies and minority interest	10,149	(2,440)	42,523	56,057	2,618
Provision (benefit) for income taxes (7)	2,877	(1,970)	15,591	20,944	12,550
Equity in earnings (losses) of unconsolidated companies and minority interest (8)	247	(139)	3,133	(449)	(3,983)
Net income (loss)	\$ 7,519	\$ (609)	\$ 30,065	\$ 34,664	\$ (13,915)
Weighted average common shares outstanding (9)	24,116	23,892	24,703	26,460	27,489
Basic earnings (loss) per share	\$ 0.31	\$ (0.03)	\$ 1.22	\$ 1.31	\$ (0.51)
Weighted average common shares outstanding (9)	24,116	23,892	25,128	27,019	27,489
Diluted earnings (loss) per share	\$ 0.31	\$ (0.03)	\$ 1.20	\$ 1.28	\$ (0.51)
As of December 31,					
	1994	1995	1996	1997	1998 (10)
(In thousands)					
Balance Sheet Data:					
Property and equipment, net	\$ 40,102	\$ 44,571	\$ 59,602	\$ 86,109	\$ 142,897
Total assets	142,452	170,163	483,018	630,224	735,486
Total debt	44,185	72,089	155,192	149,057	321,832
Total shareholders' equity	50,874	50,504	103,504	223,697	204,273

- (1) Includes the results of operations of Burnup & Sims Inc. from March 11, 1994.
- (2) Includes the results of operations of MasTec's Spanish subsidiary Sintel from May 1, 1996.
- (3) Includes the results of operations of MasTec's Brazilian subsidiary MasTec Inepar from July 31, 1997.

- (4) Includes the results of operations of MasTec's Spanish subsidiary Sintel through December 31, 1998, which includes severance charges of \$13.4 million, of which \$1.9 million is reflected in costs of revenue and \$11.5 million in general and administrative expenses.
- (5) As a result of the disposal of non-core real estate assets and other investments, MasTec recorded \$23.1 million in charges in the year ended December 31, 1995.
- (6) Included in 1997 results of operations is a gain of \$7.1 million from the partial sale of MasTec's interest in Conecel and in 1998 includes a loss of \$9.2 million related to the sale of MasTec's Spanish subsidiary.
- (7) MasTec's 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 MasTec's Spanish subsidiary, the non-deductibility of the amortization of certain intangibles and the

- non-deductibility of other expenses.
- (8) Included in 1997 and 1998 results of operations is the minority interest related to MasTec's Brazilian subsidiary MasTec Inepar.
 - (9) Amounts have been adjusted to reflect the three-for-two stock split effected on February 28, 1997.
 - (10) As of December 31, 1998, MasTec sold 87% of its Spanish subsidiary, therefore, the balance sheet data as of December 31, 1998 does not include the financial position of these operations.

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

Results of Operations

Revenue is generated primarily from external and internal network services. See Notes 1 and 9 of Notes to Consolidated Financial Statements. Services are provided to telephone companies, public utilities, cable television operators, other telecommunications providers, governmental agencies and private businesses. Costs of revenue include operations payroll and employee benefits, subcontractor costs and expenses, materials not supplied by the customer, fuel, equipment rental and insurance. General and administrative expenses include management salaries and benefits, rent, travel, telephone and utilities, professional fees and clerical and administrative overhead.

The following tables sets forth for each of 1996, 1997 and 1998 income statement data and its related percentage of revenue by geographic region. During 1998, MasTec recharacterized as purchases two acquisitions consummated in 1997, which were originally accounted for as pooling of interests. See Note 1 of Notes to Consolidated Financial Statements.

North America

	Year Ended December 31,					
	1996		1997		1998 (1)	
Revenue	\$284,645	100.0%	\$377,046	100.0%	\$669,628	100.0%
Costs of revenue	216,940	76.2%	279,394	74.1%	506,721	75.7%
Depreciation and amortization	9,942	3.5%	20,452	5.4%	37,284	5.6%
General and administrative expenses	27,554	9.7%	41,167	10.9%	112,530	16.8%
	=====	=====	=====	=====	=====	=====
Operating income	\$ 30,209	10.6%	\$ 36,033	9.6%	\$ 13,093	1.9%
	=====	=====	=====	=====	=====	=====

- (1) General and administrative expenses includes a \$33.8 million charge for compensation and severance charges.

Year Ended December 31, 1998 Operating Income Compared to Year Ended
December 31, 1997 Operating Income

MasTec's North American revenue was \$669.6 million for the year ended December 31, 1998, compared to \$377.0 million in 1997, representing an increase of \$292.6 million or 77.6%. The increase in North American revenue was due primarily to revenue generated from acquired companies, as well as internally generated growth. During 1998, MasTec acquired 12 companies in North America which generated revenue of approximately \$255.1 million, representing 87.2% of the total increase in revenue. MasTec's North American operations have experienced an internal compounded annual growth rate of approximately 21.4% since 1995. For the year ended December 31, 1998, the percentage of MasTec's North American revenue generated by external network services for

telecommunication services providers was 68.1% (74.6% in 1997), by external network services for power companies was 18.0% (5.2% in 1997) and by internal

network services was 13.4% (12.5% in 1997).

MasTec's North American costs of revenue were \$506.7 million or 75.7% of revenue for the year ended December 31, 1998, compared to \$279.4 million or 74.1% of revenue in 1997, representing an increase of \$227.3 million or 81.4%. The increase in costs of revenue as a percentage of revenue was due primarily to numerous inefficiencies caused by severe weather conditions in various regions as a result of the climactic condition known as "El Nino", poor performance in three divisions and losses from a non-core contract.

Depreciation and amortization expense was \$37.3 million or 5.6% of revenue for the year ended December 31, 1998, compared to \$20.5 million or 5.4% of revenue in 1997.

General and administrative expenses were \$112.5 million or 16.8% of revenue for the year ended December 31, 1998, compared to \$41.2 million or 10.9% of revenue in 1997, representing an increase of \$71.4 million or 173.4%. The increase in general and administrative expenses was due primarily to a \$33.8 million compensation charge for senior management at certain operating subsidiaries, \$1.4 million for start-up costs and charges of \$4.5 million related to bad debts. Excluding the previously mentioned expenses, general and administrative expenses were \$72.9 million or 10.9% of revenue in 1998.

Year Ended December 31, 1997 Operating Income Compared to Year Ended
December 31, 1996 Operating Income

Revenue from North America operations was \$377.0 million for the year ended December 31, 1997, compared to \$284.6 million in 1996, representing an increase of \$92.4 million or 32.5%. The increase in North American revenue was due primarily to revenue generated from acquired companies, as well as internal growth. MasTec's North American operations experienced an internal compounded annual growth rate of approximately 19.3% since 1995. For the year ended December 31, 1997, the percentage of MasTec's North American revenue generated by external network services for telecommunication service providers was 74.6% (77.1% in 1996) external network services for electric power companies was 5.2% (1.3% in 1996) and 12.5% (12.5% in 1996) was generated by internal network services.

MasTec's North American costs of revenue were \$279.4 million or 74.1% of revenue for the year ended December 31, 1997, compared to \$216.9 million or 76.2% of revenue in 1996, representing an increase of \$62.5 million or 28.8%. The increase in North American costs of revenue was due primarily to costs of revenue generated from acquired companies as well as cost of revenue generated by internal growth. The decrease in costs of revenue as a percentage of revenue was due primarily to improved margins generated during 1997 in certain projects, as well as improved costs of revenue management.

Depreciation and amortization expense was \$20.5 million or 5.4% of revenue for the year ended December 31, 1997, compared to \$9.9 million or 3.5% of revenue in 1996, representing an increase of \$10.5 million or 105.7%. The increase in depreciation and amortization was a result of increased capital expenditures (\$19.7 million in 1997 compared to \$7.1 million in 1996), as well as amortization of intangibles resulting from acquisitions.

General and administrative expenses were \$41.2 million or 10.9% of revenues for the year ended December 31, 1997, compared to \$27.6 million or 9.7% of revenue in 1996. The increase in general and administrative expenses was due primarily to general and administrative expenses generated from acquired companies. The increase of general and administrative expenses as a percentage of revenue was due primarily to a \$4.6 million reserve recorded by MasTec.

Revenue	\$ 74,900	100.0%	\$141,954	100.0%
Costs of revenue	63,266	84.5%	112,667	79.4%
Depreciation and amortization	390	0.4%	3,349	2.4%
General and administrative expenses	1,615	2.2%	10,636	7.4%
Operating income	\$ 9,629	12.9%	\$ 15,302	10.8%
	=====	=====	=====	=====

(1) CALA operations began on August 1, 1997

Year Ended December 31, 1998 Operating Income Compared to Five Months
Ended December 31, 1997 Operating Income

MasTec's CALA revenue was \$142.0 million for the year ended December 31, 1998, compared to \$74.9 million in 1997, representing an increase of \$67.1 million or 89.5%. The increase in revenue was due primarily to a full year of operations in 1998, compared to five months in 1997.

MasTec's CALA costs of revenue were \$112.7 million for the year ended December 31, 1998, compared to \$63.3 million in 1997, representing an increase of \$49.4 million or 78.0%. Costs of revenue were 79.4% of revenue in 1998, compared to 84.5% in 1997. The decrease in costs of revenue as a percentage of revenue was due primarily to the completion of certain wireless projects in the fourth quarter of 1998. MasTec does not anticipate CALA margins to remain at this level in the future.

Depreciation and amortization expense was \$3.3 million for the year ended December 31, 1998. Depreciation and amortization relates primarily to an intangible asset resulting from one acquisition which is being amortized over a five year period. Depreciation and amortization expense was 2.4% of revenue for the year ended December 31, 1998.

General and administrative expenses were \$10.6 million or 7.4% of revenue for the year ended December 31, 1998, compared to \$1.6 million or 2.2% in 1997, representing an increase of \$9.0 million or 558.6%. The increase in general and administrative expenses was due primarily to costs of establishing an infrastructure to support anticipated additional work following the privatization of Telebras, which did not take place until July 1998. Due to recent economic conditions in Brazil, it is uncertain when, if at all, such additional work will materialize.

Spain

	Year Ended December 31,					
	1996 (1)		1997		1998 (2)	
Revenue	\$188,155	100.0%	\$207,493	100.0%	\$237,340	100.0%
Costs of revenue	135,389	71.9%	153,180	73.8%	183,724	77.4%
Depreciation and amortization	2,058	1.1%	3,013	1.5%	2,680	1.1%
General and administrative expenses	30,975	16.5%	39,478	19.0%	51,070	21.5%
Operating income	\$ 19,733	10.5%	\$ 11,822	5.7%	\$ (134)	0.0%
	=====	=====	=====	=====	=====	=====

(1) Spanish operations began on April 30, 1996, the date of acquisition.

(2) Includes a total of \$13.4 million of severance charges of which \$1.9 million is reflected in costs of revenue and \$11.5 million in general and administrative expenses.

Year Ended December 31, 1998 Operating Income Compared to Year Ended
December 31, 1997 Operating Income

Revenue from Spanish operations was \$237.3 million for the year ended December 31, 1998, compared to \$207.5 million in 1997, representing an increase of \$29.8 million or 14.4%. The increase was due to acquisitions made in 1998.

Costs of revenue were \$183.7 million or 77.4% of revenue for the year ended December 31, 1998, compared to \$153.2 million or 73.8% of revenue in 1997, representing an increase of \$30.5 million or 19.9%. The increase in costs of revenue as a percentage of revenue was due primarily to increased labor costs associated with a new labor agreement and to \$1.9 million in direct labor severance costs.

Depreciation and amortization expense was \$2.7 million for the year ended December 31, 1998, compared to \$3.0 million in 1997. Depreciation and amortization expense was 1.1% of revenue for the year ended December 31, 1998, compared to 1.5% of revenue in 1997.

General and administrative expenses were \$51.1 million or 21.5% of revenue for the year ended December 31, 1998, compared to \$39.5 million or 19.0% of revenue in 1997, representing an increase of \$11.6 million or 29.4%. The increase in general and administrative expenses as a percentage of revenue was due to severance charges of \$11.5 million resulting from reductions in administrative personnel.

Year Ended December 31, 1997 Operating Income Compared to Eight Months
Ended December 31, 1996 Operating Income

Revenue generated by Spanish operations was \$207.5 million for the year ended December 31, 1997, compared to \$188.2 million in 1996, representing an increase of \$19.3 million or 10.3%. The increase in revenue was due primarily to a full year of operations in 1997, compared to eight months in the 1996. MasTec's Spanish operations were negatively impacted during 1997 by a devaluation of approximately 18% in the Spanish peseta and by work stoppages in the second half of 1997.

Costs of revenue were \$153.2 million or 73.8% of revenue for the year ended December 31, 1997, compared to \$135.4 million or 71.9% of revenue in 1996, representing an increase of \$17.8 million or 13.1%. The increase in costs of revenue as a percentage of revenue was due primarily to lower productivity during 1997 as a result of the work stoppages.

General and administrative expenses were \$39.5 million or 19.0% of revenue for the year ended December 31, 1997, compared to \$31.0 million or 16.5% of revenue in 1996, representing an increase of \$8.5 million or 27.5%. The increase in general and administrative expenses was due to a full year of operations in 1997, compared to eight months in 1996. The increase in general and administrative expenses as a percentage of revenue was due mainly to increased salaries and compensation expense resulting from increases in base salary.

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Consolidated Results

The following table sets forth for each of 1996, 1997 and 1998 certain consolidated income statement data and its related percentage of consolidated revenue.

	Year Ended December 31,					
	1996		1997		1998	
Operating income	\$ 49,942	10.6%	\$ 57,483	8.7%	\$ 28,260	2.7%
Interest expense	11,434	2.4%	11,541	1.8%	29,580	2.8%
Interest income	3,246	0.7%	1,783	0.3%	9,093	0.9%
Other income (expense), net	769	0.1%	8,332	1.3%	(5,155)	0.5%
Income before provision for income taxes, equity in earnings (losses) of unconsolidated companies and minority interest	42,523	9.0%	56,057	8.5%	2,618	0.3%
Provision for income taxes	15,591	3.3%	20,944	3.2%	12,550	1.2%
Equity in earnings (losses) of unconsolidated						

companies and minority interest	3,133	0.7%	(449)	(0.0)%	(3,983)	0.4%
Net income (loss)	\$ 30,065	6.4%	\$ 34,664	5.3%	\$ (13,915)	(1.3)%

Year Ended December 31, 1998 Compared to Year Ended December 31, 1997

For a discussion of revenue, costs of revenue, depreciation and amortization and general and administrative expenses, see "North America," "CALA" and "Spain" above.

Interest expense was \$29.6 million for the year ended December 31, 1998, compared to \$11.5 million in 1997, representing an increase of \$18.0 million or 156.3%. The increase in interest expense was due primarily to increased indebtedness resulting from the issuance of the Senior Notes in early 1998, the proceeds of which were used primarily for acquisitions and to fund international operations investments. See Note 5 of Notes to Consolidated Financial Statements.

Included in other expense for 1998 is a \$9.2 million loss on sale of the Spanish operation. The effective income tax rate, on a consolidated basis for the year ended December 31, 1998 increased to 479%, from 37% in 1997. This increase was mainly attributable to the recognition of approximately \$9.2 million of a loss on sale of MasTec's Spanish operations, however for tax purposes the Company recorded a tax provision of \$7.8 million. Excluding the effect of the book loss on sale and the taxable gain, the effective tax rate would have been 42.2%, which is attributed to the non-deductibility of the amortization of intangibles and other expenses. See Note 7 of Notes to Consolidated Financial Statements.

Year Ended December 31, 1997 Compared to Year Ended December 31, 1996

Interest expense was \$11.5 million or 1.8% of revenue for the year ended December 31, 1997, compared to \$11.4 million or 2.4% of revenue in 1996, representing an increase of \$107,000 or 0.9%. The decrease in interest expense as a percentage of revenue was due to increased revenue while the average balance on debt remained basically unchanged.

Included in other income for 1997 is a \$7.1 million gain on sale of MasTec's indirect interest in Conecel. See Note 11 of Notes to Consolidated Financial Statements.

Liquidity and Capital Resources

MasTec's primary liquidity needs are for working capital, to finance acquisitions, for capital expenditures and to service its indebtedness. MasTec's primary sources of liquidity are cash flow from operations, borrowings under revolving lines of credit and the proceeds from the sale of investments and other assets held for sale.

Net cash used in operating activities was \$13.9 million for the year ended December 31, 1998, compared to cash provided by operating activities of \$15.2 million in 1997. Net cash used by operating activities of \$13.9 million was due primarily to a net loss for the year ended December 31, 1998.

As of December 31, 1998, working capital was \$244.5 million (\$180.4 million domestic and \$64.1 million international) compared to working capital of \$124.1 million (\$76.8 million domestic and \$47.3 million international) at December 31, 1997. As of December 31, 1998, working capital included \$50.9 million related to financing and \$46.4 million of assets held for sale included in domestic operations and \$27.3 million of receivables from the sale of MasTec's Spanish operations included in international operations. Working capital in 1998, excluding previously described items, was \$83.1 million for domestic compared to \$76.8 million in 1997. For international, working capital increased, excluding Spanish operations, from \$22.8 million in 1997 to \$36.8 million at December 31,

1998.

MasTec invested cash (net of cash acquired of \$5.0 million in 1998 and \$3.3 million in 1997) in acquisitions and investments in unconsolidated companies totaling \$89.1 million during 1998 compared to \$49.0 million in 1997. During 1998, MasTec made capital expenditures of \$76.4 million, primarily for machinery and equipment used in the production of revenue, compared to \$21.5 million in 1997. The increase in capital expenditures was due mainly to fleet upgrades for acquired companies and internal growth. Of the total invested funds in 1998, \$64.5 million was related to North American acquisitions and \$71.4 million was related to North American capital expenditures.

MasTec entered into agreements with certain senior management personnel at two of its operating subsidiaries. These senior managers agreed to multi-year employment agreements and 10-year non-competition and non-solicitation agreements. Under the agreements, MasTec paid the senior managers compensation in the form of cash and common stock options. The cash portion totaled approximately \$33.3 million, of which approximately \$13.3 million was paid in 1998 and approximately \$20.0 million was paid in the first quarter of 1999. As a result of these agreements, MasTec recorded a non-recurring compensation charge of approximately \$33.8 million (including the value of vested stock options) in the fourth quarter of 1998.

During 1998, MasTec provided a customer financing in connection with the sale of construction services. As of December 31, 1998, MasTec had \$41.8 million outstanding under this agreement. MasTec anticipates that it will provide an additional \$8.0 million of financing under this agreement. MasTec will terminate financing agreement as of April 30, 1999.

Although the PCS system is held for sale, MasTec is committed to continue developing the system in Paraguay. MasTec anticipates investing approximately \$13.0 million for the development of this system over the next 12 months. Commercial operation of the system must be initiated no later than May 10, 1999, unless extended. MasTec is seeking an extension of this date.

During 1998, MasTec sold 87% of its Spanish operations for \$27.3 million which is recorded in other current assets in the accompanying consolidated balance sheet as of December 31, 1998. The proceeds from the sale will be used for general corporate purposes including reducing indebtedness.

MasTec announced a stock repurchase program in April 1998. Through December 1998, MasTec had purchased a total of 667,000 shares at an average price of \$20.58.

In December 1998, MasTec increased its existing credit facility from \$125.0 million to \$165.0 million (the "Credit Facility"), with a group of financial institutions led by BankBoston, N.A. Amounts outstanding under the Credit Facility mature on June 9, 2000. Upon written request by MasTec and at the bank's sole discretion, the maturity date of the Credit Facility may be extended for successive annual periods up to a final maturity date of June 9, 2002. MasTec is required to pay an unused facility fee ranging from .25% to .50% per annum on the facility, depending upon certain financial covenants.

The Credit Facility is secured by a pledge of shares of certain of MasTec's subsidiaries. Interest under the Credit Facility accrues at rates based, at MasTec's option, on the agent bank's Base Rate plus a margin of up to .50% depending on certain financial covenants or 1% above the overnight federal funds effective rate, whichever is higher, or its LIBOR Rate (as defined in the Credit Facility) plus a margin of 1.00% to 2.25%, depending on certain financial covenants.

MasTec had outstanding \$18.7 million in standby letters of credit as of December 31, 1998.

In January 1998, MasTec issued \$200.0 million principal amount of 7.75%

senior subordinated notes (the "Senior Notes") due 2008 with interest due semi-annually. The net proceeds were used primarily for acquisitions and for other corporate purposes.

The Credit Facility and the Senior Notes contain customary events of default and covenants which prohibit, among other things, making certain investments in excess of a specified amount, incurring additional indebtedness in excess of a specified amount, paying dividends in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including the Senior Notes, and engaging in certain mergers or combinations without the prior written consent of the lenders. The Credit Facility also provides that MasTec must maintain certain financial ratio coverages, requiring, among other things minimum ratios at the end of each fiscal quarter of debt to earnings and earnings to interest expense. See Note 5 of Notes to Consolidated Financial Statements.

MasTec expects to finance its current working capital needs, capital expenditures, debt service obligations and other commitments from cash generated from operations, borrowings under its existing Credit Facility and the sale of investments and other assets. Subsequent to December 31, 1998, MasTec has signed letters of intent to acquire two external network and one internal network services contractors, subject to a number of conditions. MasTec anticipates that available cash, cash flows from operations and borrowing availability under the Credit Facility will be sufficient to satisfy MasTec's liquidity and working capital requirements for the foreseeable future; however, to the extent that MasTec should desire to increase its financial flexibility and capital resources or require or choose to fund future capital commitments from sources other than operating cash or from borrowings under its existing Credit Facility, MasTec may consider raising additional capital by increasing its Credit Facility or through the offering of equity and/or debt securities in the public or private markets. There can be no assurance, however, that additional capital will be available to MasTec on acceptable terms, or at all.

MasTec owns interest in a number of foreign operations, primarily in Latin America, which are subject to greater political, monetary, economic and regulatory risks than its 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 reais. The impact on the devaluation on an operation depends on the devaluation's effect on the local economy and the ability of an operation to raise prices and/or reduce expenses. Additionally, the economies of other countries in Latin America could be adversely impacted by Brazil's economic and monetary problems. The likelihood and extent of further devaluation and deteriorating economic conditions in Brazil and other Latin America countries and the resulting impacts on MasTec's results of operations, financial position and cash flows cannot now be determined. MasTec monitors its currency exchange risk but currently does not hedge against this risk. There can be no assurance that currency exchange fluctuations or other economic problems will not adversely affect MasTec's results of operations, financial position and cash flows.

Year 2000

The Year 2000 issue is the result of computer programs using two digits rather than four to define the applicable year. Any of MasTec's computer programs that have time-sensitive software may recognize a date using "00" as the year 1900 rather than the year 2000. This could result in a system failure, disruption of operations and/or a temporary inability to conduct normal business activities.

MasTec has undertaken a Year 2000 project which includes an assessment of telecommunications equipment, computer equipment, software, database, data services, network infrastructure, and telephone equipment. MasTec's Year 2000 plan addresses the Year 2000 issue in four phases: (1) inventory and assessment; (2) impact analysis and implementation planning; (3) implementation and testing; and (4) on-going and monitoring. As each phase is completed, project progress will be tracked against planned targets, and resource adjustments made as necessary. At this time, a majority of MasTec's information systems and embedded devices have been inventoried and assessed, and MasTec has begun impact analysis

and implementation planning, as well as some implementation and testing. The project is estimated to be complete by the end of 1999, prior to any anticipated impact on MasTec's operating systems. MasTec believes that with upgrades to existing software, conversions to new software and replacement of certain products and equipments, the Year 2000 issue will not pose significant

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operational problems. Based on its current assessment efforts, MasTec does not believe that Year 2000 issues will have a material adverse effect on its financial condition or results of operations. If, however, necessary upgrades, replacements and conversions are not made or are not completed on a timely basis, the Year 2000 issue may have a material adverse effect on MasTec's business, financial condition and results of operations. MasTec's Year 2000 issues and any potential business interruptions, costs, damages or losses related thereto, are dependent, to a certain degree, upon the Year 2000 readiness of third parties such as vendors and suppliers. As part of MasTec's Year 2000 efforts, formal communications with all significant vendors, suppliers, banks and clients are being pursued to determine the extent to which related interfaces with MasTec's systems are vulnerable if these third parties fail to remediate their Year 2000 issues. There cannot be any assurance that any such third parties will address any Year 2000 issues that they have or that such third parties' systems will not materially adversely affect MasTec's systems and operations.

MasTec continues to assess the Year 2000 issue with respect to internal business systems, and has initiated the implementation of corrective measures to address the issue. MasTec is evaluating the need for contingency planning at this time of its system and embedded devices. The assessment of third parties external to MasTec is underway, and may reveal the need for contingency planning based on the progress and findings of the Year 2000 project.

MasTec will utilize both internal and external resources to complete and test the Year 2000 project. At the present time, MasTec is estimating the cost of this project. Through December 31, 1998, related costs incurred were not material, and MasTec does not expect that the total cost of its Year 2000 project will be material to its financial position or results of operations. Project costs and the targeted completion date will be based on management's best estimates, which will be derived from utilizing numerous assumptions of future events, including the continued availability of certain resources, the ability to locate and correct all relevant computer codes, third party modification plans and other factors. There can be no assurance these estimates will be achieved or that the actual results will not differ materially from those anticipated.

Seasonality

MasTec's North America operations have historically been seasonally weaker in the first and fourth quarters of the year and have produced stronger results in the second and third quarters. This seasonality is primarily the result of customer budgetary constraints and preferences and the effect of winter weather on external network activities. Certain U.S. customers, particularly the ILEC's, tend to complete budgeted capital expenditures before the end of the year and defer additional expenditures until the following budget year. Revenue in a local currency from MasTec Inepar is not expected to fluctuate seasonally.

Impact of Inflation

The primary inflationary factor affecting MasTec's operations is increased labor costs. MasTec has not experienced significant increases in labor costs to date. Competition for qualified personnel could increase labor costs for MasTec in the future. MasTec's international operations may, at times in the future, expose it to high inflation in certain foreign countries. During 1998, MasTec generated approximately 17.5% of its total revenue (excluding revenue generated from MasTec's Spanish operations which were sold in December 1998) from international operations that are susceptible to currency devaluation. Management anticipates that revenue from MasTec's international operations will

be less significant to MasTec's operations in the foreseeable future due to its current intentions to dispose of them, however, the likelihood and extent of further devaluation and deteriorating economic conditions in Brazil and other Latin America countries and the resulting impacts on MasTec's results of operations, financial position and cash flows cannot now be determined.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Notes 1 and 5 of Notes to Consolidated to Financial Statements for disclosures about market risk.

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REPORT OF INDEPENDENT ACCOUNTANTS

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

In our opinion, based upon our audits and the report of other auditors, 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 ("MasTec") at December 31, 1997 and 1998, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1998 in conformity with generally accepted accounting principles. These consolidated financial statements are the responsibility of MasTec's management; our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the consolidated financial statements of Sintel, S.A., a wholly-owned subsidiary until December 31, 1998 which statements reflect total assets of \$195.2 million at December 31, 1997 and total revenues of \$207.2 million and \$207.6 million for the years ended

December 31, 1997 and 1998, respectively. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included for Sintel, S.A. is based solely on the report of the other auditors. We conducted our audits of the consolidated financial statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall consolidated financial statement presentation. We believe that our audits and the report of other auditors provide a reasonable basis for the opinion expressed above.

/s/ PRICEWATERHOUSECOOPERS LLP

PRICEWATERHOUSECOOPERS LLP
Miami, Florida

February 10, 1999

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REPORT OF INDEPENDENT ACCOUNTANTS

To the Shareholders of
Sistemas e Instalaciones de Telecomunicacion, S.A.:

We have audited the consolidated balance sheet of SINTEL, S.A. and subsidiaries ("Sintel") as of December 31, 1998 and 1997, the related consolidated statements of income and cash flows for the two years then ended, and the notes to the financial statements, all expressed in Spanish pesetas. These financial statements are the responsibility of Sintel's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

On December 31, 1998, the agreement signed with Telefonica de Espana, S.A. terminated. Such contract guaranteed a minimum contract revenue amount. As a result of this situation, the Company has a strategy to restructure its operations as well as a planned expansion and diversification of its commercial activities in Spain and Latin America, as explained in Note 1.

In relation to what is described in the previous paragraph, during 1998 a restructure of its operations was executed which resulted in an extraordinary expense of 1.810 millions pesetas related to severance payments to personnel. In view of the extraordinary nature of such restructure, management considered it appropriate to compensate part of such cost by reversing 1.000,8 millions pesetas from the voluntary reserves with a corresponding increase to 1998 income, recorded as described in Notes 10 and 18. Although such voluntary reserves are free to be disposed of by the Board of Directors, Spanish Generally Accepted Accounting Principles does not permit such reversal and the ultimate

recording of extraordinary income in 1998. Therefore, in accordance with General Accepted Accounting Principles, net income and the voluntary reserves should be reduced and increased, accordingly, by 1000,8 millions pesetas. Such treatment does not impact the capital accounts of the Company.

Certain accounting practices of Sintel used in preparing the consolidated financial statements of Sintel conform with generally accepted accounting principles in Spain, but do not conform with accounting principles generally accepted in the United States. A description of these differences and the adjustments required to conform the consolidated financial statements to accounting principles generally accepted in the United States are set forth in Note 22.

In our opinion, except for the effects of the matter described in the preceding paragraph 4, the accompanying consolidated financial statements express, in all material respects, the capital and the financial position of Sintel, S.A. and consolidated subsidiaries at December 31, 1998 and 1997 and the result of its operations for the two years then ended and includes all the necessary and sufficient information for an adequate interpretation and comprehension, in accordance with generally accepted accounting principles applied on a consistent basis.

/s/ ARTHUR ANDERSEN

ARTHUR ANDERSEN

Madrid, Spain

March 31, 1999

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MASTEC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands except per share amounts)

	Year Ended December 31,		
	1996	1997	1998
Revenue	\$ 472,800	\$ 659,439	\$1,048,922
Costs of revenue	352,329	495,840	803,112
Depreciation and amortization	12,000	23,855	43,313
Compensation charge	--	--	33,765
General and administrative expenses	58,529	82,261	140,472
	-----	-----	-----
Operating income	49,942	57,483	28,260
Interest expense	11,434	11,541	29,580
Interest income	3,246	1,783	9,093
Other income (expense), net	769	8,332	(5,155)
	-----	-----	-----
Income before provision for income taxes, equity in earnings of unconsolidated companies and minority interest	42,523	56,057	2,618
Provision for income taxes	15,591	20,944	12,550
Equity in earnings of unconsolidated companies	3,040	2,897	1,906
Minority interest	93	(3,346)	(5,889)
	=====	=====	=====
Net income (loss)	\$ 30,065	\$ 34,664	\$ (13,915)
	=====	=====	=====
Weighted average common shares outstanding ...	24,703	26,460	27,489
Basic earnings (loss) per share	\$ 1.22	\$ 1.31	\$ (0.51)
Weighted average common shares outstanding ...	25,128	27,019	27,489

Diluted earnings (loss) per share \$ 1.20 \$ 1.28 \$ (0.51)

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

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MASTEC, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands)

	December 31,	
	1997	1998
Assets		
Current assets:		
Cash and cash equivalents	\$ 6,063	\$ 19,864
Accounts receivable, unbilled revenue and retainage, net	346,596	284,575
Inventories	8,746	13,423
Assets held for sale	10,782	49,973
Other current assets	22,009	59,601
Total current assets	394,196	427,436
Property and equipment, net	86,109	142,897
Investments in unconsolidated companies	48,160	5,886
Intangibles, net	99,890	142,245
Other assets	1,869	17,022
Total assets	\$ 630,224	\$ 735,486
Liabilities and Shareholders' Equity		
Current liabilities:		
Current maturities of debt	\$ 54,562	\$ 11,143
Accounts payable and accrued expenses	166,596	84,372
Other current liabilities	48,950	87,417
Total current liabilities	270,108	182,932
Other liabilities	41,924	37,592
Long-term debt	94,495	310,689
Commitments and contingencies (Note 10)		
Shareholders' equity:		
Common stock	2,758	2,738
Capital surplus	154,013	149,479
Retained earnings	70,392	56,477
Accumulated other comprehensive income	(3,466)	(4,421)
Total shareholders' equity	223,697	204,273
Total liabilities and shareholders' equity	\$ 630,224	\$ 735,486

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

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MASTEC, INC.
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(In thousands)

	Common Stock		Capital Surplus	Retained Earnings	Foreign Currency Translation Adjustments	Treasury Stock	Total	Accumulated Other Comprehensive Income
	Shares	Amount						
Balance December 31, 1995	26,435	\$ 2,643	\$134,186	\$ 5,663	\$ 1	\$ (91,989)	\$ 50,504	\$ 5,664
Net income				30,065			30,065	30,065
Foreign currency translation adjustment					(803)		(803)	(803)
Stock issued from treasury for stock options exercised			48			523	571	--
Tax benefit resulting from stock option plan			513				513	--
Stock issued from treasury for an acquisition			8,844			2,201	11,045	--
Stock issued for debentures from treasury			5,492			6,117	11,609	--
Balance December 31, 1996	26,435	2,643	149,083	35,728	(802)	(83,148)	103,504	34,926
Net income				34,664			34,664	34,664
Foreign currency translation adjustment					(2,664)		(2,664)	(2,664)
Stock issued from treasury for options exercised			206			979	1,185	--
Tax benefit resulting from stock option plan			1,538				1,538	--
Stock issued for acquisitions	1,621	162	76,219				76,381	--
Stock issued from treasury for an acquisition			4,479			1,603	6,082	--
Stock issued for stock dividend from treasury			(75,802)			75,802	--	--
Stock issued from treasury			3,007				3,007	--
Balance December 31, 1997	28,056	2,805	158,730	70,392	(3,466)	(4,764)	223,697	66,926
Retirement of treasury stock	(476)	(47)	(4,717)	--	--	4,764	--	--
Balance December 31, 1997	27,580	2,758	154,013	70,392	(3,466)	--	223,697	66,926
Net loss				(13,915)			(13,915)	(13,915)
Accumulated other comprehensive income Stock issued, primarily for acquisitions and stock options exercised	469	47	8,721		(955)		(955)	(955)
Tax benefit resulting from stock option plan			403				403	--
Repurchase of common stock	(667)	(67)	(13,658)				(13,725)	--
Balance December 31, 1998	27,382	\$ 2,738	\$149,479	\$ 56,477	\$ (4,421)	\$ --	\$ 204,273	\$ 52,056

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

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MASTEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	1996	1997	1998
Cash flows from operating activities:			
Net income (loss)	\$ 30,065	\$ 34,664	\$ (13,915)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	12,000	23,855	43,313
Minority interest	(93)	3,346	5,889
Equity in earnings of unconsolidated companies ...	(3,040)	(2,897)	(1,906)
Deferred tax expense (benefit)	2,574	(4,991)	6,974
(Gain) loss on sale of assets	(365)	(6,848)	8,918
Changes in assets and liabilities net of effect of acquisitions and divestitures:			
Accounts receivable, unbilled revenue and retainage	(12,013)	(28,809)	(34,942)
Inventories and other current assets	(2,448)	64	(16,759)
Other assets	(2,102)	(10,889)	(27,341)
Accounts payable and accrued expenses	24,492	5,348	(2,017)
Other current liabilities	(6,706)	7,326	13,385
Other liabilities	(4,942)	(4,988)	4,548
Net cash provided by (used in) operating activities ...	37,422	15,181	(13,853)
Cash flows from investing activities:			
Capital expenditures	(7,059)	(21,534)	(76,445)
Cash paid for acquisitions, net of cash acquired ..	(5,034)	(45,606)	(75,745)
Distributions from unconsolidated companies	--	2,130	--
Investments in unconsolidated companies	(1,212)	(3,364)	(13,384)

Repayment (advances) of notes receivable, net	1,273	565	(18,667)
Repayment of notes from shareholders	--	780	--
Net proceeds from sale of assets	9,404	29,628	5,600
Net cash used in investing activities	(2,628)	(37,401)	(178,641)
Cash flows from financing activities:			
Proceeds from revolving credit facilities	17,476	57,328	5,032
Proceeds from Senior Notes	--	--	199,724
Other borrowings	21,739	19,936	35,106
Debt repayments	(70,320)	(59,059)	(17,946)
Proceeds from issuance of common stock	792	6,264	3,779
Stock repurchased	--	--	(13,725)
Financing costs	--	(587)	(4,993)
Net cash (used in) provided by financing activities ...	(30,313)	23,882	206,977
Net increase in cash and cash equivalents	4,481	1,662	14,483
Net effect of translation on cash	(803)	(353)	(682)
Cash and cash equivalents - beginning of period	1,076	4,754	6,063
Cash and cash equivalents - end of period	\$ 4,754	\$ 6,063	\$ 19,864
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	\$ 10,029	\$ 8,727	\$ 21,795
Income taxes	\$ 11,676	\$ 10,377	\$ 6,593

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

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MASTEC, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(In thousands)

Supplemental disclosure of non-cash investing and financing activities:

	Year Ended December 31,		
	1996	1997	1998
Acquisitions accounted for under purchase method of accounting:			
Fair value of assets acquired:			
Accounts receivable	\$248,087	\$ 43,966	\$ 35,184
Inventories	2,980	1,681	2,565
Other current assets	12,661	2,127	1,615
Property and equipment	13,148	27,480	27,168
Investments in unconsolidated companies	9,373	--	--
Real estate and other assets	6,385	3,973	3,830
Total non-cash assets	292,634	79,227	70,362
Liabilities	162,928	32,238	20,623
Long-term debt	78,966	8,535	18,609
Total liabilities assumed	241,894	40,773	39,232
Net non-cash assets acquired	50,740	38,454	31,130
Cash acquired	1,130	3,304	4,975
Fair value of net assets acquired	51,870	41,758	36,105
Excess over fair value of assets acquired ...	4,956	98,088	55,314
Purchase price	\$ 56,826	\$139,846	\$ 91,419

Notes payable issued in acquisitions	\$ 36,561	\$ 130	\$ 10,199
Acquisition costs, cash paid and common stock is acquisitions	18,015	129,809	81,220
Contingent consideration	2,250	9,907	--
	-----	-----	-----
Purchase price	\$ 56,826	\$139,846	\$ 91,419
	=====	=====	=====
Property acquired through financing arrangements	\$ 8,550	\$ 413	\$ --
	=====	=====	=====
Disposal of Sintel:			
Accounts receivable			\$137,214
Inventories			2,774
Other current assets			37,722
Property and equipment			17,251
Other assets			2,825

Total non-cash assets			197,786

Liabilities			109,448
Long-term debt			25,013

Total liabilities			134,461

Net non-cash assets sold			63,325
Cash			2,234
Investment retained			(4,072)

Fair value of net assets sold			61,487
Net loss on sale			(9,222)

Sale price			\$ 52,265
			=====
Assumption of debt			25,013
Seller financing			27,252

Sale price			\$ 52,265
			=====

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

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MASTEC, INC
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

In 1996, MasTec issued approximately 198,000 shares of common stock for an acquisition. Common stock was issued from treasury at a cost of \$2.2 million.

In 1996, MasTec converted \$11.6 million of its 12% convertible subordinated debentures into common stock. Common stock was issued from treasury at a cost of \$6.1 million.

In 1996, MasTec's purchase of an additional 3% interest in Supercanal was financed in part by the sellers for \$2 million.

In 1997, MasTec issued approximately 1,621,000 shares of common stock for domestic acquisitions, of which 250,000 shares were issued from treasury stock at a cost of approximately \$1.6 million.

In 1997, MasTec converted a note receivable and accrued interest thereon totaling \$29 million into stock of Conecel.

In 1998, MasTec issued approximately 158,200 shares of common stock primarily as payment for contingent consideration related to 1997 acquisitions.

In addition, MasTec issued approximately 58,600 shares as bonuses to certain employees and fees to directors.

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

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MASTEC, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 1996, 1997 and 1998

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

MasTec is one of the preeminent builders of internal and external voice, video, data, internet and other computer and communications networks for leading telecommunications service providers, cable television operators, Fortune 500 corporations and power companies. MasTec designs, installs, constructs and maintains aerial, underground and buried copper, coaxial and fiber optic cable networks as well as wireless antenna networks ("external network services"). Clients for MasTec's external network services include major domestic and international telecommunication service providers, incumbent and competitive local exchange carriers, cable television operators, long-distance carriers and wireless phone companies. MasTec also provides external network services to the electric power industry ("power") that are similar to the services it provides to telecommunications customers. Additionally, MasTec designs, installs and maintains integrated local and wide area networks and provides systems integration and other value added services ("internal network services") for corporate customers and other organizations with multiple locations.

For the years ended, December 31, 1996, 1997 and 1998, revenue expressed as a percentage of North American revenue, generated by external network services for telecommunications service providers was 77.1%, 74.6% and 68.1%, respectively, by external network services for electric power companies was 1.3%, 5.2% and 18.0%, respectively, and by internal network services was 12.5%, 12.5% and 13.4%, respectively. MasTec operated in 1998 principally in North America (the United States and Canada), the Caribbean and Latin America ("CALA") and in Spain (CALA and Spain combined are also referred to as "International"). Combined revenue generated by International operations, as a percentage of total revenue was 39.8% in 1996, 42.8% in 1997 and 36.2% in 1998. See Note 9.

On December 31, 1998, MasTec sold its Spanish operations, whose principal customer was Telefonica.

In July and August 1997, MasTec consummated two acquisitions, which were accounted for as pooling of interests. In July 1998, MasTec applied purchase accounting to these acquisitions due to transactions contemplated with management of such acquired companies that were later finalized in 1998 (see Note 2). Accordingly, MasTec's consolidated financial statements include the results of operations from the dates of such acquisitions and prior years have been adjusted accordingly. The change in accounting resulted in increases in capital surplus and intangibles assets of approximately \$53.0 million as of December 1997. As to the statement of income, the restated 1997 revenue, net income and earnings per share are \$659.4 million, \$34.7 million and \$1.28, respectively, in comparison to the originally reported amounts of \$703.4 million, \$42.7 million and \$1.44, respectively.

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

Management's estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management 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 MasTec's reserve for allowance for bad debts, accrued workers' compensation claims, and the realizability of certain intangibles and assets held for sale. Actual results could differ from those estimates.

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

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

Foreign currency. 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

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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 of MasTec and its equity investments denominated in a currency other than their functional currency are generally included in results of operations as incurred.

International Operations. MasTec owns interest in a number of foreign operations, primarily in Latin America, which are subject to greater political, monetary, economic and regulatory risks than its 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 reais. The impact of the devaluation on an operation depends on the devaluation's effect on the local economy and the ability of an operation to raise prices and/or reduce expenses. Additionally, the economies of other countries in Latin America could be adversely impacted by Brazil's economic and monetary problems. The likelihood and extent of further devaluation and deteriorating economy conditions in Brazil and other Latin America countries and the resulting impacts on MasTec's results of operations, financial position and cash flows is not known.

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 projects are completed. 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. Losses, if any, on such 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 customers as per individual contract terms.

MasTec also provides management, coordination, consulting and administration services for construction projects. Compensation for such services is recognized ratably over the term of the service agreement.

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 relates to options assumed exercised under the treasury method of accounting of approximately 425,000 and 559,000 at December 31, 1996 and 1997, respectively.

Potentially dilutive shares, as of December 31, 1998 which have not been included in the diluted per share calculation include 336,000 shares because their effects would be anti-dilutive due to the loss incurred by MasTec. Accordingly, for 1998, diluted net loss per common share is the same as basic net loss per common share.

Cash and cash equivalent. MasTec considers all short-term investments with maturities of three months or less when purchased to be cash equivalents. MasTec places its temporary cash investments with high credit quality financial institutions. At times, such investments may be in excess of the F.D.I.C. insurance limits. MasTec has not experienced any loss to date on these investments. At December 31, 1998, MasTec had cash and cash equivalent in Brazilian reais of approximately \$9.1 million.

Inventories. Inventories (consisting principally of material 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 income.

Intangibles and other long lived assets. Assets and liabilities acquired in connection with business combinations accounted for under the purchase method

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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 22 years. At December 31, 1997 and 1998, MasTec had recorded intangibles, primarily consisting of goodwill of \$99.9 million and \$142.2 million, respectively (net of accumulated amortization of \$3.5 million in 1997 and \$14.9 million in 1998).

MasTec reviews long-lived assets, identifiable intangibles and goodwill and reserves for 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. MasTec is self-insured for certain property and casualty and worker's compensation exposure and, accordingly, accrues the estimated losses not otherwise covered by insurance.

Income taxes. MasTec records 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 MasTec's 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. MasTec 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 6).

Fair value of financial instruments. MasTec estimates 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 MasTec could realize in a current market exchange. MasTec's 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, \$199.8 million at December 31, 1998. The fair value of MasTec's Senior Notes was approximately \$195.0 million at December 31, 1998. MasTec uses 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 market place.

Note 2 - Acquisitions and Investing Activities

During 1997 and 1998, MasTec completed 11 and 12 North America acquisitions, respectively, which have been accounted for under the purchase method of accounting. Accordingly, the results of operations of acquired companies have been included in MasTec's consolidated results of operations from their respective acquisition dates. Contingent consideration, to the extent earned, will be recorded as additional goodwill. If the acquisitions had been made at the beginning of 1997 or 1998, pro forma results of operations would not have differed materially from actual results based on historical performance prior to their acquisition by MasTec. Acquisitions made in 1998 were: M.E. Hunter, Inc. of Atlanta, Georgia, C & S Directional Boring, Inc. of Purcell, Oklahoma, Office Communications Systems, Inc. of Inglewood, California, Phasecom Systems, Inc. of Toronto, Canada, P&E Electric Company, Inc. of Nashville, Tennessee, Lessard-Nyren Utilities, Inc. of Hugo, Minnesota, Electronic Equipment Analyzers, Inc. of Raleigh, North Carolina, Cotton and Taylor of Las Vegas, Nevada, Stackhouse, Inc. of Goldsboro, North Carolina, Martin Telephone Contractors, Inc. of Cades, South Carolina, Barkers CATV Construction, Inc. of Burleson, Texas and Fiber and Cable Works, Inc. of Roanoke, Virginia, telecommunications infrastructure and utility contractors with operations primarily in the western, northern and southeastern United States as well as Canada. Of the total 1998 acquisitions, eight, two and two pertained to external network services, power and internal network services, respectively. Additionally, MasTec made four international acquisitions of telecommunications infrastructure contractors: CIDE Engenharia Ltda. of Brazil, Aciotel Mexicana, S.A. of Mexico, Artcom Services, Inc. of Puerto Rico ("Artcom") and Proyco Ltda. of Colombia ("Proyco"). During 1998, MasTec sold 87% of its Spanish operations which included Artcom and Proyco.

MasTec entered into agreements with certain senior management personnel at two of its operating subsidiaries. These senior managers have agreed to multi-year employment agreements and 10-year non-competition and non-solicitation agreements. Under the definitive agreements, MasTec paid the senior managers compensation in the form of cash and common stock options. The cash portion totals approximately \$33.3 million, of which approximately \$13.3 million was paid in 1998 and approximately \$20.0 million was paid in the first quarter of 1999. As a result of these agreements, MasTec recorded a non-recurring compensation charge of approximately \$33.8 million (including the value of vested stock options) in the fourth quarter of 1998. Additionally at December 31, 1998, MasTec had approximately \$7.1 million due from these employees which was received during February 1999.

On April 30, 1996, MasTec purchased from Telefonica, 100% of the capital stock of Sistemas e Instalaciones de Telecomunicacion, S.A. ("Sintel"), a

company engaged in telecommunications infrastructure construction services in Spain, Argentina, Chile, and Peru. In Argentina, Chile and Peru, MasTec operated through unconsolidated corporations in which it held a 50% interest. On December 31, 1998, MasTec sold 87% of its Spanish operations to a group of investors. The investor group included the chief executive officer of Sintel and a member of its board of directors. MasTec received \$0.9 million (130.5 million pesetas at an exchange rate of 142 pesetas to the dollar) on the date of closing and through March 31, 1999 has received \$10.2 million. Payment terms are being re-negotiated not to extend beyond 1999. The sale included the assumption of the remaining indebtedness of MasTec to Telefonica for the purchase of the Spanish operations of \$25.0 million (3.6 billion pesetas).

On July 31, 1997, MasTec completed its acquisition of 51% of MasTec Inepar S/A-Sistemas de Telecomunicacoes ("MasTec Inepar"), a newly formed Brazilian telecommunications infrastructure contractor, for 250,000 of MasTec's shares of common stock and \$29.4 million in cash, of which \$7.3 million remains outstanding.

Subsequent to December 31, 1998, MasTec has signed letters of intent to acquire two external network and one internal network services contractors, subject to a number of conditions.

Note 3 - Accounts Receivable

Accounts receivable are presented net of an allowance for doubtful accounts of \$3.1 million, \$3.1 million, and \$7.3 million at December 31, 1996, 1997 and 1998, respectively. MasTec recorded a provision for doubtful accounts of \$1.2 million, \$0.7 million and \$4.5 million during 1996, 1997 and 1998, respectively. In addition, MasTec recorded write-offs of \$0.1 million, \$0.7 million and \$0.3 million during 1996, 1997 and 1998, respectively.

Accounts receivable include retainage which has been billed but is not due until completion of performance and acceptance by customers, and claims for additional work performed outside original contract terms. Retainage aggregated \$10.2 million and \$16.1 million at December 31, 1997 and 1998, respectively.

Included in accounts receivable is unbilled revenue of \$97.5 million and \$83.3 million at December 31, 1997 and 1998, respectively. Such unbilled amounts represent work performed but not billable to customers as per individual contract terms, of which \$49.5 million and \$45.2 million at December 31, 1997 and 1998, respectively, are related to MasTec's Brazilian operations.

During 1998, MasTec entered into a financing agreement to provide financing to a customer. As of December 31, 1998, MasTec had \$41.8 million outstanding under this agreement, of which approximately \$30.0 million and \$11.8 million is reflected in accounts receivable and other current assets, respectively, in the accompanying consolidated balance sheet as of December 31, 1998. MasTec will terminate the financing agreement as of April 30, 1999.

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Note 4 - Property and Equipment

Property and equipment is comprised of the following as of December 31, 1997 and 1998 (in thousands):

	1997	1998	Estimated Useful Lives (In Years)
	-----	-----	-----
Land	\$ 8,430	\$ 10,230	
Buildings and improvements ...	9,474	11,291	5 - 20
Machinery and equipment	97,727	170,922	3 - 7
Office furniture and equipment	5,810	9,319	3 - 5
	-----	-----	
	121,441	201,762	
Less-accumulated depreciation	(35,332)	(58,865)	

-----	-----
\$ 86,109	\$ 142,897
=====	=====

Note 5 - Debt

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

	1997	1998
	-----	-----
Revolving Credit Facility, at LIBOR plus 1.50% (6.96% at December 31, 1997 and 7.06% at December 31, 1998)	\$ 83,010	\$ 106,300
Revolving Credit Facility, at MIBOR plus 0.30 (5.60% at December 31, 1997)	10,894	--
Other Spanish bank facilities at interest rates from 5.65% to 6.75%	17,438	--
Other bank facilities at LIBOR plus 1.25% (6.31% at December 31, 1998)	--	6,206
Notes payable for equipment, at interest rates from 7.5% to 8.5% due in installments through the year 2000	14,500	6,145
Notes payable for acquisitions, at interest rates from 7% to 8% due in installments through February 2000	23,215	3,431
Senior Notes, 7.75% due February 2008	--	199,750
	-----	-----
Total debt	149,057	321,832
Less current maturities	(54,562)	(11,143)
	-----	-----
Long-term debt	\$ 94,495	\$ 310,689
	=====	=====

In June 1997, MasTec entered into a revolving line of credit agreement with a group of banks as amended, (the "Credit Facility"). The Credit Facility provides for borrowings up to an aggregate amount of \$165.0 million. Amounts outstanding under the revolving credit facility mature on June 9, 2000. Upon written request by MasTec and at the bank's sole discretion, the maturity date of the Credit Facility may be extended for successive annual periods up to a final maturity date of June 9, 2002. MasTec is required to pay an unused facility fee ranging from .25% to .50% per annum on the facility, depending upon certain financial covenants.

The Credit Facility is secured by a pledge of shares of certain of MasTec's subsidiaries. Interest under the Credit Facility accrues at rates based, at MasTec's option, on the agent bank's Base Rate plus a margin of up to .50% depending on certain financial covenants or 1% above the overnight federal funds effective rate, whichever is higher, or its LIBOR Rate (as defined in the Credit Facility) plus a margin of 1.00% to 2.25%, depending on certain financial covenants.

MasTec had outstanding \$18.7 million in standby letters of credit as of December 31, 1998.

On January 30, 1998, MasTec issued \$200.0 million, 7.75% senior subordinated notes (the "Senior Notes") due in February 2008 with interest due semi-annually. The net proceeds were used primarily for acquisitions and other corporate purposes.

The Credit Facility and the Senior Notes contain customary events of default and covenants which prohibit, among other things, making investments in excess of a specified amount, incurring additional indebtedness in excess of a specified amount, paying dividends in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including the Senior Notes, and engaging in certain mergers or combinations without the prior written consent of the lenders. The Credit Facility also provides that MasTec must maintain certain financial ratio

coverage, requiring, among other things minimum ratios at the end of each fiscal quarter of debt to earnings and earnings to interest expense.

At December 31, 1998 debt matures as follows:

1999	\$	11,143
2000		109,063
2001		1,503
2002		345
2003		28
Thereafter		199,750

	\$	321,832
		=====

Note 6 - Stock Option Plans

Shares underlying stock options and exercise prices have been adjusted to reflect the three-for-two stock split declared in 1997 by the Board of Directors. MasTec's only stock option plans currently in effect is the 1994 Stock Incentive Plan (the "1994 Plan") and the 1994 Stock Option Plan for Non-Employee Directors (the "Directors' Plan"). Under MasTec's 1976 stock option plan, there are 5,250 shares available for grant and have been reserved for and may still be issued in accordance with the terms of such plan.

The 1994 Plan authorizes the grant of options or awards of restricted stock up to 2,500,000 shares of MasTec's common stock, of which 500,000 shares may be awarded as restricted stock. As of December 31, 1998, options to purchase 1,567,695 (net of 464,255 stock options cancelled) shares had been granted under the 1994 Plan. Options are exercisable at prices and over periods established by the Compensation Committee of the Board of Directors and must be exercised no later than 10 years from the date of grant.

The Directors' Plan authorizes the grant of options to purchase up to 600,000 shares of MasTec's common stock to the non-employee members of MasTec's Board of Directors. Options to purchase 142,500 shares have been granted to Board members through 1998. The options granted become exercisable ratably over a three year period from the date of grant and may be exercised for a period of up to ten years beginning the year after the date of grant at an exercise price equal to the fair market value of such shares on the date the option is granted.

In addition, during 1994 options to purchase 150,000 shares of common stock at \$3.83 per share were granted to a director outside the Directors' Plan in lieu of the Director's Plan and annual fees paid to the director. Compensation expense of \$42,500 in connection with the issuance of this option is being recognized annually over the five-year vesting period. The options are exercisable ratably over a three to five year period beginning the year after the date of grant and may be exercised for a period of up to ten years beginning the year after the date of grant. In 1997, options to purchase 110,000 shares of common stock at fair market value on the date of grant were granted to two executive officers outside the 1994 plan.

In connection with two acquisitions completed during 1997, options to purchase 800,000 shares of MasTec's common stock at prices ranging from \$17.50 to \$20.19 were granted to individuals during 1998 outside the 1994 Plan subject to varying vesting schedules.

The following is a summary of all stock option transactions:

Stock Options	Weighted Average Exercise Price	Exercise Price	Weighted Average Fair Value of Options Granted
-----	-----	-----	-----

Outstanding December 31, 1995	676,800	\$ 6.33	\$ 0.10	-	\$ 8.92	
Granted	306,000	17.05	7.42	-	28.58	\$ 9.23
Exercised	(82,200)	6.38	0.10	-	8.92	
Canceled	(2,700)	5.29	5.29	-	8.92	
<hr/>						
Outstanding December 31, 1996	897,900	9.98	0.10	-	28.58	
Granted	1,254,950	24.96	21.09	-	48.19	\$ 19.97
Exercised	(201,950)	5.58	0.10	-	21.83	
Canceled	(343,475)	23.62	5.29	-	48.19	
<hr/>						
Outstanding December 31, 1997	1,607,425	17.06	0.10	-	31.63	
Granted	1,234,250	19.17	12.97	-	31.88	\$ 13.29
Exercised	(101,990)	11.38	1.33	-	21.09	
Canceled	(110,580)	19.47	5.29	-	31.63	
<hr/>						
Outstanding December 31, 1998	2,629,105	\$ 18.32	\$ 0.10	-	\$ 31.88	
<hr/>						

The following table summarizes information about stock options outstanding at December 31, 1998:

Range of Exercise Prices	Stock Options Outstanding			Options Exercisable	
	Number of Stock Options	Weighted Average	Weighted Average Exercise Price	Number of Stock Options	Weighted Average Exercise Price
	Remaining Contractual Life				
.10 - .10	3,600	4.50	\$ 0.10	3,600	\$ 0.10
3.83 - 5.29	94,200	5.19	4.83	35,700	5.29
6.83 - 9.81	327,430	6.41	8.66	181,330	8.73
12.97 - 17.50	532,500	9.98	17.34	166,667	17.50
20.19 - 31.88	1,671,375	8.62	21.32	674,911	21.09
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,629,105	8.49	\$ 18.32	1,062,208	\$ 17.82
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

MasTec has reflected below the 1996, 1997 and 1998 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 BlackScholes option-pricing model with the following assumptions used for grants in 1996, 1997 and 1998, respectively: a five, six and five year expected life for 1996, 1997 and 1998, respectively; volatility factors of 57%, 82% and 72%, respectively; risk-free interest rates of 6.1%, 5.5% and 4.3%, respectively; and no dividend payments.

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Had compensation cost for MasTec's options plans been determined and recorded in accordance with SFAS No. 123, MasTec's net income and earnings per share would have been reduced to the pro forma amounts as follows:

	1996	1997	1998
	<hr/>	<hr/>	<hr/>
Net income (loss):			
As reported	\$ 30,065	\$ 34,664	\$ (13,915)
	<hr/>	<hr/>	<hr/>
Pro forma	\$ 29,211	\$ 28,797	\$ (28,472)
	<hr/>	<hr/>	<hr/>
Basic earnings (loss) per share:			
As reported	\$ 1.22	\$ 1.31	\$ (0.51)
Pro forma	\$ 1.18	\$ 1.09	\$ (1.04)
	<hr/>	<hr/>	<hr/>
Diluted earnings (loss) per share:			
As reported	\$ 1.20	\$ 1.28	\$ (0.51)
Pro forma	\$ 1.16	\$ 1.07	\$ (1.04)

The 1996, 1997 and 1998 pro forma effect on net income (loss) is not necessarily representative of the effect in future years because it does not take into consideration pro forma compensation expense related to grants made prior to 1995 and does not reflect a tax benefit related to the compensation

expense given that the options are considered incentive stock options and such benefit, if any, cannot be presently determined.

Note 7 - Income Taxes

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

	1996	1997	1998
	-----	-----	-----
Current:			
Federal	\$ 10,891	\$ 9,583	\$ 3,198
Foreign	5,347	4,465	1,376
State and local	1,536	1,670	1,002
	-----	-----	-----
	17,774	15,718	5,576
	-----	-----	-----
Deferred:			
Federal	(1,965)	2,730	2,119
Foreign	--	2,040	5,430
State and local	(218)	456	(575)
	-----	-----	-----
	(2,183)	5,226	6,974
	-----	-----	-----
Provision for income taxes	\$ 15,591	\$ 20,944	\$ 12,550
	=====	=====	=====

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The tax effects of significant items comprising MasTec's net deferred tax liability as of December 31, 1997 and 1998 are as follows (in thousands):

	1997	1998
	-----	-----
Deferred tax assets:		
Non-compete	\$ --	\$ 5,951
Bad debts	1,104	5,680
Accrued self insurance	2,100	4,566
Operating loss and tax credit carry forward	1,565	1,186
All other	6,446	6,603
	-----	-----
Total deferred tax assets	11,215	23,986
	-----	-----
Deferred tax liabilities:		
Installment sale	--	6,271
Accounts receivable retainage	3,866	6,973
Property and equipment	7,536	9,208
Asset re-evaluations	6,066	5,677
All other	5	3,420
	-----	-----
Total deferred tax liabilities	17,473	31,549
Valuation allowance	1,376	211
	-----	-----
Net deferred tax liability	\$ (7,634)	\$ (7,774)
	=====	=====

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. Deferred tax assets of \$1.2 million for 1997 have been recorded in current assets in the accompanying consolidated financial statements. The net change in the valuation allowance for deferred tax assets was a decrease of \$1.2 million.

A reconciliation of U.S. statutory federal income tax expense on the earnings from continuing operations is as follows:

	1996	1997	1998
	-----	-----	-----
U.S. statutory federal rate			
applied to pretax income	35%	35%	35%
State and local income taxes	2	2	10
Effect of non-U.S. tax rates	(1)	(1)	(23)
Amortization of intangibles	--	--	58
Gain on sale of Spanish operations	--	--	329
Non-deductible expenses	--	--	37
Other	1	1	33
	=====	=====	=====
Provision for income taxes	37%	37%	479%
	=====	=====	=====

No provision have been made for the years ended December 31, 1997 and 1998 for U.S. income taxes on the undistributed earnings of the foreign subsidiaries since it is MasTec's intention to utilize those earnings in the foreign operations for an indefinite period of time. During 1998, MasTec sold its interest in its Spanish operations which resulted in a tax liability of \$7.8 million. At December 31, 1998, undistributed earnings of the remaining foreign subsidiaries amounted to \$11.8 million. If the earnings of such foreign subsidiaries were not indefinitely reinvested, a deferred tax liability of \$0.2 million would be required.

The Internal Revenue Service (the "IRS") examined the tax returns for the fiscal years ended April 30, 1989 through April 30, 1993. During 1998, the IRS concluded its examination which resulted in a payment of approximately \$150,000. The IRS is currently reviewing the tax returns filed by MasTec for the years ended December 31, 1995 and 1996. No adjustments have been proposed to date related to this review.

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Note 8 - Capital Stock

MasTec has authorized 100,000,000 shares of common stock, \$0.10 par value. At December 31, 1997 and 1998, approximately 28,056,000 and 27,382,000 shares of common stock were issued, 27,580,000 and 27,382,000 shares were outstanding (adjusted for the stock split), respectively, and 476,000 and 0 were held in treasury, at cost (after giving effect to the stock split paid in the form of a dividend from treasury stock), respectively. At December 31, 1997 and 1998, MasTec had 5,000,000 shares of authorized but unissued preferred stock.

Note 9 - Operations by geographic areas and segments

MasTec derives a substantial portion of its revenue from providing telecommunications infrastructure services to Telefonica, BellSouth and Telebras. For the year ended December 31, 1996, approximately 31% and 13% of MasTec's revenue was derived from services performed for Telefonica and BellSouth, respectively. For the year ended December 31, 1997, approximately 27%, 13% and 11% of MasTec's revenue was derived from services performed for Telefonica, BellSouth and Telebras, respectively. For the year ended December 31, 1998, approximately 19%, 7% and 8% of MasTec's revenue was derived from services performed for Telefonica, BellSouth and Telebras, respectively. For the year ended December 31, 1997, revenue generated from Telebras is included from August 1, 1997 (See Note 2). For the year ended December 31, 1998, revenue generated from Telebras is included from January 1, 1998 through July 31, 1998, subsequent to that period Telebras was privatized and divided into more than eight unaffiliated companies owned by private investors. Accounts receivable from MasTec's three largest customers approximated \$192.0 million at December 31, 1997.

External Network Services. MasTec's principal domestic business consists of external network services for telecommunications providers, including incumbent and competitive local exchange carriers, cable television operators, long-distance carriers and wireless communications providers. External network

services consist of all of the services necessary to design, install and maintain the physical facilities used to provide telecommunications services from the provider's central office, switching center or cable headed to the ultimate consumer's home or business. These services include the placing and splicing of cable, the excavation of trenches in which to place the cable, the placing of related structures such as poles, anchors, conduits, manholes, cabinets and closures, the placing of drop lines from the main transmission lines to the customer's home or business, and the maintenance and removal of these facilities. MasTec has developed expertise in directional boring, a highly specialized and increasingly common method of placing buried cable networks in congested urban markets without digging a trench. Services to many of these customers are provided under exclusive master contracts with 2 to 3 year initial terms expiring at various dates.

MasTec provides a full range of external network services to its telecommunications company customers, although certain of MasTec's customers handle certain of these services in-house. MasTec's customers generally supply materials such as cable, conduit and telephone equipment, and MasTec provides the expertise, personnel, tools and equipment necessary to perform the required installation and maintenance services.

Internal Network Services. MasTec provides design, installation and maintenance of internal networks linking the customers' voice, video, data and internet computer and communications networks at multiple locations. MasTec also provides systems integration services, which involve the selection, configuration, installation and maintenance of software, hardware, other computing and communications equipment and cabling to provide an integrated computing and communications system. Internal network services is less capital intensive than external network construction but requires a more technically proficient work force. MasTec provides these services to its customers nationwide, primarily on the east and west coasts of the United States.

Internal network services consist of designing, installing and maintaining local area networks and wide area networks linking the customers' voice communications networks at multiple locations with their data and video services. This type of work is similar to external network construction; both involve the placing and splicing of copper, coaxial and fiber optic cables. Inside wiring is less capital intensive than external network construction but requires a more technically proficient work force. MasTec contracts with primary contractors to provide services under subcontracts that are similar to master contracts in the external network business. MasTec also provides internal network services on individual projects that are awarded on a competitive bid basis or through individual negotiation.

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External Network Power. MasTec provides external network services to power companies, including investor-owned utilities and rural cooperatives. These services, which are substantially similar to the external network services provided to telecommunications companies, include overhead and underground construction and maintenance of electrical and other utilities transmission and distribution networks, substation construction and maintenance, right-of-way maintenance and restoration of asphalt and concrete surfaces. The work often involves the installation and splicing of high-voltage transmission and distribution lines. Services to many of these customers are provided under exclusive master contracts with 2 to 3 year initial terms expiring at various dates, as well as on a project by project basis awarded under competitive bidding and individual negotiations. MasTec currently has 42 master service agreements with power companies.

The following table set forth, for each of 1996, 1997 and 1998, certain information about segment results of operations and segment assets (in thousands).

1996	External Network	Internal Network	External Network	Inter-
------	---------------------	---------------------	---------------------	--------

	Services	Services	Power	national	Other(1)	Consolidated
Revenue	\$219,559	35,524	3,773	188,155	25,789	\$ 472,800
	=====	=====	=====	=====	=====	=====
Operating income (loss)	35,838	4,303	566	19,733	(10,498)	49,942
Depreciation and amortization	8,718	484	522	2,058	218	12,000
Total assets	105,333	16,140	2,890	259,624	99,031	483,018
Capital Expenditures ..	3,714	689	320	--	2,336	7,059
1997	External Network Services	Internal Network Services	External Network Power	Inter- national	Other(1)	Consolidated
Revenue	\$281,426	47,285	19,693	282,393	28,642	\$ 659,439
	=====	=====	=====	=====	=====	=====
Operating income (loss)	39,888	3,565	607	21,450	(8,019)	57,483
Depreciation and amortization	15,686	1,022	2,888	3,403	856	23,855
Total assets	154,074	36,167	33,805	250,277	155,901	630,224
Capital Expenditures ..	16,387	1,113	1,223	1,879	932	21,534
1998	External Network Services	Internal Network Services	External Network Power	Inter- national	Other(1)	Consolidated
Revenue	\$455,798	89,687	120,218	379,294	3,925	\$1,048,922
	=====	=====	=====	=====	=====	=====
Operating income (loss)	58,974	(3,411)	10,910	15,167	(53,380)	28,260
Depreciation and amortization	24,600	1,617	10,095	6,029	972	43,313
Total assets	303,088	60,659	86,809	88,612	196,318	735,486
Capital Expenditures ..	41,946	2,361	25,872	5,003	1,263	76,445

(1) Consists of non-core construction and corporate operations.

There are no significant transfers between geographic areas and segments. Operating income consists of revenue less operating expenses, and does not include interest expense, interest and other income, equity in earnings of unconsolidated companies, minority interest and income taxes. Operating income is net of corporate general and administrative expenses. Total assets are those assets used in MasTec's operations in each segment. Corporate assets include cash and cash equivalents, investments in unconsolidated companies, assets held for sale and notes receivable.

Note 10 - Commitments and Contingencies

In December 1990, Albert H. Kahn, a stockholder of MasTec, filed a purported class action and derivative suit in Delaware state court against MasTec, the then-members of its Board of Directors, and National Beverage Corporation ("NBC"), MasTec's then-largest stockholder. The complaint alleges, among other things, that MasTec's Board of Directors and NBC breached their respective fiduciary duties in approving certain transactions.

In November 1993, Mr. Kahn filed a class action and derivative complaint against MasTec, the then members of its Board of Directors, and Jorge L. Mas, Jorge Mas and Juan Carlos Mas, the principal shareholders of MasTec. The 1993 lawsuit alleges, among other things, that MasTec's Board of Directors and NBC breached their respective fiduciary duties by approving the terms of the acquisition of MasTec by the Mas family, and that the Mas family had knowledge of the fiduciary duties owed by NBC and MasTec's Board of Directors and knowingly and substantially participated in the breach of these duties. The lawsuit also claims derivatively that each member of MasTec's Board of Directors engaged in mismanagement, waste and breach of fiduciary duties in managing MasTec's affairs prior to the acquisition by the Mas Family.

There has been no activity in either of these lawsuits in more than two years. MasTec believes that the allegations in each of the lawsuits are without merit and intends to defend these lawsuits vigorously.

In November 1997, Church & Tower filed a lawsuit against Miami-Dade County (the "County") in Florida state court alleging breach of contract and seeking damages exceeding \$3.0 million in connection with the County's refusal to pay amounts due to Church & Tower under a multi-year agreement to perform road restoration work for the Miami-Dade Water and Sewer Department ("MWSD"), a department of the County, and the County's wrongful termination of the agreement. The County has refused to pay amounts due to Church & Tower under the agreement until alleged overpayments under the agreement have been resolved, and has counterclaimed against MasTec seeking damages. The County also has refused to award a new road restoration agreement for MWSD to Church & Tower, which was the low bidder for the new agreement. MasTec is vigorously pursuing this lawsuit.

MasTec is a party to other pending legal proceedings arising in the normal course of business, none of which MasTec believes is material to MasTec's financial position or results of operations.

Federal, state and local laws and regulations govern MasTec's operation of underground fuel storage tanks. MasTec is in the process of removing, restoring and upgrading these tanks, as required by applicable laws, and has identified certain tanks and surrounding soil which will require remedial cleanups. The cost of these cleanups is not expected to be material.

In connection with certain contracts, MasTec has signed certain agreements of indemnity in the aggregate amount of approximately \$194.4 million, of which approximately \$145.3 million relate to the uncompleted portion of contracts in process. These agreements are to secure the fulfillment of obligations and performance of the related contracts.

During 1998, MasTec provided a customer financing in connection with the sale of its services. As of December 31, 1998, MasTec had \$41.8 million outstanding under this agreement. MasTec anticipates that it will provide an additional \$8.0 million of financing under this agreement. MasTec will terminate financing agreement as of April 30, 1999. MasTec has entered into an agreement to expand the telephone network of the Nicaraguan telephone company. MasTec is not currently rendering construction services in Nicaragua and has determined not to proceed with the project unless MasTec obtains non-recourse outside financing.

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MasTec has committed to continue developing a PCS cellular phone system through its investment in Paraguay. MasTec anticipates investing approximately \$13.0 million for the development of this system over the next 12 months. MasTec will terminate financing agreement as of April 30, 1999.

MasTec announced a stock repurchase program in April 1998. Through December 31, 1998, MasTec had purchased a total of 667,000 shares at an average price of \$20.58. MasTec may continue to purchase shares from time to time. The Credit Facility restricts the amount of shares that MasTec may repurchase up to an additional amount of \$5.5 million (see Note 5).

MasTec's current and future operations and investments in certain foreign countries are generally subject to the risks of political, economic or social instability, including the possibility of expropriation, confiscatory taxation, hyper-inflation or other adverse regulatory or legislative developments, or limitations on the repatriation of investment income, capital and other assets. MasTec cannot predict whether any of such factors will occur in the future or the extent to which such factors would have a material adverse effect on MasTec's international operations.

In previous years, MasTec has recorded a charge of \$23.1 million to adjust the carrying values of its real estate investment to estimated net realizable value based on offers received by MasTec to dispose of certain real estate investments in a bulk transaction. Included in assets held for sale in the accompanying balance sheet is approximately \$10.5 million of real estate at December 31, 1998. MasTec is actively marketing this real estate and expects to dispose of substantially all these assets in 1999.

MasTec has a 28% voting interest in Supercanal Holding, S.A. ("Supercanal"), a holding company of numerous cable television operators predominately in Argentina. MasTec does not exercise significant influence over the management of Supercanal. During 1998, MasTec contributed an additional \$1.7 million. Based on the most recent available financial information, for the nine months ended September 30, 1998, Supercanal incurred losses of \$53.0 million (unaudited) and reflected a shareholders' deficiency of \$5.0 million (unaudited).

In July 1995, MasTec made a \$25 million non-recourse term loan collateralized by 40% of the capital stock of a holding company that owned 52.6% of the capital stock of Consorcio Ecuatoriano de Telecomunicaciones, S.A. ("Conecel"), one of two cellular phone operators in the Republic of Ecuador. In June 1997, MasTec converted its loan and accrued interest into the stock of the holding company. In December 1997, MasTec sold its investment in the holding company for \$20.0 million in cash and 7.5 million shares of Conecel common stock valued at \$25.0 million. Accordingly, MasTec recognized a gain of \$4.4 million net of tax based on the percent of cash received to the total transaction value.

During January 1999, MasTec engaged investment bankers to dispose of its investments in Supercanal and Conecel which have a carrying value at December 31, 1998 of \$33.9 million. MasTec also has other international investments with a carrying value of \$5.6 million recorded as assets held for sale as of December 31, 1998. MasTec estimates that the carrying value of such assets held for sale will be realized upon their ultimate disposition.

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Note 12 - Quarterly Information (Unaudited)

The following table presents unaudited quarterly operating results for the two years ended December 31, 1998. MasTec believes 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, 1997 and 1998. Results of operations for any particular quarter are not necessarily indicative of results of operations for a full year or predictive of future periods. Quarterly results have been adjusted to reflect the application of purchase accounting to acquisitions previously accounted for as pooling of interests (see Note 1).

	1997 Quarter Ended				1998 Quarter Ended			
	Mar 31	Jun 30	Sep 30	Dec 31	Mar 31	Jun 30	Sep 30	Dec 31
(in thousands, except per share data)								
Statement of Income Data								
Revenue	\$130,143	\$141,499	\$184,562	\$203,235	\$186,095	\$246,106	\$288,606	\$328,115
Gross profit, excluding depreciation and amortization	36,928	39,675	41,688	44,918	33,129	59,878	\$ 70,093	82,710
Operating income (loss)	15,495	17,614	16,772	7,602	(13,599)	20,011	26,289	(4,441)
Net income (loss)	9,287	10,826	8,498	6,053	(12,099)	9,395	13,413	(24,624)
Basic earnings (loss) per .. \$	0.36	\$ 0.42	\$ 0.32	\$ 0.22	\$ (0.44)	\$ 0.34	\$ 0.49	\$ (0.90)
share								
Diluted earnings (loss) \$	0.36	\$ 0.41	\$ 0.31	\$ 0.22	\$ (0.44)	\$ 0.33	\$ 0.48	\$ (0.90)
per share								

MasTec believes that the effects of inflation have not had a significant impact on its results of operations or financial condition. MasTec's results of operations have historically been seasonally weaker in the first and fourth

quarters of the year and have produced stronger results in the second and third quarters.

During the third quarter of 1997, MasTec commenced operations in Brazil, through its subsidiary MasTec Inepar.

During the fourth quarter of 1997, MasTec sold at a gain of \$4.4 million net of taxes, a portion of Conecel.

First quarter of 1998 was negatively affected by severe weather, a \$4.0 million related to charges incurred in North American operations and \$13.4 million of severance expenses related to MasTec's Spanish operations.

During the fourth quarter of 1998, MasTec sold at a loss of \$9.2 million (\$17.0 million net of taxes) 87% of its Spanish operations.

During the fourth quarter of 1998, MasTec recorded a \$33.8 million compensation charge for senior management at certain operating subsidiaries, \$4.5 million for losses on a non-core contract, \$1.4 million for startup costs and \$500,000 associated with bad debts reserves.

* * * * *

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CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Information regarding MasTec's executive officers is included in this Annual Report under the caption "Executive Officers of the Registrant." Information regarding MasTec's directors and nominees for directors will be contained in MasTec's Proxy statement relating to the 1999 Annual Meeting of Shareholders to be held on May 25, 1999 (the "Proxy Statement"), and is incorporated in this Annual Report by reference.

EXECUTIVE COMPENSATION

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

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Information regarding the ownership of MasTec's 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 reports of Independent Accountants are listed on page 18 and included on pages 19

through 41.

2. Financial Statements Schedules - The financial statement schedule information required by Item 14(a)(2) is included as part of "Note 3 - Accounts Receivable" of the Notes to Consolidated Financial Statements.
3. Exhibits including those incorporated by reference:

Exhibit

No.	Description
1.1	Articles of Incorporation, filed as Appendix B to MasTec's definitive Proxy Statement for its 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.
1.2	By-laws, filed as Exhibit 3.2 to MasTec's Form 8-K dated May 29, 1998 and filed with the Commission on June 26, 1998, and incorporated by reference herein.
4.1	7 3/4% Senior Subordinated Notes Due 2008 Indenture dated as of February 4, 1998, filed as Exhibit 4.2 to MasTec's Registration Statement on Form S-4 (file No. 333-46361) and incorporated by reference herein.

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- 10.1 Stock Option Agreement dated March 11, 1994 between MasTec and Arthur B. Laffer, filed as Exhibit 10.6 to MasTec's Form 10-K for the year ended December 31, 1995 and incorporated by reference herein.
- 10.2 Stock Option Agreement dated December 29, 1997 between MasTec and Henry N. Adorno, filed as Exhibit 10.2 to MasTec's Form 10-K for the year ended December 31, 1997 and incorporated by reference herein.
- 10.3 Stock Option Agreement dated December 29, 1997 between MasTec and Joel-Tomas Citron, filed as Exhibit 10.3 to MasTec's Form 10-K for the year ended December 31, 1997 and incorporated by reference herein.
- 10.4 Revolving Credit Agreement dated as of June 9, 1997 between MasTec, certain of its subsidiaries, and BankBoston, N.A. as agent.
- 10.5 Agreement dated July 21, 1997 between MasTec and Inepar S/A Industriale Construccoes, filed as Exhibit 10.5 to MasTec's Form 10-K for the year ended December 31, 1997 and incorporated by reference herein.
- 10.6 First Amendment to Revolving Credit Agreement, filed as Exhibit 10.1 to MasTec's Quarterly Report on Form 10-Q for the quarter ended June 30, 1998 and incorporated by reference herein.
- 10.7 Second, Third, Fourth and Fifth Amendments to Revolving Credit Agreement.
- 10.8 Agreement between Joel-Tomas Citron and MasTec dated as of November 18, 1998.
- 10.9 Stock purchase and sale agreement dated as of December 31, 1998 between MasTec and a group of investors regarding the sale of MasTec's Spanish operations.
- 21.1 Subsidiaries of MasTec.
- 23.1 Consent of Arthur Andersen LLP
- 23.2 Consent of PricewaterhouseCoopers LLP

27.1 Financial Data Schedule

99.1 Cautionary Statements Regarding Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

(b) Reports on Form 8-K:

On January 14, 1999, MasTec filed a Current Report on Form 8-K dated December 31, 1998 with the Securities and Exchange Commission reporting information under Item 2, Acquisition or Disposition of Assets.

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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 29, 1999.

MASTEC, INC.

/S/ CARMEN M. SABATER

Carmen M. Sabater
Senior Vice President - Director of Finance
(Principal Financial Officer)

/S/ ARLENE VARGAS

Arlene Vargas
Vice President and Controller
(Principal Accounting Officer)

POWER OF ATTORNEY

The undersigned directors and officers of MasTec, Inc. hereby constitute and appoint Carmen M. Sabater and Jose Sario 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 29, 1999.

/S/ JORGE MAS

Jorge Mas, Chairman of the Board,
President and Chief Executive Officer
(Principal Executive Officer)

/S/ ELIOT C. ABBOTT

Eliot C. Abbott, Director

/S/ ARTHUR B. LAFFER

Arthur B. Laffer, Director

/S/ JOSE S. SORZANO

Jose S. Sorzano, Director

/S/ JOEL-TOMAS CITRON

Joel-Tomas Citron, Director

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MasTec, Inc.
Exhibit Index

Exhibit

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1.2	By-laws, filed as Exhibit 3.2 to MasTec's Form 8-K dated May 29, 1998 and filed with the Commission on June 26, 1998, and incorporated by reference herein.
4.1	7 3/4% Senior Subordinated Notes Due 2008 Indenture dated as of February 4, 1998, filed as Exhibit 4.2 to MasTec's Registration Statement on Form S-4 (file No. 333-46361) and incorporated by reference herein.
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21.1 Subsidiaries of MasTec.

23.1 Consent of Arthur Andersen LLP

23.2 Consent of PricewaterhouseCoopers LLP

27.1 Financial Data Schedule

99.1 Cautionary Statements Regarding Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995

Exhibit 10.4

REVOLVING CREDIT AGREEMENT

Dated as of June 9, 1997

by and among

MASTEC, INC.

(the "Parent")

and its Subsidiaries (other than Excluded Subsidiaries
and members of the MasTec International Group)
listed on Schedule 1 hereto
(collectively, the "Borrowers")

and

BANKBOSTON, N.A.
("BKB")

and

CREDITANSTALT-BANKVEREIN ("CB"),
FIRST UNION NATIONAL BANK OF FLORIDA ("First Union"),
THE SUMITOMO BANK, LIMITED ("Sumitomo"),
SCOTIABANC INC. ("SBI"),
THE FUJI BANK AND TRUST COMPANY ("Fuji"),
COMERICA BANK ("Comerica"),
and LTCB TRUST COMPANY ("LTCB")
(collectively, the "Banks")

and

BANKBOSTON, N.A., as Agent

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REVOLVING CREDIT AGREEMENT

This REVOLVING CREDIT AGREEMENT is made as of June 9, 1997 (the "Agreement"), by and among (a) MASTEC, INC., a Delaware corporation (the "Parent"), its Subsidiaries (other than the Excluded Subsidiaries and members of the MasTec International Group) listed on Schedule 1 hereto (collectively with the Parent, the "Borrowers"), (b) BANKBOSTON, N.A. ("BKB"), a national banking association having its principal place of business at 100 Federal Street, Boston, Massachusetts 02110, CREDITANSTALT-BANKVEREIN ("CB"), an Austrian banking corporation having an office at Two Greenwich Plaza, Greenwich, Connecticut 06830, FIRST UNION NATIONAL BANK OF FLORIDA ("First Union"), a national banking association having its principal place of business at 200 South Biscayne Boulevard, 15th Floor, Miami, Florida 33131, THE SUMITOMO BANK, LIMITED ("Sumitomo"), a Japanese banking association having an office at One Biscayne Tower, 2 South Biscayne Boulevard, Suite 3300, Miami, Florida 33131, SCOTIABANC INC. ("SBI"), a wholly-owned subsidiary of The Bank of Nova Scotia, a Canadian chartered bank, having its principal place of business at 600 Peachtree Street, N.E., Suite 2700, Atlanta, Georgia 30308, THE FUJI BANK AND TRUST COMPANY ("Fuji"), a New York corporation having its principal place of business at Two World Trade Center, New York, New York 10048, COMERICA BANK ("Comerica"), a Michigan banking corporation having its principal place of business at 500 Woodward Avenue, 9th Floor, Detroit, Michigan 48226, and LTCB TRUST COMPANY ("LTCB"), a wholly-owned U.S. subsidiary of the Long-Term Credit Bank of Japan, Ltd. having its principal place of business at 165 Broadway, New York, New York 10006, and the other lending institutions which become parties hereto (each a "Bank" and, collectively, the "Banks"), and (c) BANKBOSTON, N.A., as agent for the Banks (the "Agent").

ss.1. DEFINITIONS AND RULES OF INTERPRETATION.

ss.1.1. Definitions.

The following terms shall have the meanings set forth in this ss.1 or elsewhere in the provisions of this Agreement referred to below:

Accounts Receivable. All rights of the Borrowers to payment for goods sold, leased or otherwise marketed in the ordinary course of business and all rights

of the Borrowers to payment for services rendered in the ordinary course of business and all sums of money or other proceeds due thereon pursuant to transactions with account debtors, except for that portion of the sum of money or other proceeds due thereon that relate to sales, use or property taxes in

conjunction with such transactions, recorded on books of account in accordance with GAAP.

Accountants. See ss.6.4(c).

Agent. BKB acting as agent for the Banks.

Agent's Head Office. The Agent's head office is located at 100 Federal Street, Boston, Massachusetts 02110, or at such other location as the Agent may designate from time to time.

Agent's Special Counsel. Bingham, Dana & Gould LLP or such other counsel as may be approved by the Agent. Agreement. This Revolving Credit Agreement, including the Schedules and Exhibits hereto.

Applicable Commitment Rate. The Applicable Commitment Rate shall be as set forth in the Pricing Table. The effective date of a change in the Applicable Commitment Rate shall be the first day after receipt by the Banks of financial statements delivered pursuant to ss.6.4(a) or (b) hereof which indicate a change in the Pricing Ratio. If at any time the financial statements required to be delivered pursuant to ss.6.4(a) or (b) hereof are not delivered within the time periods specified in such subsections, the Applicable Commitment Rate shall be 0.375%, subject to adjustment upon actual receipt of such financial statements.

Applicable Laws. See ss.6.10.

Applicable LIBOR Margin. The Applicable LIBOR Margin on LIBOR Loans shall be as set forth in the Pricing Table. Any change in the Applicable LIBOR Margin shall become effective on the first day of each Interest Period which begins three (3) or more days after receipt by the Banks of financial statements delivered pursuant to ss.6.4(a) or (b) hereof which indicate a change in the Pricing Ratio. If at any time the financial statements required to be delivered pursuant to ss.6.4(a) or (b) hereof are not delivered within the time periods specified in such subsections, the Applicable LIBOR Margin shall be 1.50% with respect to any LIBOR Loan requested on or after the date on which such financial statements were required to be delivered but before the time of actual receipt of such financial statements, subject to adjustment upon actual receipt of such financial statements.

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Applicable L/C Margin. The Applicable L/C Margin on Letters of Credit shall be as set forth in the Pricing Table. The effective date of a change in the Applicable L/C Margin shall be the first day after receipt by the Banks of financial statements delivered pursuant to ss.6.4(a) or (b) hereof which indicate a change in the Pricing Ratio. If at any time the financial statements required to be delivered pursuant to ss.6.4(a) or (b) hereof are not delivered within the time periods specified in such subsections, the Applicable L/C Margin shall be 1.50% with respect to any Letter of Credit issued after the date on which such financial statements were required to be delivered but before actual receipt of such financial statements, subject to adjustment upon actual receipt of such financial statements.

Applicable Swing Line Rate. The annual rate of interest agreed upon from time to time by BKB and the Borrowers with respect to Swing Line Loans.

Balance Sheet Date. December 31, 1996.

Bankruptcy Event. Any event of the types described in ss.ss.12.1(h), 12.1(i).

Base Rate. The higher of (a) the annual rate of interest announced from time to time by the Agent at its head office in Boston, Massachusetts as its "base rate" (it being understood that such rate is a reference rate and not necessarily the lowest rate of interest charged by the Agent) or (b) one percent (1%) above the overnight federal funds effective rate, as published by the Board of Governors of the Federal Reserve System, as in effect from time to time.

Base Rate Loans. Loans bearing interest calculated by reference to the Base Rate.

BKB. BankBoston, N.A.

Borrowers. See preamble.

Business Day. Any day on which banking institutions in Boston, Massachusetts are open for the transaction of banking business.

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Capital Assets. Fixed assets, both tangible (such as land, buildings, fixtures, machinery and equipment) and intangible (such as patents, copyrights, trademarks, franchises and good will); provided that Capital Assets shall not include (a) any item customarily charged directly to expense or depreciated over a useful life of twelve (12) months or less in accordance with generally accepted accounting principles, or (b) any item obtained through an acquisition permitted by ss.7.4 hereof.

Capital Expenditures. Amounts paid or indebtedness incurred by the Borrowers in connection with the purchase or lease by the Borrowers of Capital Assets that would be required to be capitalized and shown on the balance sheet of such Person in accordance with GAAP.

Capitalized Leases. Leases, the discounted future rental payment obligations under which are required to be capitalized on the balance sheet of the lessee or obligor in accordance with GAAP.

CERCLA. See definition of Release.

certified. With respect to the financial statements of any Person, such statements as audited by a firm of independent auditors, whose report expresses the opinion, without qualification, that such financial statements present fairly the financial position of such Person.

CFO. See ss.6.4(a).

CLEC. Any competitive (non-monopoly) local exchange carrier, as "local exchange carrier" is defined in 47 U.S.C. ss.153.

Closing Date. The date on which the conditions precedent set forth in ss.9 are satisfied, as specified in a notice from the Agent.

Code. The Internal Revenue Code of 1986, as amended and in effect from time to time.

Collateral. The shares of all direct or indirect Subsidiaries of the Parent that are or are intended to be subject to the security interests created by the Stock Pledge Agreements.

Commitment. With respect to each Bank, the amount determined by multiplying such Bank's Commitment Percentage by the Total Commitment specified in ss.2.1 hereof, as the same may be reduced from time to time.

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Commitment Fee. See ss.4.1.

Commitment Percentage. With respect to each Bank, the percentage set forth beside its name below (subject to adjustment upon any assignments pursuant to ss.17):

Bank

Percentage

BKB	17.6000%
CB	10.4000%
First Union	13.6000%
Sumitomo	10.4000%
SBI	10.4000%
Fuji	10.4000%
Comerica	13.6000%
LTCB	13.6000%

Compliance Certificate. See ss.6.4(e).

Consolidated or consolidated. With reference to any term defined herein, shall mean that term as applied to the accounts of the Borrowers or the Parent, as applicable, consolidated in accordance with GAAP.

Consolidated Earnings Before Interest and Taxes or EBIT. For any period, the Consolidated Net Income (or Deficit) of the Borrowers determined in accordance with GAAP, plus (a) interest expense and (b) income taxes, to the extent that each was deducted in determining Consolidated Net Income (or Deficit).

Consolidated Earnings Before Interest, Taxes, Depreciation and Amortization or EBITDA. For any period, EBIT plus (a) depreciation expense, and (b) amortization expense, to the extent such expenses were deducted in determining Consolidated Net Income (or Deficit), provided that, for purposes of calculating the financial covenants pursuant to ss.8.1 hereof, but not the Pricing Ratio, EBITDA shall be adjusted to include earnings plus interest, income tax, depreciation and amortization expenses of Borrowers acquired during the prior twelve months as if acquired on the first day of such period, provided that such adjustments shall not constitute more than 30% of EBITDA (as so adjusted), and furthermore that no more than 15% of EBITDA (as so adjusted) shall be attributable to such acquired Borrowers whose most recent financial statements have not been audited by an independent accounting firm reasonably satisfactory to the Agent.

Consolidated Net Income (or Deficit). The consolidated net income (or deficit) of the Borrowers after deduction of all expenses, taxes, and other proper charges, determined in accordance with GAAP but excluding, (a) extraordinary income and expenses, and (b) income or expenses derived from non-Borrowers.

Consolidated Total Interest Expense. For any period, the consolidated interest expense required to be paid or accrued by the Borrowers during such period on all Funded Debt of the Borrowers outstanding during all or any part of such period, including capitalized interest expense for such period.

Consolidated Total Liabilities. All liabilities of the Borrowers determined on a consolidated basis in accordance with GAAP.

Default. See ss.12.

Disposal (or Disposed). See definition of Release.

Distribution. The declaration or payment of any dividend or distribution on or in respect of any shares of any class of capital stock, any partnership interests or any membership interests of any Person, other than dividends or other distributions payable solely in shares of common or preferred stock, partnership interests or membership units of such Person, as the case may be; the purchase, redemption, or other retirement of any shares of any class of capital stock, partnership interests or membership units of such Person, directly or indirectly through a Subsidiary or otherwise; the return of equity capital by any Person to its shareholders, partners or members as such; or any other distribution on or in respect of any shares of any class of capital stock, partnership interest or membership unit of such Person.

Dollars or \$. Dollars in lawful currency of the United States of America.

Drawdown Date. The date on which any Loan is made or is to be made, and the date on which any Loan is converted or continued in accordance with ss.2.5.

EBIT. See definition of Consolidated Earnings Before Interest and Taxes.

EBITDA. See definition of Consolidated Earnings Before Interest, Taxes, Depreciation and Amortization.

Eligible Foreign Bank. (a) Any commercial bank organized under the laws of any other country which is a member of the Organization for Economic Cooperation and Development (the "OECD"), or a political subdivision of any such country, provided that such bank is acting through a branch or agency located in the country in which it is organized or another country which is also a member of the OECD; or (b) the central bank of any country which is a member of the OECD.

Employee Benefit Plan. Any employee benefit plan within the meaning of ss.3(3) of ERISA maintained or contributed to by any Borrower, other than a Guaranteed Pension Plan or a Multiemployer Plan.

Environmental Laws. See ss.5.16(a).

EPA. See ss.5.16(b).

ERISA. The Employee Retirement Income Security Act of 1974, as amended and in effect from time to time.

ERISA Affiliate. Any Person which is treated as a single employer with any Borrower under ss.414 of the Code.

ERISA Reportable Event. A reportable event with respect to a Guaranteed Pension Plan within the meaning of ss.4043 of ERISA and the regulations promulgated thereunder as to which the requirement of notice has not been waived.

Event of Default. See ss.12.

Excluded Subsidiaries. The U.S. Subsidiaries of the Parent (other than members of the MasTec International Group) listed as Excluded Subsidiaries on Schedule 1 hereto, and any other U.S. Subsidiaries of the Parent acquired or created after the date hereof which are not required to become Borrowers pursuant to ss.4.13 hereof.

Extension Date. March 31, 1999 and, thereafter, March 31, 2000.

Fleet Credit Agreement. The Loan and Security Agreement among certain of the Borrowers and Fleet Financial Corporation dated January 26, 1995, as amended.

Funded Debt. Collectively, without duplication, whether classified as indebtedness, an Investment or otherwise on the Borrowers' consolidated balance sheet (excluding that portion of assets and liabilities of the Parent attributable to non-Borrowers), (a) all indebtedness for borrowed money, direct or indirect, (b) all obligations evidenced by notes, bonds, debentures or other similar debt instruments (including any unpaid reimbursement obligations with respect to letters of credit), (c) all obligations, liabilities and indebtedness under Capitalized Leases which correspond to principal, and (d) Guarantees of the Funded Debt of others referred to in clauses (a) through (c) above.

generally accepted accounting principles or GAAP. (i) When used in ss.8, whether directly or indirectly through reference to a capitalized term used therein, means (A) principles that are consistent with the principles promulgated or adopted by the Financial Accounting Standards Board and its predecessors, in effect for the fiscal year ended on the Balance Sheet Date, and (B) to the extent consistent with such principles, the accounting practice of the Borrowers reflected in its financial statements for the year ended on the Balance Sheet Date, and (ii) when used in general, other than as provided above, means principles that are (A) consistent with the principles promulgated or adopted by the Financial Accounting Standards Board and its predecessors, as in

effect from time to time, and (B) consistently applied with past financial statements of the Borrowers adopting the same principles, provided that in each case referred to in this definition of "generally accepted accounting principles" a certified public accountant would, insofar as the use of such accounting principles is pertinent, be in a position to deliver an unqualified opinion (other than a qualification regarding changes in generally accepted accounting principles) as to financial statements in which such principles have been properly applied.

Guarantee. Any obligation, contingent or otherwise, of a Person directly or indirectly guaranteeing any indebtedness of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such indebtedness (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise) or (ii) entered into for the purpose of assuring in any other manner the holder of such indebtedness of the payment thereof or to protect such holder against loss in respect thereof (in whole or in part), provided that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

Guaranteed Pension Plan. Any employee pension benefit plan within the meaning of ss.3(2) of ERISA maintained or contributed to by any Borrower or any ERISA Affiliate, the benefits of which are guaranteed on termination in full or in part by the PBGC pursuant to Title IV of ERISA, other than a Multiemployer Plan.

Hazardous Substances. See ss.5.16(b).

Income Taxes. See ss.4.4.

Interest Period. With respect to each LIBOR Loan:

(a) initially, the period commencing on the date of a conversion from a Base Rate Loan into a LIBOR Loan or the making of a LIBOR Loan, and ending one (1), two (2), three (3), or six (6) months thereafter, as the case may be, as the Borrowers may select; and

(b) thereafter, each subsequent Interest Period shall begin on the last day of the preceding Interest Period and end one (1), two (2), three (3), or six (6) months thereafter, as the case may be, as the Borrowers may select;

(c) provided that any Interest Period which would otherwise end on a day which is not a LIBOR Business Day shall be deemed to end on the next LIBOR Business Day; provided further that if such next LIBOR Business Day falls in the next succeeding calendar month, such Interest Period shall be deemed to end on the preceding LIBOR Business Day; and provided further that no Interest Period shall extend beyond the Maturity Date.

Interim Balance Sheet Date. March 31, 1997.

International Signatories. MasTec International, Inc. and Sintel.

Investments. All expenditures made and all Funded Debt incurred (contingently or otherwise) (a) for the acquisition of stock or indebtedness of, or (b) for loans, advances, capital contributions or transfers of property to, or (c) in respect of any Guarantees on behalf of, or (d) with respect to obligations of, any Person. In determining the aggregate amount of Investments outstanding at any particular time: (a) the amount of any Investment represented by a Guarantee shall be taken at not less than the principal amount of the obligations guaranteed and still outstanding; (b) there shall be included as an Investment all interest accrued with respect to Funded Debt constituting an Investment unless and until such interest is paid; (c) there shall be deducted in respect of each such Investment any amount received as a return of capital (including, without limitation, by repurchase, redemption, retirement, repayment, liquidating dividend or liquidating distribution); (d) there shall

not be deducted in respect of any Investment any amounts received as earnings on such Investment, whether as dividends, interest or otherwise, except that accrued interest included as provided in the foregoing clause (b) may be deducted when paid; and (e) there shall not be deducted from the aggregate amount of Investments any decrease in the value thereof.

Letter of Credit Applications. Letter of Credit Applications in such form as may be agreed upon by any Borrower and the Agent from time to time which are entered into pursuant to ss.3 hereof as such Letter of Credit Applications are amended, varied or supplemented from time to time.

Letter of Credit Fee. See ss.4.1(b).

Letter of Credit Participation. See ss.3.1(b).

Letters of Credit. Standby Letters of Credit issued or to be issued by the Agent under ss.3 hereof for the account of the Borrowers.

Leverage Ratios. The ratios of Senior Debt to EBITDA and Funded Debt to EBITDA as set forth in ss.8.1.

LIBOR Business Day. Any Business Day on which dealings in foreign currency and exchange are carried on among banks in London, England.

LIBOR Loans. Loans bearing interest calculated by reference to the LIBOR Rate.

LIBOR Rate. For any Interest Period with respect to a LIBOR Loan, the rate of interest equal to (i) the rate determined by the Agent at which Dollar deposits for such Interest Period are offered based on information presented on Telerate Page 3750 as of 11:00 a.m. London time two LIBOR Business Days prior to the first day of such Interest Period, divided by (ii) a number equal to 1.00 minus the Reserve Rate, if applicable.

Loan and Letter of Credit Request. See ss.2.6.

Loan Documents. This Agreement, the Notes, the Letter of Credit Applications, the Letters of Credit, and the Stock Pledge Agreements.

Loans. A borrowing hereunder consisting of one or more loans made by the Banks or BKB to the Borrowers under the procedures described in ss.2.1 or ss.2.11 hereof.

Majority Banks. The Banks with sixty-six and two thirds percent (66 2/3%) of the Total Commitment; provided that, in the event that the Total Commitment has been terminated, the Majority Banks shall be the Banks holding sixty-six and two thirds percent (66 2/3%) of the aggregate outstanding principal amount of the Loans on such date.

MasTec International Group. MasTec International, Inc., a Delaware corporation, its direct and indirect Subsidiaries, and the Sintel Group.

Maturity Date. June 9, 2000; as the same may be extended pursuant to ss.2.8, but which date shall in no event be later than ----- June 9, 2002.

Maximum Drawing Amount. The maximum aggregate amount from time to time that the beneficiaries may draw under outstanding Letters of Credit.

Multiemployer Plan. Any multiemployer plan within the meaning of ss.3(37) of ERISA maintained or contributed to by any Borrower or any ERISA Affiliate.

Notes. Collectively, the Revolving Credit Notes and the Swing Line Note.

Obligations. All indebtedness, obligations and liabilities of the Borrowers to any of the Banks or the Agent, individually or collectively, existing on the date of this Agreement or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or

otherwise, arising or incurred under this Agreement or any of the other Loan Documents or in respect of any of the Loans made or Reimbursement Obligations incurred or any of the Notes, Letter of Credit Applications, Letters of Credit or other instruments at any time evidencing any thereof.

Parent. MasTec, Inc., a Delaware corporation.

PBGC. The Pension Benefit Guaranty Corporation created by ss.4002 of ERISA and any successor entity or entities having similar responsibilities.

Permitted Liens. See ss.7.2.

Person. Any individual, corporation, partnership, trust, unincorporated association, business, or other legal entity, and any government or any governmental agency or political subdivision thereof.

Pricing Ratio. As at the end of any quarter, the ratio of (a) Funded Debt to (b) EBITDA for the period of four (4) consecutive fiscal quarters then ending, as set forth on the most recently delivered Compliance Certificate.

Pricing Table:

Pricing Ratio	Applicable LIBOR Margin (per annum)	Applicable L/C Margin (per annum)	Applicable Commitment Rate (per annum)
less than 1.00:1	0.75%	0.75%	0.250%
greater than or equal to 1.00:1, but less than 1.50:1	1.00%	1.00%	0.250%
greater than or equal to .50:1, but less than 2.00:1	1.25%	1.25%	0.375%
greater than or equal to 2.00:1	1.50%	1.50%	0.375%

Qualified Accounts Receivable. The aggregate of the unpaid portions of Accounts Receivable (net of any credits, rebates, offsets, holdbacks or other adjustments or commissions payable to third parties that are adjustments to such Accounts Receivable) (i) that the Borrowers reasonably and in good faith determine to be collectible; (ii) that are with account debtors that (A) are not affiliates of the Borrowers, (B) purchased the goods or services giving rise to the relevant Account Receivable in an arm's length transaction, (C) are not insolvent or involved in any case or proceeding, whether voluntary or involuntary, under any bankruptcy, reorganization, arrangement, insolvency, adjustment of debt, dissolution, liquidation or similar law of any jurisdiction and (D) are, in the Agent's reasonable judgment, creditworthy; (iii) that are in payment of obligations that have been fully performed and are not subject to dispute or any other similar claims that would reduce the cash amount payable therefor; (iv) that are not subject to any pledge, restriction, security interest or other lien or encumbrance other than those created by the Loan Documents; (v) that are not outstanding for more than ninety (90) days (or one hundred and twenty (120) days in the case of secured CLEC Accounts Receivable not to exceed \$5,000,000 in the aggregate at any time) past the earlier to occur of (A) the date of the respective invoices therefor and (B) the date of shipment thereof in the case of goods or the end of the calendar month following the provision thereof in the case of services; (vi) that are not due from an account debtor located in Alabama, Minnesota or New Jersey unless the Borrowers (A) have received a certificate of authority to do business and are in good standing in such state or (B) have filed a notice of business activities report with the

appropriate office or agency of such state for the current year; (vii) that are payable in Dollars; and (viii) that are not payable from an office outside of the United States.

Real Property. All real property heretofore, now, or hereafter owned or leased by the Borrowers.

Reimbursement Obligation. The Borrowers' obligation to reimburse the Agent and the Banks on account of any drawing under any Letter of Credit as provided in ss.3.2.

RCRA. See definition of Release.

Release. Shall have the meaning specified in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. ss.ss.9601 et seq. ("CERCLA") and the term "Disposal" (or "Disposed") shall have the meaning specified in the Resource Conservation and Recovery Act of 1976, 42 U.S.C. ss.ss.6901 et seq. ("RCRA") and regulations promulgated thereunder; provided, that in the event either CERCLA or RCRA is amended so as to broaden the meaning of any term defined thereby, such broader meaning shall apply as of the effective date of such amendment and provided further, to the extent that the laws of a state wherein the property lies establishes a meaning for "Release" or "Disposal" which is broader than specified in either CERCLA or RCRA, such broader meaning shall apply.

Reserve Rate. For any day with respect to a LIBOR Loan, the maximum rate (expressed as a decimal) at which any lender subject thereto would be required to maintain reserves under Regulation D of the Board of Governors of the Federal Reserve System (or any subsequent or similar regulation relating to such reserve requirements) against "Eurocurrency Liabilities" (as such term is defined in Regulation D), if such liabilities were outstanding. The Reserve Rate shall be adjusted automatically on and as of the effective date of any change in the Reserve Rate.

Revolving Credit Loans. Loans made by the Banks to the Borrowers pursuant to ss.2.1.

Revolving Credit Notes. The promissory notes of the Borrowers evidencing the Revolving Credit Loans hereunder, dated as of the date of this Agreement and in substantially the form of Exhibit A hereto.

Senior Debt. Funded Debt minus Subordinated Debt.

Sintel. Sistemas e Instalaciones de Telecomunicacion, S.A.

Sintel Group. Sintel, Sietel, S.A., Sintelar, S.A., Sintel Peru, S.A. and any Subsidiary of Sintel.

Sintel Stock Pledge Agreement. The stock pledge agreement and the International Pledge Documents (defined therein) among the International Signatories and the Agent for the benefit or in the name of the Banks in form and substance satisfactory to the Agent.

Stock Pledge Agreements. The U.S. Stock Pledge Agreement and the Sintel Stock Pledge Agreement.

Subordinated Debt. Indebtedness incurred by the Parent which has been subordinated to the Obligations; provided that (a) at the time such Subordinated Debt is incurred, no Default or Event of Default has occurred or would occur (including under ss.8.1 hereof) as a result of such incurrence, and the Parent shall have provided the Banks with a calculation of the Leverage Ratios required by ss.8.1 hereof showing compliance therewith on a pro forma basis taking into account the incurrence of such Subordinated Debt, and (b) the documentation evidencing such Subordinated Debt shall have been delivered to the Agent and shall contain all of the following characteristics: (i) it shall be unsecured, (ii) it shall bear a market rate of interest, (iii) it shall have an average weighted maturity of at least seven (7) years, (iv) it shall not require principal repayments thereof prior to the Maturity Date, (v) it shall have

financial covenants (including covenants relating to incurrence of indebtedness) which are meaningfully less restrictive than those set forth herein, (vi) it shall have no restrictions on the Parent's or any of its Subsidiaries' ability to grant liens securing indebtedness ranking senior to such Subordinated Debt, (vii) it shall permit the incurrence of senior indebtedness under this Credit Agreement (and under any refinancings hereof) in a principal amount at least equal to the Total Commitment hereunder at the time of incurrence of such Subordinated Debt minus any mandatory or optional reductions thereof plus \$25,000,000, (viii) it may be cross-accelerated with the Obligations and other senior indebtedness of the Borrowers (but shall not be cross-defaulted except for payment defaults which the senior lenders have not waived) and may be accelerated upon bankruptcy, (ix) it shall provide that (A) upon any payment or distribution of the assets of the Parent or its Subsidiaries (including after the commencement of a bankruptcy proceeding) of any kind or character, all of the Obligations (including interest accruing after the commencement of any bankruptcy proceeding at the rate specified for the applicable Obligation, whether or not such interest is an allowable claim in any such proceeding) shall be paid in full prior to any payment being received by the holders of the Subordinated Debt and (B) until all of the Obligations (including the interest described in subclause (A) above) are paid in full, any payment or distribution to which the holders of the Subordinated Debt would be entitled but for the subordination provisions of the type described in clauses (x) and (xi) hereof shall be made to the holders of the Obligations, (x) it shall provide that in the event of a payment default under ss.12.1(a) or (b) hereof, the Parent shall not be required to pay the principal of, or any interest, fees and all other amounts payable with respect to the Subordinated Debt until the Obligations have been paid in full in cash, (xi) it shall provide that in the event of any other Event of Default, the Banks shall be permitted to block payments of principal, interest, fees and all other amounts payable with respect to the Subordinated Debt for a period of 180 days, and (xii) it shall acknowledge that none of the provisions outlined in part (b) of this definition can be amended, modified or otherwise altered without the prior written consent of the Banks.

Subsidiary. Any corporation, association, trust, or other business entity of which the designated parent shall at any time own directly or indirectly through a Subsidiary or Subsidiaries at least a majority of the outstanding capital stock or other interest entitled to vote generally.

Swing Line Loans. Loans made by BKB to the Borrowers pursuant to ss.2.11(a).

Swing Line Note. The promissory note of the Borrowers to BKB evidencing the Swing Line Loans hereunder, dated as of the date of this Agreement and in substantially the form of Exhibit B hereto.

Swing Line Settlement. The making or receiving of payments, in immediately available funds, by the Banks to or from the Agent in accordance with ss.2.11 hereof to the extent necessary to cause each Bank's actual share of the outstanding amount of the Loans to be equal to such Bank's Commitment Percentage of the outstanding amount of such Loans, in any case when, prior to such action, the actual share is not so equal.

Swing Line Settlement Amount. See ss.2.11(b).

Swing Line Settlement Date. See ss.2.11(b).

Swing Line Settling Bank. See ss.2.11(b).

Total Commitment. See ss.2.1.

U.S. Stock Pledge Agreement. The stock pledge agreement among the Parent, its U.S. Subsidiaries (other than Excluded Subsidiaries) and the Agent for the benefit or in the name of the Banks in form and substance satisfactory to the Agent.

U.S. Subsidiaries. Subsidiaries of the Parent which are organized under the laws of the United States of America, any state thereof or the District of Columbia.

ss.1.2. Rules of Interpretation.

(a) A reference to any document or agreement shall include such document or agreement as amended, modified or supplemented from time to time in accordance with its terms and the terms of this Agreement.

(b) The singular includes the plural and the plural includes the singular.

(c) A reference to any law includes any amendment or modification to such law.

(d) A reference to any Person includes its permitted successors and permitted assigns.

(e) Accounting terms capitalized but not otherwise defined herein have the meanings assigned to them by generally accepted accounting principles applied on a consistent basis by the accounting entity to which they refer.

(f) The words "include," "includes" and "including" are not limiting.

(g) All terms not specifically defined herein or by generally accepted accounting principles, which terms are defined in the Uniform Commercial Code as in effect in the Commonwealth of Massachusetts, have the meanings assigned to them therein.

(h) Reference to a particular "ss." refers to that section of this Agreement unless otherwise indicated.

(i) The words "herein," "hereof," "hereunder" and words of like import shall refer to this Agreement as a whole and not to any particular section or subdivision of this Agreement.

ss.2. THE REVOLVING CREDIT FACILITY.

ss.2.1. Commitment to Lend. Subject to the terms and conditions set forth in this Agreement, each of the Banks severally agrees to lend to the Borrowers and the Borrowers may borrow, repay, and reborrow from time to time commencing on the Closing Date and prior to the Maturity Date, upon notice by the Borrowers to the Agent given in accordance with ss.2.6, its Commitment Percentage of such sums as are requested by the Borrowers, provided that the outstanding amount of Loans (including the Swing Line Loans) and the Maximum Drawing Amount of the Letters of Credit shall not exceed a maximum aggregate amount outstanding of \$125,000,000 at any time, as such amount may be reduced pursuant to ss.2.2 hereof (the "Total Commitment"). Each request for a Loan or Letter of Credit hereunder shall constitute a representation and warranty by the Borrowers that the conditions set forth in ss.9 and ss.10, as the case may be, have been satisfied on the date of such request.

ss.2.2. Reduction of Total Commitment.

(a) The Borrowers shall have the right at any time and from time to time upon two (2) Business Days' prior written notice to the Agent to reduce by \$10,000,000 or an integral multiple thereof or terminate entirely the Total Commitment, whereupon the Commitments of the Banks shall be reduced pro rata in accordance with their respective Commitment Percentages of the amount specified in such notice or, as the case may be, terminated. The Agent will notify the Banks promptly after receiving any notice of the Borrowers delivered pursuant to this ss.2.2. Notwithstanding the foregoing, at no time may the Total Commitment be reduced to an amount less than the sum of (i) the Maximum Drawing Amount, and (ii) all Loans then outstanding.

(b) No reduction or termination of the Commitments once made

may be revoked; the portion of the Commitments reduced or terminated may not be reinstated; and amounts in respect of such reduced or terminated portion may not be reborrowed.

ss.2.3. The Revolving Credit Notes; the Swing Line Note.

(a) The Revolving Credit Loans shall be evidenced by separate promissory notes of the Borrowers in substantially the form of Exhibit A hereto (each a "Revolving Credit Note"), dated as of the date hereof. One Revolving Credit Note shall be payable to the order of each Bank in a principal amount equal to such Bank's Commitment or, if less, the outstanding amount of all Revolving Credit Loans made by such Bank, plus interest accrued thereon, as set forth herein.

(b) The Swing Line Loans shall be evidenced by a promissory note of the Borrowers in substantially the form of Exhibit B hereto (the "Swing Line Note"), dated as of the date hereof. The Swing Line Note shall be payable to BKB in the principal amount of \$5,000,000 or, if less, the outstanding amount of all Swing Line Loans made by BKB, plus interest accrued thereon, as set forth herein.

(c) The Borrowers irrevocably authorize each Bank to make or cause to be made, in connection with a Drawdown Date of any Loan, or at the time of receipt of any payment of principal on such Bank's Note(s), an appropriate notation on such Bank's records reflecting the making of such Loan or the receipt of such payment (as the case may be). The outstanding amount of the Loans set forth on such Bank's record shall be prima facie evidence of the principal amount thereof owing and unpaid to such Bank, but the failure to record, or any error in so recording, any such amount shall not limit or otherwise affect the obligations of the Borrowers hereunder or under any Note to make payments of principal of or interest on any Note when due.

ss.2.4. Interest on Loans.

(a) The outstanding principal amount of the Revolving Credit Loans shall bear interest at the rate per annum equal to (i) the Base Rate, or (ii) at the Borrowers' option as provided herein, the LIBOR Rate plus the Applicable LIBOR Margin.

(b) The outstanding principal amount of the Swing Line Loans shall bear interest at the rate per annum equal to the Applicable Swing Line Rate.

(c) Interest shall be payable (i) quarterly in arrears on the first Business Day of the next succeeding quarter, commencing July 1, 1997, on Base Rate Loans and Swing Line Loans, (ii) on the last day of the applicable Interest Period, and if such Interest Period is longer than three (3) months, also on the last day of the third month following the commencement of such Interest Period, on LIBOR Loans, and (iii) on the Maturity Date for all Loans.

ss.2.5. Election of LIBOR Rate; Notice of Election; Interest Periods; Minimum Amounts.

(a) At the Borrowers' option, so long as no Default or Event of Default has occurred and is then continuing, the Borrowers may (i) elect to convert any Revolving Credit Loan or a portion thereof from a Base Rate Loan to a LIBOR Loan, (ii) at the time of any Loan and Letter of Credit Request, specify that such requested Revolving Credit Loan shall be a LIBOR Loan, or (iii) upon expiration of the applicable Interest Period, elect to maintain an existing LIBOR Loan as such, provided that the Borrowers give notice to the Agent pursuant to ss.2.5(b) hereof. Upon determining any LIBOR Rate, the Agent shall forthwith provide notice thereof to the Borrowers and the Banks, and each such notice to the Borrowers and the Banks shall be considered prima facie correct and binding, absent manifest error.

(b) Three (3) LIBOR Business Days prior to the making of any LIBOR Loan or the conversion of any Base Rate Loan to a LIBOR Loan, or, in the case of an outstanding LIBOR Loan, the expiration date of the applicable Interest Period, the Borrowers shall give telephonic notice (confirmed by telecopy on the same LIBOR Business Day) to the Agent not later than 11:00 a.m. (Boston time) of its election pursuant to ss.2.5(a). Each such notice delivered to the Agent shall specify the aggregate principal amount of the Revolving Credit Loans to be borrowed or maintained as or converted to LIBOR Loans and the requested duration of the Interest Period that will be applicable to such LIBOR Loan, and shall be irrevocable and binding upon the Borrowers. If the Borrowers shall fail to give the Agent notice of their election hereunder together with all of the other information required by this ss.2.5(b) with respect to any Revolving Credit Loan, such Loan shall be deemed a Base Rate Loan. In the event that the Borrowers fail to provide any such notice with respect to the continuation of any LIBOR Loan as such, then such LIBOR Loan shall be automatically converted to a Base Rate Loan at the end of the then expiring Interest Period relating thereto.

(c) Notwithstanding anything herein to the contrary, the Borrowers may not specify an Interest Period that would extend beyond the Maturity Date.

(d) All Revolving Credit Loans shall be in a minimum amount of not less than \$5,000,000 and in integral multiples of \$500,000 above such amount.

(e) In no event shall the Borrowers have more than seven (7) different maturities of LIBOR Loans outstanding at any time.

ss.2.6. Requests for Revolving Credit Loans. The Borrowers shall give to the Agent written notice in the form of Exhibit C hereto (or telephonic notice confirmed by telecopy on the same Business Day in the form of Exhibit C hereto) of each Revolving Credit Loan requested hereunder (a "Loan and Letter of Credit Request") not later than (a) 9:00 a.m. (Boston time) on the proposed Drawdown Date of any Base Rate Loan, or (b) three (3) LIBOR Business Days prior to the proposed Drawdown Date of any LIBOR Loan. Each such notice shall be given by the Parent as agent for the Borrowers and shall specify the principal amount of the Revolving Credit Loan requested and shall include a current Loan and Letter of Credit Request, reflecting the Maximum Drawing Amount of all Letters of Credit outstanding. Each Loan and Letter of Credit Request shall be irrevocable and binding on the Borrowers and shall obligate the Borrowers to accept the Revolving Credit Loan requested from the Banks on the proposed Drawdown Date. Each of the representations and warranties made by or on behalf of any of the Borrowers to the Banks or the Agent in this Agreement or any other Loan Document shall be true and correct in all material respects when made and shall, for all purposes of this Agreement, be deemed to be repeated on and as of the date of the submission of any Loan and Letter of Credit Request and on and as of the Drawdown Date of any Loan (including Swing Line Loans) or the date of issuance or renewal of any Letter of Credit (except to the extent of changes resulting from transactions contemplated or permitted by this Agreement and the other Loan Documents and changes occurring in the ordinary course of business that do not in the aggregate have a material adverse effect on the Borrowers taken as a whole, or to the extent that such representations and warranties expressly relate to an earlier date). The Agent shall promptly notify each Bank of each Loan and Letter of Credit Request received by the Agent (i) not later than 12:00 p.m. (Boston time) on the proposed Drawdown Date of any Base Rate Loan, (ii) three (3) LIBOR Business Days prior to the proposed Drawdown Date of any LIBOR Loan to be made to the Borrowers. or (iii) on a monthly basis with respect to Letters of Credit.

ss.2.7. Funds for Revolving Credit Loans.

(a) Not later than 1:00 p.m. (Boston time) on the proposed Drawdown Date of any Revolving Credit Loans, each of the Banks will make available to the Agent, at its Head Office, in immediately available funds, the amount of such Bank's Commitment Percentage of the amount of the requested Revolving Credit Loans. Upon receipt from each

Bank of such amount, and upon receipt of the documents required by ss.ss.9 and 10 and the satisfaction of the other conditions set forth therein, to the extent applicable, the Agent will make available to the Borrowers the aggregate amount of such Revolving Credit Loans made available to the Agent by the Banks on the Drawdown Date. The failure or refusal of any Bank to make available to the Agent at the aforesaid time and place on any Drawdown Date the amount of its Commitment Percentage of the requested Revolving Credit Loans shall not relieve any other Bank from its several obligation hereunder to make available to the Agent the amount of such other Bank's Commitment Percentage of any requested Revolving Credit Loans.

(b) The Agent may, unless notified to the contrary by any Bank prior to a Drawdown Date, assume that such Bank has made available to the Agent on such Drawdown Date the amount of such Bank's Commitment Percentage of the Revolving Credit Loans to be made on such Drawdown Date, and the Agent may (but it shall not be required to), in reliance upon such assumption, make available to the Borrowers a corresponding amount. If any Bank makes available to the Agent such amount on a date after such Drawdown Date, such Bank shall pay to the Agent on demand an amount equal to the product of (i) the average computed for the period referred to in clause (iii) below, of the weighted average interest rate paid by the Agent for federal funds acquired by the Agent during each day included in such period, times (ii) the amount of such Bank's Commitment Percentage of such Revolving Credit Loans, times (iii) a fraction, the numerator of which is the number of days that elapse from and including such Drawdown Date to the date on which the amount of such Bank's Commitment Percentage of such Revolving Credit Loans shall become immediately available to the Agent, and the denominator of which is 365. A statement of the Agent submitted to such Bank with respect to any amounts owing under this paragraph shall be prima facie evidence, absent manifest error, of the amount due and owing to the Agent by such Bank. If the amount of such Bank's Commitment Percentage of such Revolving Credit Loans is not made available to the Agent by such Bank within three (3) Business Days following such Drawdown Date, the Agent shall be entitled to recover such amount from the Borrowers on demand, with interest thereon at the rate per annum applicable to the Revolving Credit Loans made on such Drawdown Date.

ss.2.8. Maturity of the Loans; Annual Option to Extend. The Total Commitment shall terminate and all Loans shall be due and payable on the Maturity Date; provided, however, that such Total Commitment and Maturity Date may be extended for successive annual periods up to a final Maturity Date of June 9, 2002, as provided in this ss.2.8 and at each Bank's sole discretion, upon the written request of the Borrowers. A written request, if any, for the extension of the Total Commitment and Maturity Date shall be given by the Borrowers to the Agent and the Banks not less than one-hundred twenty (120) days prior to the Extension Date. Except as expressly provided in this ss.2.8, no extension of the Total Commitment and then current Maturity Date pursuant to this ss.2.8 shall be effective unless all of the Banks shall have approved such extension by written notice to the Agent. If on or prior to ninety (90) days prior to the applicable Extension Date, all of the Banks consent to such extension by written notice to the Agent, the Total Commitment and Maturity Date automatically shall be extended to that date which is one year later than the then current Maturity Date. If on or prior to ninety (90) days prior to the applicable Extension Date, any Bank (a "Declining Bank") shall have objected to such requested extension by written notice to the Agent or shall not have delivered written notice to the Agent consenting to such requested extension, then the Borrowers or the Agent may, no later than such Extension Date, replace each such Declining Bank if necessary so that, as of such Extension Date, the Total Commitment is not less than \$100,000,000. In no event shall the Maturity Date be extended beyond June 9, 2002; nor shall the Total Commitment of such extended facility be less than \$100,000,000.

ss.2.9. Mandatory Repayments of the Loans. If at any time the outstanding amount of the Loans plus the Maximum Drawing Amount of all outstanding Letters of Credit exceeds the Total Commitment, whether by reduction of the Total Commitment or otherwise, then the Borrowers shall immediately pay the amount of

such excess to the Agent for application to the Loans, or if no Loans shall be outstanding, to be held by the Agent as collateral security for the Reimbursement Obligations, provided, however, that if the amount of cash collateral held by the Agent pursuant to this ss.2.9 exceeds the amount of the Obligations, the Agent shall return such excess to the Borrowers.

ss.2.10. Optional Prepayments or Repayments of Loans. Subject to ss.4.8, the Borrowers shall have the right, at their election, to repay or prepay the outstanding amount of the Loans, as a whole or in part, at any time without penalty or premium, provided that such repayments or prepayments shall be in a minimum amount of not less than \$5,000,000 and in integral multiples of \$500,000 above such amount. The Borrowers shall give the Agent, no later than 11:00 a.m. (Boston time) on the Business Day of such proposed prepayment or repayment, written notice (or telephonic notice confirmed in writing) of any proposed prepayment or repayment pursuant to this ss.2.10, specifying the proposed date of prepayment or repayment of Loans and the principal amount to be paid.

ss.2.11. Swing Line Loans; Settlements.

(a) Solely for ease of administration of the Loans, BKB may, but shall not be required to, fund Base Rate Loans made in accordance with the provisions of this Agreement in amounts less than \$5,000,000 ("Swing Line Loans") provided that the outstanding amount of Swing Line Loans advanced by BKB hereunder shall not exceed \$5,000,000 at any time. Each Bank shall remain severally and unconditionally liable to fund its Commitment Percentage of such Swing Line Loans on each Swing Line Settlement Date and, in the event BKB chooses not to fund all Base Rate Loans requested on any date, to fund its Commitment Percentage of the Base Rate Loans requested, subject to satisfaction of the provisions hereof relating to the making of Base Rate Loans. Prior to each Swing Line Settlement, all payments or repayments of the principal of, and interest on, Swing Line Loans shall be credited to the account of BKB.

(b) The Banks shall effect a Swing Line Settlement of each Swing Line Loan on (i) the Business Day immediately following any day on which the Agent gives notice of a Swing Line Settlement, (ii) the Business Day immediately following the Agent's becoming aware of the existence of any Default or Event of Default, (iii) the Maturity Date, and (iv) the Business Day immediately following any day on which the outstanding amount of Swing Line Loans advanced by BKB exceeds \$5,000,000 (each such date, a "Swing Line Settlement Date"). One (1) Business Day prior to each such Swing Line Settlement Date, the Agent shall give telephonic notice to the Banks of (A) the respective outstanding amount of Loans made by each Bank as at the close of business on the prior day, (B) the amount that any Bank, as applicable (a "Swing Line Settling Bank"), shall pay to effect a Swing Line Settlement (a "Swing Line Settlement Amount") and (C) the portion (if any) of the aggregate Swing Line Settlement Amount to be paid to each Bank. A statement of the Agent submitted to the Banks with respect to any amounts owing hereunder shall be prima facie evidence of the amount due and owing. Each Swing Line Settling Bank shall, not later than 1:00 p.m. (Boston time) on each Swing Line Settlement Date, effect a wire transfer of immediately available funds to the Agent at its Head Office in the amount of such Bank's Swing Line Settlement Amount. The Agent shall, as promptly as practicable during normal business hours on each Swing Line Settlement Date, effect a wire transfer of immediately available funds to each Bank of the Swing Line Settlement Amount to be paid to such Bank. All funds advanced by any Bank as a Swing Line Settling Bank pursuant to this ss.2.11(b) shall for all purposes be treated as a Base Rate Loan made by such Swing Line Settling Bank to the Borrowers, and all funds received by any Bank pursuant to this ss.2.11(b) shall for all purposes be treated as repayment of amounts owed by the Borrowers with respect to Base Rate Loans made by such Bank. In the event that any Bankruptcy Event prevents a Swing Line Settling Bank from making any Swing Line Settlement as contemplated hereby, such Swing Line Settling Bank will make such dispositions and arrangements, either by way of purchase of participations,

distribution, pro tanto assignment of claims, subrogation or otherwise as shall result in each Bank's share of the outstanding Revolving Credit Loans being equal, as nearly as may be, to such Bank's Commitment Percentage of the outstanding amount of the Revolving Credit Loans.

(c) The Agent may (unless notified to the contrary by any Swing Line Settling Bank by 12:00 noon (Boston time) one (1) Business Day prior to the Settlement Date) assume that each Swing Line Settling Bank has made available (or will make available by the time specified in ss.2.11(b)) to the Agent its Swing Line Settlement Amount, and the Agent may (but shall not be required to), in reliance upon such assumption, make available to each applicable Bank its share (if any) of the aggregate Swing Line Settlement Amount. If the Swing Line Settlement Amount of such Swing Line Settling Bank is made available to the Agent by such Swing Line Settling Bank on a date after such Swing Line Settlement Date, such Swing Line Settling Bank shall pay the Agent on demand an amount equal to the product of (i) the average, computed for the period referred to in clause (iii) below, of the weighted average annual interest rate paid by the Agent for federal funds acquired by the Agent during each day included in such period times (ii) such Swing Line Settlement Amount times (iii) a fraction, the numerator of which is the number of days that elapse from and including such Swing Line Settlement Date to but not including the date on which such Swing Line Settlement Amount shall become immediately available to the Agent, and the denominator of which is 365. Upon payment of such amount such Swing Line Settling Bank shall be deemed to have delivered its Swing Line Settlement Amount on the Swing Line Settlement Date and shall become entitled to interest payable by the Borrowers with respect to such Swing Line Settling Bank's Swing Line Settlement Amount as if such share were delivered on the Swing Line Settlement Date. If such Swing Line Settlement Amount is not in fact made available to the Agent by such Swing Line Settling Bank within three (3) Business Days of such Swing Line Settlement Date, the Agent shall be entitled to recover such amount from the Borrowers, with interest thereon at the Base Rate.

(d) After any Swing Line Settlement Date, any payment by the Borrowers of Swing Line Loans hereunder shall be allocated among the Banks, in amounts determined so as to provide that after such application and the related Swing Line Settlement, the outstanding amount of Loans of each Bank equals, as nearly as practicable, such Bank's Commitment Percentage of the aggregate amount of Loans.

ss.3. LETTERS OF CREDIT.

ss.3.1. Letter of Credit Commitments.

(a) Subject to the terms and conditions hereof and the execution and receipt of a Loan and Letter of Credit Request reflecting the Maximum Drawing Amount of all Letters of Credit (including the requested Letter of Credit) and a Letter of Credit Application, the Agent, on behalf of the Banks and in reliance upon the agreement of the Banks set forth in ss.3.1(b) and upon the representations and warranties of the Borrowers contained herein, subject to the provisions of ss.ss.2.6 and 19.2 hereof, agrees to issue, extend and renew for the account of the Borrowers one or more standby or documentary letters of credit (individually, a "Letter of Credit"), in such form as may be requested from time to time by the Borrowers and agreed to by the Agent; provided, however, that, after giving effect to such request, the aggregate Maximum Drawing Amount of all Letters of Credit issued at any time under this ss.3.1(a) shall not exceed \$10,000,000, and no Letter of Credit shall have an expiration date later than the earlier of (i) one (1) year after the date of issuance of the Letter of Credit (which may incorporate automatic renewals for periods of up to one (1) year, provided that the Agent may, upon 30 days' notice to the beneficiary, cancel such Letter of Credit which has been renewed beyond its initial one (1) year term), or (ii) thirty (30) days prior to the Maturity Date.

(b) Each Bank severally agrees that it shall be absolutely liable, without regard to the occurrence of any Default or Event of Default or any other condition precedent whatsoever, to the extent of such Bank's Commitment Percentage thereof, to reimburse the Agent on demand for the amount of each draft paid by the Agent under each Letter of Credit to the extent that such amount is not reimbursed by the Borrowers pursuant to ss.3.2 (such agreement for a Bank being called herein the "Letter of Credit Participation" of such Bank).

(c) Each such payment made by a Bank shall be treated as the purchase by such Bank of a participating interest in the Borrowers' Reimbursement Obligation under ss.3.2 in an amount equal to such payment. Each Bank shall share in accordance with its participating interest in any interest which accrues pursuant to ss.3.2.

ss.3.2. Reimbursement Obligation of the Borrowers. In order to induce the Agent to issue, extend and renew each Letter of Credit and the Banks to participate therein, the Borrowers hereby agree to reimburse or pay to the Agent with respect to each Letter of Credit issued, extended or renewed by the Agent hereunder as follows:

(a) on each date that any draft presented under any Letter of Credit is honored by the Agent or the Agent otherwise makes payment with respect thereto, (i) the amount paid by the Agent under or with respect to such Letter of Credit, and (ii) the amount of any taxes, fees, charges or other costs and expenses whatsoever incurred by the Agent or any Bank in connection with any payment made by the Agent or any Bank under, or with respect to, such Letter of Credit, provided, however, that if the Borrowers do not reimburse the Agent on the date the Agent makes payment with respect to such Letter of Credit, such amount shall, provided that a Bankruptcy Event has not occurred, become automatically a Revolving Credit Loan which is a Base Rate Loan; and

(b) upon the Maturity Date or the acceleration of the Reimbursement Obligations with respect to all Letters of Credit in accordance with ss.12, an amount equal to the then Maximum Drawing Amount of all Letters of Credit and any unpaid Reimbursement Obligations, which amount shall be held by the Agent for the benefit of the Banks and the Agent as cash collateral for all Reimbursement Obligations, provided, however, that if the amount of cash collateral held by the Agent pursuant to this ss.3.2 exceeds the amount of the Obligations, the Agent shall return such excess to the Borrowers.

ss.3.3. Obligations Absolute. The Borrowers' obligations under this ss.3 shall be absolute and unconditional under any and all circumstances and irrespective of the occurrence of any Default or Event of Default or any condition precedent whatsoever or any setoff, counterclaim or defense to payment which the Borrowers may have or have had against the Agent, any Bank or any beneficiary of a Letter of Credit. The Borrowers further agree with the Agent and the Banks that the Agent and the Banks shall not be responsible for, and the Borrowers' Reimbursement Obligations under ss.3.2 shall not be affected by, among other things, the validity or genuineness of documents or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, fraudulent or forged, or any dispute between or among the Borrowers, the beneficiary of any Letter of Credit or any financing institution or other party to which any Letter of Credit may be transferred or any claims or defenses whatsoever of the Borrowers against the beneficiary of any Letter of Credit or any such transferee. The Agent and the Banks shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit. The Borrowers agree that any action taken or omitted by the Agent or any Bank under or in connection with each Letter of Credit and the related drafts and documents, if done in good faith, shall be binding upon the Borrowers and shall not result in any liability on the part of the Agent or any Bank to the Borrowers.

ss.3.4. Reliance by Agent. To the extent not inconsistent with ss.3.4, the

Agent shall be entitled to rely, and shall be fully protected in relying upon, any Letter of Credit, draft, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex or teletype message, statement, order or other document 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, independent accountants and other experts selected by the Agent.

ss.4. FEES, PAYMENTS, AND COMPUTATIONS; JOINT AND SEVERAL LIABILITY.

ss.4.1. Fees.

(a) Commitment Fee. The Borrowers agree to pay to the Agent, for the accounts of the Banks, a fee (the "Commitment Fee") equal to the Applicable Commitment Rate multiplied by the amount of the unused portion of the Total Commitment during each calendar quarter or portion thereof from the date hereof to the Maturity Date (or to the date of termination in full of the Total Commitment, if earlier). The Commitment Fee shall be payable quarterly in arrears on the first day of each calendar quarter for the immediately preceding calendar quarter commencing on July 1, 1997, with a final payment on the Maturity Date.

(b) Letter of Credit Fees. The Borrowers shall pay in advance on the date of issuance of each Letter of Credit an issuance fee to the Agent for its account equal to one eighth of one percent (1/8%) per annum on the Maximum Drawing Amount of each Letter of Credit (the "Issuance Fee"). The Borrowers shall also pay quarterly in advance on the first Business Day of each fiscal quarter a fee to the Agent equal to the Applicable L/C Margin multiplied by the Maximum Drawing Amount of all outstanding Letters of Credit (the "Letter of Credit Fee"), which fee shall be for the accounts of the Banks in accordance with their respective Commitment Percentages. In addition to the Issuance Fee and the Letter of Credit Fee, the Borrowers shall pay to the Agent, for its own account, all related customary administrative fees in accordance with customary practice.

ss.4.2. Payments.

(a) All payments of principal, interest, Reimbursement Obligations, fees and any other amounts due hereunder or under any of the other Loan Documents shall be made to the Agent, for the respective accounts of the Banks and the Agent, to be received at the Agent's Head Office in immediately available funds by 12:00 p.m. (Boston time) on any due date. If a payment (other than with respect to Swing Line Loans) is received by the Agent at or before 12:00 p.m. (Boston time) on any Business Day, the Agent shall on the same Business Day transfer in immediately available funds to each of the Banks their pro rata portion of such payment in accordance with their respective Commitment Percentages. If such payment is received by the Agent after 12:00 p.m. (Boston time) on any Business Day, such transfer shall be made by the Agent to the applicable Bank(s) on the next Business Day. In the event that the Agent fails to make such transfer to any Bank as set forth above, the Agent shall pay to such Bank on demand an amount equal to the product of (i) the average, computed for the period referred to in clause (iii) below, of the weighted average interest rate paid by such Bank for funds acquired by such Bank during each day included in such period, times (ii) the amount equal to such Bank's Commitment Percentage of such payment, times (iii) a fraction, the numerator of which is the number of days that elapse from and including the date of payment to and including the date on which the amount due to such Bank shall become immediately available to such Bank, and the denominator of which is 365.

(b) All payments by the Borrowers hereunder and under any of the other Loan Documents shall be made without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, compulsory loans, restrictions or conditions of any nature now or hereafter

imposed or levied by any jurisdiction or any political subdivision thereof or taxing or other authority therein unless the Borrowers are compelled by law to make such deduction or withholding. If any such obligation is imposed upon the Borrowers with respect to any amount payable by them hereunder or under any of the other Loan Documents, the Borrowers will pay to the Agent, for the account of the Banks or (as the case may be) the Agent, on the date on which such amount is due and payable hereunder or under such other Loan Document, such additional amount in Dollars as shall be necessary to enable the Banks or the Agent to receive the same net amount which the Banks or the Agent would have received on such due date had no such obligation been imposed upon the Borrowers, provided however that the foregoing obligation to pay such additional amounts shall not apply:

(i) to any payment to a Bank if such Bank is not, on the date hereof (or on the date it becomes a Bank under this Agreement) and on the date of any change in the lending office of such Bank identified after its execution, entitled by virtue of its status as a non-resident alien to submit either a Form 1001 (relating to such Bank and entitling it to a complete exemption from withholding on all interest to be received by it hereunder in respect of the Revolving Credit Loans) or Form 4224 (relating to all interest to be received by such Bank hereunder in respect of Revolving Credit Loans) of the U.S. Department of Treasury, or

(ii) to any item referred to in the preceding sentence that would not have been imposed but for the failure by such Bank to comply with applicable certification, information, documentation or other reporting requirements concerning the nationality, residence, identity or connections of such Bank with the United States if such compliance is required by statute or regulation of the United States as a precondition to relief or exemption from such item.

The Borrowers will deliver promptly to the Agent certificates or other valid vouchers for all taxes or other charges deducted from or paid with respect to payments made by the Borrowers hereunder or under such other Loan Document.

ss.4.3. Computations. All computations of interest on Base Rate Loans and of Commitment Fees, Letter of Credit Fees or other fees shall, unless otherwise expressly provided herein, be based on a 365-day year (or 366-day year, as applicable) and paid for the actual number of days elapsed. All computations of interest on LIBOR Loans shall, unless otherwise expressly provided herein, be based on a 360-day year and paid for the actual number of days elapsed. Whenever a payment hereunder or under any of the other Loan Documents becomes due on a day that is not a Business Day or LIBOR Business Day (as applicable), the due date for such payment shall be extended to the next succeeding Business Day or LIBOR Business Day (as applicable), and interest shall accrue during such extension; provided that, for any Interest Period for any LIBOR Loan, if such next succeeding LIBOR Business Day falls in the next succeeding calendar month or after the Maturity Date, it shall be deemed to end on the preceding LIBOR Business Day.

ss.4.4. Additional Costs, Etc. If, after the date hereof, any change in present applicable law or adoption of any applicable law after the date hereof (including, in either case, without limitation, statutes, rules and regulations thereunder and interpretations thereof by any competent court or by any governmental or other regulatory body or official charged with the administration or the interpretation thereof and requests, directives, instructions and notices at any time or from time to time hereafter made upon or otherwise issued to any Bank by any central bank or other fiscal, monetary or other authority, whether or not having the force of law) shall:

(a) subject such Bank to any tax, levy, impost, duty, charge, fee, deduction or withholding of any nature with respect to this Agreement, the other Loan Documents, such Bank's Commitment, or the

Loans (other than taxes based upon or measured by the income or profits of such Bank or any franchise tax imposed by the jurisdiction of its incorporation or organization, or the location of its lending office, hereinafter referred to as "Income Taxes"); or

(b) materially change the basis of taxation (except for changes in Income Taxes) of payments to such Bank of the principal or of the interest on any Loans or any other amounts payable to such Bank under this Agreement or the other Loan Documents; or

(c) except as provided in ss.4.5 or as otherwise reflected in the Base Rate or the LIBOR Rate, impose or increase or render applicable (other than to the extent specifically provided for elsewhere in this Agreement) any special deposit, reserve, assessment, liquidity, capital adequacy or other similar requirements (whether or not having the force of law) against assets held by, or deposits in or for the account of, or loans by, or commitments of, an office of any Bank with respect to this Agreement, the other Loan Documents, the Commitment, or the Loans; or

(d) impose on such Bank any other conditions or requirements with respect to this Agreement, the other Loan Documents, the Loans, such Bank's Commitment, or any class of loans or commitments of which any of the Loans or such Bank's Commitment forms a part, and the result of any of the foregoing is

(i) to increase the cost to such Bank of making, funding, issuing, renewing, extending or maintaining the Loans or such Bank's Commitment, or issuing or participating in Letters of Credit;

(ii) to reduce the amount of principal, interest or other amount payable to such Bank hereunder on account of such Bank's Commitment or the Loans;

(iii) to require such Bank to make any payment or to forego any interest or other sum payable hereunder, the amount of which payment or foregone interest or other sum is calculated by reference to the gross amount of any sum receivable or deemed received by such Bank from the Borrower hereunder,

then, and in each such case, the Borrowers will, upon demand made by such Bank at any time and from time to time as often as the occasion therefore may arise (which demand shall be accompanied by a statement setting forth the basis of such demand), pay such reasonable additional amounts as will be sufficient to compensate such Bank for such additional costs, reduction, payment or foregone interest or other sum.

ss.4.5. Capital Adequacy. If any Bank shall have determined that, after the date hereof, the adoption of any applicable law, rule or regulation regarding capital adequacy, or any change in any such law, rule, or regulation, or any change in the interpretation or administration thereof by any governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or any request or directive regarding capital adequacy (whether or not having the force of law) of any such authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on capital of such Bank (or any corporation controlling such Bank) as a consequence of such Bank's obligations hereunder to a level below that which such Bank (or any corporation controlling such Bank) could have achieved but for such adoption, change, request or directive (taking into consideration its policies with respect to capital adequacy) by an amount deemed by such Bank to be material, then from time to time, within thirty (30) days after demand by such Bank (which demand shall be accompanied by a statement setting forth the basis of such demand), the Borrower shall pay to such Bank such additional amount or amounts as will, in such Bank's reasonable determination, fairly compensate such Bank (or any corporation controlling such Bank) for such reduction.

ss.4.6. Certificate.

A certificate setting forth any additional amounts payable pursuant to ss.ss.4.4 or 4.5 and a reasonable explanation of such amounts which are due, submitted by any Bank or the Agent to the Borrowers, shall be prima facie correct and binding, absent manifest error.

ss.4.7. Reasonable Efforts to Mitigate. Each Bank agrees that as promptly as practicable after it becomes aware of the occurrence of an event or the existence of a condition that would cause it to be affected under ss.ss.4.4, 4.5 or 4.11, such Bank will give notice thereof to the Borrower, with a copy to the Agent, and, to the extent so requested by the Borrower and not inconsistent with such Bank's internal policies, such Bank shall use reasonable efforts and take such actions as are reasonably appropriate if as a result thereof the additional moneys which would otherwise be required to be paid to such Bank pursuant to such subsections would be materially reduced, or the illegality or other adverse circumstances which would otherwise require a conversion of such Loans or result in the inability to make such Loans pursuant to such sections would cease to exist, and in each case if, as determined by such Bank in its sole discretion, the taking such actions would not adversely affect such Loans or such Bank or otherwise be disadvantageous to such Bank. To the extent practicable and applicable, each Bank shall allocate such cost increases among its customers in good faith and on an equitable basis.

ss.4.8. LIBOR Indemnity. The Borrowers agree to indemnify the Banks and the Agent and to hold them harmless from and against any loss, cost or expenses (including loss of anticipated profits) that the Banks and the Agent may sustain or incur as a consequence of (a) default by the Borrowers in payment of the principal amount of or any interest on any LIBOR Loans as and when due and payable, including any such loss or expense arising from interest or fees payable by any Bank or the Agent to lenders of funds obtained by it in order to maintain its LIBOR Loans, or (b) default by the Borrowers in making a borrowing or conversion after the Borrowers have given (or are deemed to have given) notice pursuant to ss.2.5 or ss.2.6, the making of any payment of a LIBOR Loan or the making of any conversion of any such LIBOR Loan to a Base Rate Loan on a day that is not the last day of the applicable Interest Period with respect thereto, including interest or fees payable by any Bank to lenders of funds obtained by it in order to maintain any such LIBOR Loans. Such loss or reasonable expense shall include an amount equal to the excess, if any, as reasonably determined by each Bank of (i) its cost of obtaining the funds for the LIBOR Loan being paid, prepaid, converted, not converted, or not borrowed, as the case may be (based on the LIBOR Rate) for the period from the date of such payment, prepayment, conversion, or failure to borrow or convert, as the case may be, to the last day of the Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for the Loan which would have commenced on the date of such failure to borrow) over (ii) the amount of interest (as reasonably determined by such Bank) that would be realized by such Bank in re-employing the funds so paid, prepaid, converted, or not borrowed, converted, or prepaid for such period or Interest Period, as the case may be, which determinations shall be prima facie correct and binding, absent manifest error.

ss.4.9. Interest on Overdue Amounts. Overdue principal and (to the extent permitted by applicable law) interest on the Loans and all other overdue amounts payable hereunder or under any of the other Loan Documents shall bear interest compounded monthly and payable on demand at a rate per annum equal to the Base Rate plus two (2) percent until such amount shall be paid in full (after, as well as before, judgment).

ss.4.10. Interest Limitation. Notwithstanding any other term of this Agreement or any Note or any other document referred to herein or therein, the maximum amount of interest which may be charged to or collected from any person liable hereunder or under any Note by any Bank shall be absolutely limited to, and shall in no event exceed, the maximum amount of interest which could lawfully be charged or collected under applicable law (including, to the extent applicable, the provisions of Section 5197 of the Revised Statutes of the United States of America, as amended, 12 U.S.C. Section 85, as amended), so that the

maximum of all amounts constituting interest under applicable law, howsoever computed, shall never exceed as to any Person liable therefor such lawful maximum, and any term of this Agreement, the Notes, the Letter of Credit Applications, or any other document referred to herein or therein which could be construed as providing for interest in excess of such lawful maximum shall be and hereby is made expressly subject to and modified by the provisions of this paragraph, and in the event any amount in excess of the lawful maximum is charged or collected by the Agent or the Banks or paid by the Borrowers, the Borrowers shall be entitled to the reimbursement of such excess together with interest thereon at the highest lawful rate at the time of such overcharge.

ss.4.11. Illegality; Inability to Determine LIBOR Rate. Notwithstanding any other provision of this Agreement, if (a) the introduction of, any change in, or any change in the interpretation of, any law or regulation applicable to the Agent or any Bank shall make it unlawful, or any central bank or other governmental authority having jurisdiction thereof shall assert that it is unlawful, for any Bank or the Agent to perform its obligations in respect of any LIBOR Loans, or (b) if the Banks or the Agent shall reasonably determine with respect to LIBOR Loans that (i) by reason of circumstances affecting any LIBOR interbank market, adequate and reasonable methods do not exist for ascertaining the LIBOR Rate which would otherwise be applicable during any Interest Period, or (ii) deposits of Dollars in the relevant amount for the relevant Interest Period are not available to the Banks or the Agent in any LIBOR interbank market, or (iii) the LIBOR Rate does not or will not accurately reflect the cost to the Banks or the Agent of obtaining or maintaining the applicable LIBOR Loans during any Interest Period, then the Banks or the Agent shall promptly give telephonic, telex or cable notice of such determination to the Borrowers (which notice shall be conclusive and binding upon the Borrowers). Upon such notification by the Banks or the Agent, the obligation of the Banks or the Agent to make LIBOR Loans shall be suspended until the Banks or the Agent determine that such circumstances no longer exist, and the outstanding LIBOR Loans shall continue to bear interest at the applicable rate based on the LIBOR Rate until the end of the applicable Interest Period, and thereafter shall be deemed converted to Base Rate Loans in equal principal amounts.

ss.4.12. Concerning Joint and Several Liability of the Borrowers.

(a) Each of the Borrowers is accepting joint and several liability hereunder and under the other Loan Documents in consideration of the financial accommodations to be provided by the Banks under this Agreement, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of each other Borrower to accept joint and several liability for the Obligations.

(b) Each of the Borrowers, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other Borrowers with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligations arising under this ss.4.12), it being the intention of the parties hereto that all of the Obligations shall be the joint and several Obligations of each of the Borrowers without preferences or distinction among them.

(c) If and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then in each such event the other Borrowers will make such payment with respect to, or perform, such Obligation.

(d) The Obligations of each of the Borrowers under the provisions of this ss.4.12 constitute full recourse Obligations of each of the Borrowers enforceable against each such corporation to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of this Agreement or any other circumstance whatsoever.

(e) Except as otherwise expressly provided in this Agreement, each of the Borrowers hereby waives notice of acceptance of its joint

and several liability, notice of any Loans made under this Agreement, notice of any action at any time taken or omitted by the Banks under or in respect of any of the Obligations, and, generally, to the extent permitted by applicable law, all demands, notices and other formalities of every kind in connection with this Agreement. Each of the Borrowers hereby assents to, and waives notice of, any extension or postponement of the time for the payment of any of the Obligations, the acceptance of any payment of any of the Obligations, the acceptance of any partial payment thereon, any waiver, consent or other action or acquiescence by the Banks at any time or times in respect of any default by any of the Borrowers in the performance or satisfaction of any term, covenant, condition or provision of this Agreement, any and all other indulgences whatsoever by the Banks in respect of any of the Obligations, and the taking, addition, substitution or release, in whole or in part, at any time or times, of any security for any of the Obligations or the addition, substitution or release, in whole or in part, of any of the Borrowers. Without limiting the generality of the foregoing, each of the Borrowers assents to any other action or delay in acting or failure to act on the part of the Banks with respect to the failure by any of the Borrowers to comply with any of its respective Obligations, including, without limitation, any failure strictly or diligently to assert any right or to pursue any remedy or to comply fully with applicable laws or regulations thereunder, which might, but for the provisions of this ss.4.12, afford grounds for terminating, discharging or relieving any of the Borrowers, in whole or in part, from any of its Obligations under this ss.4.12, it being the intention of each of the Borrowers that, so long as any of the Obligations hereunder remain unsatisfied, the Obligations of such Borrowers under this ss.4.12 shall not be discharged except by performance and then only to the extent of such performance. The Obligations of each of the Borrowers under this ss.4.12 shall not be diminished or rendered unenforceable by any winding up, reorganization, arrangement, liquidation, re-construction or similar proceeding with respect to any of the Borrowers or the Banks. The joint and several liability of the Borrowers hereunder shall continue in full force and effect notwithstanding any absorption, merger, amalgamation or any other change whatsoever in the name, membership, constitution or place of formation of any of the Borrowers or the Banks.

(f) The provisions of this ss.4.12 are made for the benefit of the Banks and their successors and assigns, and may be enforced in good faith by them from time to time against any or all of the Borrowers as often as the occasion therefor may arise and without requirement on the part of the Banks first to marshal any of their claims or to exercise any of their rights against any other Borrower or to exhaust any remedies available to them against any other Borrower or to resort to any other source or means of obtaining payment of any of the Obligations hereunder or to elect any other remedy. The provisions of this ss.4.12 shall remain in effect until all of the Obligations shall have been paid in full or otherwise fully satisfied. If at any time, any payment, or any part thereof, made in respect of any of the Obligations, is rescinded or must otherwise be restored or returned by the Banks upon the insolvency, bankruptcy or reorganization of any of the Borrowers, or otherwise, the provisions of this ss.4.12 will forthwith be reinstated in effect, as though such payment had not been made.

ss.4.13. New Borrowers. Any existing or newly-created or acquired U.S. Subsidiary of the Parent (other than members of the MasTec International Group), which (a) has annual gross revenues of at least \$1,000,000 on an historical or annualized basis, or (b) is the parent of any other Borrower, shall be Borrowers hereunder, and all other U.S. Subsidiaries of the Parent designated as such by the Parent shall be Excluded Subsidiaries, provided that the Excluded Subsidiaries may not, in the aggregate, have in excess of five percent (5%) of consolidated total assets, consolidated total liabilities or consolidated gross revenues of the Parent and its U.S. Subsidiaries (other than members of the MasTec International Group) at any time, in each case as determined in accordance with GAAP. Any Subsidiary which is required to become a Borrower

pursuant to the terms of this ss.4.13 shall sign Notes, shall enter into an amendment to this Agreement and the U.S. Stock Pledge Agreement with the other parties hereto providing that such Subsidiary shall become a Borrower hereunder, and shall provide such other documentation as the Agent may reasonably request, including, without limitation, documentation with respect to conditions specified in ss.9 hereof. In such event, the Agent is hereby authorized by the parties to amend Schedule 1 hereto to include such Subsidiary as a Borrower hereunder. The Borrowers hereby agree to pledge all of their stock of the U.S. Subsidiaries (including members of the MasTec International Group which are U.S. Subsidiaries), other than the stock of Excluded Subsidiaries, to the Agent for the benefit of the Banks pursuant to the terms of the U.S. Stock Pledge Agreement.

ss.4.14. Replacement of Banks.

If any Bank (an "Affected Bank") (i) makes demand upon the Borrowers for (or if Borrowers are otherwise required to pay) amounts pursuant to ss.ss.4.2(b), 4.4 or 4.5, (ii) is unable to make or maintain LIBOR Loans as a result of a condition described in ss.4.11, or (iii) defaults in its obligation to make Loans or participate in Letters of Credit in accordance with the terms of this Agreement, the Borrowers or the Agent may, within 90 days of receipt of such demand, notice (or the occurrence of such other event causing the Borrowers to be required to pay such compensation or causing ss.4.11 to be applicable) or default, as the case may be, by notice (a "Replacement Notice") in writing to such Affected Bank and the Agent or Borrowers, as applicable, (A) request the Affected Bank to cooperate with the Borrowers in obtaining a replacement bank satisfactory to the Agent and the Borrowers (the "Replacement Bank"); (B) request the non-Affected Banks to acquire and assume all of the Affected Bank's Loans and Commitment and participate in Letters of Credit as provided herein, but none of such Banks shall be under an obligation to do so; or (C) designate a Replacement Bank reasonably satisfactory to the Agent or Borrowers, as applicable. If any satisfactory Replacement Bank shall be obtained, and/or any of the non-Affected Banks shall agree to acquire and assume all of the Affected Bank's Loans and Commitment and participate in Letters of Credit, then such Affected Bank shall, so long as no Event of Default shall have occurred and be continuing, assign, in accordance with ss.17, all of its Commitment, Loans, Notes and other rights and obligations under this Agreement and all other Loan Documents to such Replacement Bank or non-Affected Banks, as the case may be, in exchange for payment of the principal amount so assigned and all interest and fees accrued on the amount so assigned, plus all other Obligations then due and payable to the Affected Bank; provided, however, that (i) such assignment shall be without recourse, representation or warranty and shall be on terms and conditions reasonably satisfactory to such Affected Bank and such Replacement Bank and/or non-Affected Banks, as the case may be, and (ii) prior to any such assignment, the Borrowers shall have paid to such Affected Bank all amounts properly demanded and unreimbursed under ss.ss.4.2(b), 4.4, 4.5 or 4.8. Upon the effective date of such assignment the Borrowers shall issue replacement Notes to such Replacement Bank and/or non-Affected Banks, as the case may be, and such Replacement Bank shall become a "Bank" for all purposes under this Agreement and the other Loan Documents.

ss.5. REPRESENTATIONS AND WARRANTIES. The Borrowers jointly and severally represent and warrant to the Banks that on and as of the date of this Agreement (any disclosure on a schedule pursuant to this ss.5 shall be deemed to apply to all relevant representations and warranties, regardless of whether such schedule is referenced in each relevant representation):

ss.5.1. Corporate Authority.

(a) Incorporation; Good Standing. Each of the Borrowers and the International Signatories (i) is a corporation duly organized, validly existing and in good standing or in current status under the laws of its respective jurisdiction of incorporation, (ii) has all requisite corporate power to own its property and conduct its business as now conducted and as presently contemplated, and (iii) is in good standing as a foreign corporation and is duly authorized to do business in each jurisdiction in which its property or business as presently conducted or contemplated makes such qualification necessary except

where a failure to be so qualified would not have a material adverse effect on the business, assets or financial condition of the Borrowers, taken as a whole, or the MasTec International Group, taken as a whole.

(b) Authorization. The execution, delivery and performance of its Loan Documents and the transactions contemplated hereby and thereby (i) are within the corporate authority of each of the Borrowers and the International Signatories, (ii) have been duly authorized by all necessary corporate proceedings, (iii) do not conflict with or result in any material breach or contravention of any provision of law, statute, rule or regulation to which any Borrower or International Signatory is subject or any judgment, order, writ, injunction, license or permit applicable to any Borrower or International Signatory so as to have a material adverse effect on the assets, business or any activity of such Borrower or International Signatory, (iv) do not conflict with any provision of the corporate charter or bylaws of any Borrower or International Signatory, (v) do not conflict with any material contract, agreement or other instrument binding upon any Borrower or International Signatory, and (vi) will not create a lien on any properties of any of the Borrowers or International Signatories other than pursuant to the Loan Documents.

(c) Enforceability. The execution, delivery and performance of the Loan Documents will result in valid and legally binding obligations of the Borrowers and the International Signatories, enforceable against each of them in accordance with the respective terms and provisions hereof and thereof, except as enforceability is limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and except to the extent that availability of the remedy of specific performance or injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

ss.5.2. Governmental Approvals. The execution, delivery and performance by the Borrowers and the International Signatories of the Loan Documents and the transactions contemplated hereby and thereby do not require any approval or consent of, or filing with, any governmental agency or authority other than those already obtained; provided, however, that the International Signatories shall have ninety (90) days after the date hereof to effect this provision.

ss.5.3. Title to Properties; Leases. Each of the Parent and its Subsidiaries owns all of its respective assets reflected in the consolidated balance sheet of the Parent as at the Interim Balance Sheet Date or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course of business since that date), subject to no mortgages, capitalized leases, conditional sales agreements, title retention agreements, liens or other encumbrances except Permitted Liens.

ss.5.4. Financial Statements; Solvency.

(a) There has been furnished to the Banks (i) unaudited consolidated financial statements of the Parent dated the Balance Sheet Date, including reconciliations of (A) the Borrowers and the MasTec International Group (excluding that portion of assets, liabilities, income and expenses attributable to the Sintel Group) and (B) the Sintel Group to the consolidated financial statements of the Parent, and (ii) an unaudited consolidated balance sheet and statement of income of the Parent dated the Interim Balance Sheet Date, including reconciliations of (A) the Borrowers (excluding that portion of assets, liabilities, income and expenses of the Parent attributable to non-Borrowers) and (B) the non-Borrowers to the consolidated balance sheet and statement of income of the Parent. Said financial statements have been prepared in accordance with GAAP (but only to the extent that GAAP is applicable to unaudited reports), fairly present in all material respects the financial condition of the Borrowers, on a consolidated basis, as at the close of business on the dates thereof and the results of operations for the period then ended. There are no contingent liabilities of the Borrowers as of such date involving

material amounts known to the officers of the Borrowers which have not been disclosed in said balance sheets and the related notes thereto, as the case may be.

(b) The Parent (both before and after giving effect to the transactions contemplated by this Agreement) is solvent (i.e., it has assets having a fair value in excess of the amount required to pay its probable liabilities on its existing debts as they become absolute and matured) and has, and expects to have, the ability to pay its debts from time to time incurred in connection therewith as such debts mature.

(c) The Borrowers taken as a whole (both before and after giving effect to the transactions contemplated by this Agreement) are solvent (i.e., they have assets having a fair value in excess of the amount required to pay their probable liabilities on their existing debts as they become absolute and matured) and have, and expect to have, the ability to pay their debts from time to time incurred in connection therewith as such debts mature.

ss.5.5. No Material Changes, Etc. Since the Balance Sheet Date, there have occurred no material adverse changes in the financial condition or business of the Borrowers as shown on or reflected in the consolidated balance sheet of the Parent as at the Balance Sheet Date, or the consolidated statement of income for the fiscal year then ended other than changes occurring in the ordinary course of business that in the aggregate have not had a material adverse effect on the business or financial condition of the Borrowers taken as a whole. Since the Balance Sheet Date, no Borrower has made any Distribution other than to the Parent.

ss.5.6. Permits, Franchises, Patents, Copyrights, Etc. Each of the Borrowers possesses all franchises, patents, copyrights, trademarks, trade names, licenses and permits, and rights in respect of the foregoing, adequate for the conduct of its business substantially as now conducted without known conflict with any rights of others.

ss.5.7. Litigation. Except as shown on Schedule 5.7 hereto, there are no actions, suits, proceedings or investigations of any kind pending or, to the knowledge of the Borrowers, threatened against any Borrower before any court, tribunal or administrative agency or board which, if adversely determined, might, either in any case or in the aggregate, have a material adverse effect on the properties, assets, financial condition or business of the Borrowers, considered as a whole, or materially impair the right of the Borrowers, considered as a whole, to carry on business substantially as now conducted, or result in any substantial liability not adequately covered by insurance, or for which adequate reserves are not maintained on the consolidated balance sheet or which question the validity of any of the Loan Documents or any action taken or to be taken pursuant hereto or thereto.

ss.5.8. No Materially Adverse Contracts, Etc. None of the Borrowers is subject to any charter, corporate or other legal restriction, or any judgment, decree, order, rule or regulation which in the judgment of the Borrowers' officers has or is expected in the future to have a material adverse effect on the business, assets or financial condition of the Borrowers taken as a whole. None of the Borrowers is a party to any contract or agreement which in the judgment of the Borrowers' officers has or is expected to have any material adverse effect on the business of the Borrowers taken as a whole, except as otherwise reflected in adequate reserves.

ss.5.9. Compliance With Other Instruments, Laws, Etc. None of the Borrowers or the International Signatories is violating any provision of its charter documents or by-laws or any agreement or instrument by which any of them may be subject or by which any of them or any of their properties may be bound or any decree, order, judgment, or any statute, license, rule or regulation, in a manner which could in the aggregate result in the imposition of substantial penalties or a material adverse effect on the financial condition, properties or business of the Borrowers taken as a whole, or would impair the ability of any Borrower or International Signatory to enter into or perform the Loan Documents.

ss.5.10. Tax Status. The Borrowers have made or filed all federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which any of them is subject (unless and only to the extent that any Borrower has set aside on its books provisions reasonably adequate for the payment of all unpaid and unreported taxes); and have paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith; and have set aside on their books provisions reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. Except as set forth on Schedule 5.10, there are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Borrowers know of no basis for any such claim.

ss.5.11. No Event of Default. No Default or Event of Default has occurred and is continuing as of the date of this Agreement.

ss.5.12. Holding Company and Investment Company Acts. None of the Borrowers is a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company," as such terms are defined in the Public Utility Holding Company Act of 1935; nor is any of them a "registered investment company," or an "affiliated company" or a "principal underwriter" of a "registered investment company," as such terms are defined in the Investment Company Act of 1940, as amended.

ss.5.13. Absence of Financing Statements, Etc. Except with respect to Permitted Liens, there is no financing statement, security agreement, chattel mortgage, real estate mortgage or other document filed or recorded with any filing records, registry, or other public office, which purports to cover, affect or give notice of any present or possible future lien on, or security interest in, any assets or property of any of the Borrowers or rights thereunder.

ss.5.14. Employee Benefit Plans.

(a) In General. Each Employee Benefit Plan and each Guaranteed Pension Plan has been maintained and operated in compliance in all material respects with the provisions of ERISA and, to the extent applicable, the Code, including but not limited to the provisions thereunder respecting prohibited transactions and the bonding of fiduciaries and other persons handling plan funds as required by ss.412 of ERISA. The Borrowers have heretofore delivered to the Agent the most recently completed annual report, Form 5500, with all required attachments, and actuarial statement required to be submitted under ss.103(d) of ERISA, with respect to each Guaranteed Pension Plan.

(b) Terminability of Welfare Plans. Except as set forth on Schedule 5.14(b), no Employee Benefit Plan which is an employee welfare benefit plan within the meaning of ss.3(1) or ss.3(2)(B) of ERISA, provides benefit coverage subsequent to termination of employment except as required by Title I, Part 6 of ERISA or applicable state insurance laws. Any Borrower may terminate each such Plan at any time (or at any time subsequent to the expiration of any applicable bargaining agreement) in the discretion of such Borrower without liability to any Person other than for claims arising prior to termination.

(c) Guaranteed Pension Plans. Each contribution required to be made to a Guaranteed Pension Plan, whether required to be made to avoid the incurrence of an accumulated funding deficiency, the notice or lien provisions of ss.302(f) of ERISA, or otherwise, has been timely made. No waiver of an accumulated funding deficiency or extension of amortization periods has been received with respect to any Guaranteed Pension Plan, and neither any of the Borrowers nor any ERISA Affiliate is obligated to or has posted security in connection with an amendment of a Guaranteed Pension Plan pursuant to ss.307 of ERISA or ss.401(a)(29) of the Code. No liability to the PBGC (other than

required insurance premiums, all of which have been paid) has been incurred by any Borrower or any ERISA Affiliate with respect to any Guaranteed Pension Plan and there has not been any ERISA Reportable Event, or any other event or condition which presents a material risk of termination of any Guaranteed Pension Plan by the PBGC. Based on the latest valuation of each Guaranteed Pension Plan (which in each case occurred within twelve months of the date of this representation), and on the actuarial methods and assumptions employed for that valuation, the aggregate benefit liabilities of all such Guaranteed Pension Plans within the meaning of ss.4001 of ERISA did not exceed the aggregate value of the assets of all such Guaranteed Pension Plans, disregarding for this purpose the benefit liabilities and assets of any Guaranteed Pension Plan with assets in excess of benefit liabilities.

(d) Multiemployer Plans. None of the Borrowers nor any ERISA Affiliate has incurred any material liability (including secondary liability) to any Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan under ss.4201 of ERISA or as a result of a sale of assets described in ss.4204 of ERISA. None of the Borrowers nor any ERISA Affiliate has been notified that any Multiemployer Plan is in reorganization or is insolvent under and within the meaning of ss.4241 or ss.4245 of ERISA or is at risk of entering reorganization or becoming insolvent, or that any Multiemployer Plan intends to terminate or has been terminated under ss.4041A of ERISA.

ss.5.15. Use of Proceeds. The proceeds of the Loans shall be used as follows: (a) for general corporate purposes; (b) to repay the existing indebtedness of the Borrowers; (c) for Investments permitted pursuant to ss.7.3 hereof, and (d) for acquisitions permitted pursuant to ss.7.4 hereof. No proceeds of the Loans shall be used in any way that will violate Regulations G, T, U or X of the Board of Governors of the Federal Reserve System.

ss.5.16. Environmental Compliance. Except as shown on Schedule 5.16:

(a) None of the Borrowers, nor any operator of their properties, is in violation, or alleged violation, of any judgment, decree, order, law, permit, license, rule or regulation pertaining to environmental matters, including without limitation, those arising under RCRA, CERCLA, the Superfund Amendments and Reauthorization Act of 1986, the Federal Clean Water Act, the Federal Clean Air Act, the Toxic Substances Control Act, or any state or local statute, regulation, ordinance, order or decree relating to health, safety or the environment (the "Environmental Laws"), which violation would have a material adverse effect on the business, assets or financial condition of the Borrowers on a consolidated basis.

(b) None of the Borrowers has received notice from any third party, including, without limitation, any federal, state or local governmental authority, (i) that any one of them has been identified by the United States Environmental Protection Agency ("EPA") as a potentially responsible party under CERCLA with respect to a site listed on the National Priorities List, 40 C.F.R. Part 300 Appendix B; (ii) that any hazardous waste, as defined by 42 U.S.C. ss.6903(5), any hazardous substances as defined by 42 U.S.C. ss.9601(14), any pollutant or contaminant as defined by 42 U.S.C. ss.9601(33) or any toxic substance, oil or hazardous materials or other chemicals or substances regulated by any Environmental Laws ("Hazardous Substances") which any one of them has generated, transported or disposed of has been found at any site at which a federal, state or local agency or other third party has conducted or has ordered that any Borrower conduct a remedial investigation, removal or other response action pursuant to any Environmental Law; or (iii) that it is or shall be a named party to any

claim, action, cause of action, complaint, legal or administrative proceeding arising out of any third party's incurrence of costs, expenses, losses or damages of any kind whatsoever in connection with the release of Hazardous Substances.

(c) (i) No portion of the Real Property has been used for the handling, processing, storage or disposal of Hazardous Substances except in material compliance with applicable Environmental Laws; (ii) in the course of any activities conducted by the Borrowers, or operators of the Real Property, no Hazardous Substances have been generated or are being used on such properties except in material compliance with applicable Environmental Laws; (iii) there have been no unpermitted Releases or threatened Releases of Hazardous Substances on, upon, into or from the Real Property, which Releases would have a material adverse effect on the value of such properties; (iv) to the best of the Borrowers' knowledge, there have been no Releases on, upon, from or into any real property in the vicinity of the Real Property which, through soil or groundwater contamination, may have come to be located on, and which would have a material adverse effect on the value of, such properties; and (v) in addition, any Hazardous Substances that have been generated on the Real Property have been transported offsite only by carriers having an identification number issued by the EPA, treated or disposed of only by treatment or disposal facilities maintaining valid permits as required under applicable Environmental Laws, which transporters and facilities, to the best of the Borrowers' knowledge, have been and are operating in material compliance with such permits and applicable Environmental Laws.

(d) None of the Real Property is or shall be subject to any applicable environmental clean-up responsibility law or environmental restrictive transfer law or regulation, by virtue of the transactions set forth herein and contemplated hereby.

ss.5.17. Perfection of Security Interests. Except as set forth on Schedule 5.17, the Collateral and the Agent's rights with respect to the Collateral are not subject to any setoff, claims, withholdings or other defenses. The Borrowers and MasTec International, Inc. are the owners of the Collateral free from any lien, security interest, encumbrance and any other claim or demand, other than liens in favor of the Agent for the benefit of the Banks to secure the Obligations. The Stock Pledge Agreements are effective to create in favor of the Agent, for the benefit of the Banks, a legal, valid and enforceable first priority security interest in the Collateral. The certificates for the shares of such Collateral have been delivered to the Agent; provided, however, that MasTec International, Inc. shall have ninety (90) days after the Closing Date to effect this provision. The parties agree that there shall be no public filing, registration or notice of the Sintel Stock Pledge Agreement unless an Event of Default shall have occurred.

ss.5.18. Certain Transactions. Except as set forth on Schedule 5.18 and except for arm's length transactions pursuant to which the Borrowers make payments in the ordinary course of business upon terms no less favorable than the Borrowers could obtain from third parties, none of the officers, directors, or employees of the Borrowers is presently a party to any transaction with the Borrowers (other than for services as employees, officers and directors), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any officer, director or such employee or, to the knowledge of the Borrowers, any corporation, partnership, trust or other entity in which any officer, director, or any such employee has a substantial interest or is an officer, director, trustee or partner.

ss.5.19. Subsidiaries. Schedule 1 sets forth a complete and accurate list of the direct or indirect Subsidiaries of the Parent, including the name of each Subsidiary and its jurisdiction of incorporation, together with the number of authorized and outstanding shares of each Subsidiary. All of the stock of each U.S. Subsidiary (other than the Excluded Subsidiaries) and 66% of the stock of Sintel which is directly or indirectly owned by the Parent has been pledged to

the Agent on behalf of the Banks pursuant to the Stock Pledge Agreements. The Parent has good and marketable title to all of the shares it purports to own of the stock of each such Subsidiary, free and clear in each case of any lien. All such shares have been duly issued and are fully paid and non-assessable. Each Subsidiary of the Parent, other than the Excluded Subsidiaries and the members of the MasTec International Group, is a Borrower hereunder.

ss.5.20. True Copies of Charter and Other Documents. The Borrowers and the International Signatories have furnished the Agent copies, in each case true and complete as of the date hereof, of (a) all charter and other incorporation documents (together with any amendments thereto) and (b) by-laws (together with any amendments thereto); provided, however, that the International Signatories shall have ninety (90) days to effect this provision as regards Sintel.

ss.6. AFFIRMATIVE COVENANTS OF THE BORROWERS. The Borrowers jointly and severally covenant and agree that, so long as any Loan, Reimbursement Obligation or Note is outstanding or the Banks have any obligation to make Loans or the Agent has any obligation to issue, extend, or renew any Letters of Credit hereunder:

ss.6.1. Punctual Payment. The Borrowers will duly and punctually pay or cause to be paid the principal and interest on the Loans, all fees and other amounts provided for in this Agreement and the other Loan Documents, all in accordance with the terms of this Agreement and such other Loan Documents.

ss.6.2. Maintenance of Office. The Borrowers will maintain their chief executive offices as set forth on Schedule 1 or at such other place in the United States of America as the Borrowers shall designate upon thirty (30) days' prior written notice to the Agent.

ss.6.3. Records and Accounts. Each of the Borrowers will keep true and accurate records and books of account in which full, true and correct entries will be made in accordance with GAAP and with the requirements of all regulatory authorities, and will maintain adequate accounts and reserves for all taxes (including income taxes), depreciation, depletion, obsolescence and amortization of its properties, all other contingencies, and all other proper reserves.

ss.6.4. Financial Statements, Certificates and Information. The Borrowers shall deliver to the Banks:

(a) as soon as practicable, but in any event not later than fifty (50) days after the end of each fiscal quarter of the Borrowers, copies of the consolidated balance sheet and statement of income of the Borrowers (excluding that portion of the Parent's assets, liabilities, income and expenses attributable to non-Borrowers) as at the end of such quarter, subject to year end adjustments, and the related statement of cash flows, all in reasonable detail and prepared in accordance with GAAP, with a certification by the principal financial or accounting officer of the Parent (the "CFO") that these consolidated financial statements are prepared in accordance with GAAP and fairly present the consolidated financial condition of the Borrowers as at the close of business on the date thereof and the results of operations for the period then ended;

(b) as soon as practicable, but in any event not later than fifty (50) days after the end of each fiscal quarter of the Parent, copies of the consolidated balance sheet and statement of income of the Parent as at the end of such quarter, subject to year end adjustments, and the related statement of cash flows, all in reasonable detail and prepared in accordance with GAAP, with a certification by the CFO that these consolidated financial statements are prepared in accordance with GAAP and fairly present the consolidated financial condition of the Parent as at the close of business on the date thereof and the results of operations for the period then ended;

(c) as soon as practicable, but, in any event not later than one hundred (100) days after the end of each fiscal year of the Parent, the consolidated and consolidating balance sheets of Parent as at the

end of such year, statements of cash flows, and the related consolidated and consolidating statements of income, each setting forth in comparative form the figures for the previous fiscal year, all such consolidated and consolidating financial statements to be in reasonable detail, prepared in accordance with GAAP and, with respect to the consolidated financial statements, certified by Coopers & Lybrand L.L.P. or another independent accounting firm of national standing acceptable to the Agent (the "Accountants") and including a reconciliation of the consolidated financial statements of the Borrowers (excluding that portion of the Parent's assets, liabilities, income and expenses attributable to non-Borrowers) to the consolidated financial statements of the Parent. In addition, simultaneously therewith, the Borrowers shall use their reasonable best efforts to provide the Banks with a written statement from such Accountants to the effect that the Borrowers are in compliance with the covenants set forth in ss.8 hereof, and that, in making the examination necessary to said certification, nothing has come to the attention of such Accountants that would indicate that any Default or Event of Default exists, or, if such Accountants shall have obtained knowledge of any then existing Default or Event of Default they shall disclose in such statement any such Default or Event of Default; provided, that such Accountants shall not be liable to the Banks for failure to obtain knowledge of any Default or Event of Default;

(d) as soon as practicable, but in any event not later than thirty (30) days after the end of each fiscal quarter of the Borrowers, copies of the Accounts Receivable aging reports of the Borrowers and the consolidated liquidity calculation for such date required under ss.8.4 hereof, all in reasonable detail and prepared in accordance with GAAP, with a certification by the CFO that these reports and calculation are prepared in accordance with GAAP and fairly present the Accounts Receivable of the Borrowers as at the close of business on the date thereof;

(e) simultaneously with the delivery of the items referred to in (a), (b) and (c) above, a statement in the form of Exhibit D hereto (the "Compliance Certificate") certified by the CFO that the Borrowers are in compliance with the covenants contained in ss.ss.6, 7 and 8 hereof as of the end of the applicable period and setting forth in reasonable detail computations evidencing such compliance, provided that if the Borrowers shall at the time of issuance of such certificate or at any other time obtain knowledge of any Default or Event of Default, the Borrowers shall include in such certificate or otherwise deliver forthwith to the Banks a certificate specifying the nature and period of existence thereof and what action the Borrowers propose to take with respect thereto;

(f) contemporaneously with, or promptly following, the filing or mailing thereof, copies of all material filed with the Securities and Exchange Commission or sent to the stockholders of the Parent or any of the Borrowers; and

(g) from time to time, such other financial data and other information (including accountants' management letters) as the Banks may reasonably request.

The Borrowers hereby authorize the Banks to disclose any information obtained pursuant to this Agreement to all appropriate governmental regulatory authorities where required by law; provided, however, that the Banks shall, to the extent practicable and allowable under law, notify the Borrowers within a reasonable period prior to the time any such disclosure is made; and provided further, that this authorization shall not be deemed to be a waiver of any rights to object to the disclosure by the Banks of any such information which any Borrower has or may have under the federal Right to Financial Privacy Act of 1978, as in effect from time to time.

ss.6.5. Corporate Existence and Conduct of Business. Except where the failure of a Borrower to remain so qualified would not materially adversely

impair the financial condition of the Borrowers on a consolidated basis, each Borrower will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, corporate rights and franchises; effect and maintain its foreign qualifications, licensing, domestication or authorization except as terminated by its Board of Directors in the exercise of its reasonable judgment; and shall not become obligated under any contract or binding arrangement which, at the time it was entered into would materially adversely impair the financial condition of the Borrowers on a consolidated basis. Each Borrower will continue to engage primarily in the businesses now conducted by it and in related businesses.

ss.6.6. Maintenance of Properties. The Borrowers will cause all material properties used or useful in the conduct of their businesses to be maintained and kept in good condition, repair and working order (reasonable wear and tear excepted) and supplied with all necessary equipment and will cause to be made all necessary repairs, renewals, replacements, betterments and improvements thereof, all as in the judgment of the Borrowers may be necessary so that the businesses carried on in connection therewith may be properly and advantageously conducted at all times; provided, however, that nothing in this section shall prevent any Borrower from (i) discontinuing the operation and maintenance of any of its properties if such discontinuance is, in the judgment of such Borrower, desirable in the conduct of its or their business and does not in the aggregate have a material adverse effect on the business or financial condition of the Borrowers taken as a whole, or (ii) conducting a sale of assets permitted pursuant to ss.7.4 hereof.

ss.6.7. Insurance. The Borrowers will maintain with financially sound and reputable insurance companies, funds or underwriters' insurance of the kinds, covering the risks (other than risks arising out of or in any way connected with personal liability of any officers and directors thereof) and in the relative proportionate amounts usually carried by reasonable and prudent companies conducting businesses similar to that of the Borrowers, but in no event less than the amounts and coverages set forth in Schedule 6.7 hereto as affected by adjustments to retention levels in the ordinary course of business. In addition, the Borrowers will furnish from time to time, upon the Agent's request, a summary of the insurance coverage of each of the Borrowers, which summary shall be in form and substance satisfactory to the Agent and, if requested by the Agent, will furnish to the Agent copies of the applicable policies.

ss.6.8. Taxes. The Borrowers will each duly pay and discharge, or cause to be paid and discharged, before the same shall become overdue, all taxes, assessments and other governmental charges (other than taxes, assessments and other governmental charges imposed by foreign jurisdictions which in the aggregate are not material to the business or assets of the Borrowers taken as a whole) imposed upon it and its real properties, sales and activities, or any part thereof, or upon the income or profits therefrom, as well as all claims for labor, materials, or supplies, which if unpaid might by law become a lien or charge upon any of its property other than a Permitted Lien; provided, however, that any such tax, assessment, charge, levy or claim need not be paid if the validity or amount thereof shall currently be contested in good faith by appropriate proceedings and if such Borrower shall have set aside on its books adequate reserves with respect thereto; and provided, further, that such Borrower will pay all such taxes, assessments, charges, levies or claims forthwith upon the commencement of proceedings to foreclose any lien which may have attached as security therefor.

ss.6.9. Inspection of Properties, Books, and Contracts. The Borrowers shall permit the Banks, the Agent or any of their designated representatives, upon reasonable notice to the Parent, to visit and inspect any of the properties of the Borrowers, to examine the books of account of the Borrowers (including the making of periodic accounts receivable reviews), or contracts (and to make copies thereof and extracts therefrom), and to discuss the affairs, finances and accounts of the Borrowers with, and to be advised as to the same by, their officers, all at such times and intervals as the Banks may reasonably request.

ss.6.10. Compliance with Laws, Contracts, Licenses and Permits; Maintenance of Material Licenses and Permits. Each Borrower will (i) comply with the provisions of its charter documents and by-laws and all agreements and

instruments by which it or any of its properties may be bound; and (ii) comply with all applicable laws and regulations (including Environmental Laws), decrees, orders, judgments, licenses and permits, including, without limitation, all environmental permits hereto ("Applicable Laws"), except where noncompliance in the case of (i) and (ii) above would not have a material adverse effect in the aggregate on the consolidated financial condition, properties or business of the Borrowers taken as a whole, or would not impair the ability of any Borrower or International Signatory to enter into or perform the Loan Documents. If at any time while the Notes, or any Loan or Letter of Credit is outstanding or any Bank or the Agent has any obligation to make Loans or issue Letters of Credit hereunder, any authorization, consent, approval, permit or license from any officer, agency or instrumentality of any government shall become necessary or required in order that any Borrower may fulfill any of its obligations hereunder, such Borrower will immediately take or cause to be taken all reasonable steps within the power of such Borrower to obtain such authorization, consent, approval, permit or license and furnish the Banks with evidence thereof.

ss.6.11. ENVIRONMENTAL INDEMNIFICATION. THE BORROWERS COVENANT AND AGREE THAT THEY WILL INDEMNIFY AND HOLD THE BANKS HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, EXPENSE, DAMAGE, LOSS OR LIABILITY INCURRED BY THE BANKS (INCLUDING ALL COSTS OF LEGAL REPRESENTATION INCURRED BY THE BANKS) RELATING TO (A) ANY RELEASE OR THREATENED RELEASE OF HAZARDOUS SUBSTANCES ON THE REAL PROPERTY; (B) ANY VIOLATION OF ANY ENVIRONMENTAL LAWS WITH RESPECT TO CONDITIONS AT THE REAL PROPERTY OR THE OPERATIONS CONDUCTED THEREON; OR (C) THE INVESTIGATION OR REMEDIATION OF OFFSITE LOCATIONS AT WHICH THE BORROWERS OR THEIR PREDECESSORS ARE ALLEGED TO HAVE DIRECTLY OR INDIRECTLY DISPOSED OF HAZARDOUS SUBSTANCES. IT IS EXPRESSLY ACKNOWLEDGED BY THE BORROWERS THAT THIS COVENANT OF INDEMNIFICATION SHALL INCLUDE CLAIMS, EXPENSE, DAMAGE, LOSS OR LIABILITY INCURRED BY THE BANKS BASED UPON THE BANKS' NEGLIGENCE, AND THIS COVENANT SHALL SURVIVE ANY FORECLOSURE OR ANY MODIFICATION, RELEASE OR DISCHARGE OF THE STOCK PLEDGE AGREEMENTS OR THE PAYMENT OF THE LOANS AND SHALL INURE TO THE BENEFIT OF THE BANKS, THEIR SUCCESSORS AND ASSIGNS.

ss.6.12. Further Assurances. The Borrowers will cooperate with the Banks and execute such further instruments and documents as the Banks shall reasonably request to carry out to the Banks' satisfaction the transactions contemplated by this Agreement.

ss.6.13. Notice of Potential Claims or Litigation. The Borrowers shall deliver to the Banks, within 30 days of receipt thereof, written notice of the initiation of any action, claim, complaint, or any other notice of dispute or potential litigation wherein the potential liability would be material to the Borrowers taken as a whole under the regulations of the United States Securities and Exchange Commission, together with a copy of each such notice received by the Parent or any of its Subsidiaries.

ss.6.14. Notice of Default. The Borrowers will promptly notify the Banks in writing of the occurrence of any Default or Event of Default. If any Person shall give any notice or take any other action in respect of a claimed default (whether or not constituting an Event of Default) under this Agreement or any other note, evidence of indebtedness, indenture or other obligation evidencing indebtedness in excess of \$1,000,000 as to which any Borrower is a party or obligor, whether as principal or surety, the Borrowers shall forthwith give written notice thereof to the Banks, describing the notice of action and the nature of the claimed default.

ss.7. CERTAIN NEGATIVE COVENANTS OF THE BORROWERS. The Borrowers agree that, so long as any Loan, Reimbursement Obligation or any Note is outstanding or the Banks have any obligation to make Loans or the Agent has any obligation to issue, extend or renew any Letters of Credit hereunder:

ss.7.1. Restrictions on Funded Debt. None of the Borrowers shall become or be a guarantor or surety of, or otherwise create, incur, assume, or be or remain liable, contingently or otherwise, with respect to any Funded Debt, or become or be responsible in any manner (whether by agreement to purchase any obligations, stock, assets, goods or services, or to supply or advance any funds, assets, goods or services or otherwise) with respect to any Funded Debt of any other

Person, or incur any Funded Debt other than:

(a) Indebtedness to the Banks and the Agent arising under this Agreement or the Loan Documents;

(b) Subordinated Debt of the Parent;

(c) Existing Funded Debt listed on Schedule 7.1(c) hereto, on the terms and conditions in effect as of the date hereof, together with any renewals, extensions or refinancings thereof on terms which are not materially different than those in effect as of the date hereof; provided that no more than \$5,000,000 of such indebtedness may be prepaid without prior written consent of the Banks;

(d) Funded Debt incurred in connection with acquisitions after the date hereof of any stocks of, partnership or joint venture interests in, or assets of any Person and owing to the seller(s) of such stocks, partnership or joint venture interests, or assets; provided that the principal amount of any such Funded Debt owed (when aggregated with all such other Funded Debt permitted pursuant to this ss.7.1(d)) shall not exceed \$10,000,000; and provided, further, that such acquisitions shall be otherwise permitted pursuant to ss.7.4; and

(e) Other Funded Debt not to exceed \$10,000,000 in the aggregate incurred after the date hereof (including existing Funded Debt of any Borrower acquired pursuant to ss.7.4 hereof after the date hereof).

ss.7.2. Restrictions on Liens. None of the Borrowers will create or incur or suffer to be created or incurred or to exist any lien, encumbrance, mortgage, pledge, charge, restriction or other security interest of any kind upon any property or assets of any character, whether now owned or hereafter acquired, or upon the income or profits therefrom; or transfer any of such property or assets or the income or profits therefrom for the purpose of subjecting the same to the payment of indebtedness or performance of any other obligation in priority to payment of its general creditors; or acquire, or agree or have an option to acquire, any property or assets upon conditional sale or other title retention or purchase money security agreement, device or arrangement; or suffer to exist for a period of more than thirty (30) days after the same shall have been incurred any indebtedness or claim or demand against it which if unpaid might by law or upon bankruptcy or insolvency, or otherwise, be given any priority whatsoever over its general creditors; or sell, assign, pledge or otherwise transfer any accounts, contract rights, general intangibles or chattel paper, with or without recourse, except as follows (the "Permitted Liens"):

(a) Liens securing Funded Debt permitted under ss.7.1(d) and 7.1(e) incurred in connection with the lease or acquisition of property or fixed assets useful or intended to be used in carrying on the business of the Borrowers, provided that such Liens shall encumber only the property or assets so acquired and shall not exceed the fair market value thereof and provided further that the aggregate amount of Funded Debt secured by such liens shall not exceed \$5,000,000;

(b) Liens to secure taxes, assessments and other government charges or claims for labor, material or supplies in respect of obligations not overdue;

(c) Deposits or pledges made in connection with, or to secure payment of, workmen's compensation, unemployment insurance, old age pensions or other social security obligations;

(d) Liens in respect of judgments or awards which have been in force for less than the applicable period for taking an appeal so long as execution is not levied thereunder or in respect of which any Borrower shall at the time in good faith be prosecuting an appeal or proceedings for review and in respect of which a stay of execution shall have been obtained pending such appeal or review and in respect of which the Borrowers have maintained adequate reserves;

(e) Liens of carriers, warehousemen, mechanics and materialmen, and other like liens, in existence less than one-hundred and twenty (120) days from the date of creation thereof in respect of obligations not overdue;

(f) Encumbrances consisting of easements, rights of way, zoning restrictions, restrictions on the use of real property and defects and irregularities in the title thereto, landlord's or lessor's liens under leases to which any Borrower is a party, and other minor liens or encumbrances none of which in the opinion of the respective Borrower interferes materially with the use of the property affected in the ordinary conduct of the business of such Borrower, which defects do not individually or in the aggregate have a material adverse effect on the business of such Borrower individually or of the Borrowers on a consolidated basis;

(g) Liens (including Liens securing Funded Debt permitted under ss.7.1(c)) existing as of the date hereof and listed on Schedule 7.2(g) on the terms and conditions in effect as of the date hereof;

(h) Existing Liens in connection with the Fleet Credit Agreement and the First Union mortgages, provided that the proceeds of the initial Loan advanced hereunder shall be used to discharge such Liens;

(i) Liens granted pursuant to the Stock Pledge Agreements; and

(j) Other Liens securing indebtedness in an aggregate amount not to exceed \$500,000 at any time.

ss.7.3. Restrictions on Investments. None of the Borrowers shall make or permit to exist or to remain outstanding any other Investment other than:

(a) marketable direct or guaranteed obligations of the United States of America or any agency or instrumentality thereof fully guaranteed or otherwise fully backed by the full faith and credit of the United States Government that mature within one (1) year from the date of purchase by the Borrower;

(b) demand deposits, certificates of deposit, bankers acceptances and time deposits of United States banks or Eligible Foreign Banks having total assets in excess of \$1,000,000,000;

(c) securities commonly known as "commercial paper" issued by a corporation organized and existing under the laws of the United States of America or any state thereof that at the time of purchase have been rated and the ratings for which are not less than "P 1" if rated by Moody's Investors Services, Inc., and not less than "A 1" if rated by Standard and Poor's;

(d) Subject to ss.7.1 and ss.7.4, Investments by any Borrower in any other Borrower; and

(e) Investments by any Borrower in any affiliate or Subsidiary of a Borrower which is not also a Borrower (which may include the MasTec International Group or other non-U.S. entities) or in any other Person, provided, however, that the aggregate amount from the date hereof of such Investments outstanding at any time shall not exceed \$15,000,000 plus

(i) the lesser of (A) the sum of net cash proceeds received in connection with the sale of the Cempresa, S.A. and Supercanal Holding, S.A. investments and the issuance of common stock of the Parent after the date hereof or
(B) \$35,000,000;

plus

(ii) with the prior consent of the Majority Banks, (A) 50% of net cash proceeds received in connection with the issuance of Subordinated Debt after the date hereof plus (B) without double counting any such amounts included in (i) (A) hereof, up to 75% of net cash proceeds received in connection with the issuance of common stock of the Parent after the date hereof;

provided, however, that the aggregate amount of (ii) hereof shall not exceed \$100,000,000.

Notwithstanding (e) above, none of the Borrowers shall make any Investment in any Subsidiary which is not a Borrower hereunder unless, both before and after giving effect thereto, there does not exist a Default or Event of Default and no Default or Event of Default would be created by the making of such Investment.

ss.7.4. Mergers, Consolidations, Sales. None of the Borrowers shall be a party to any merger, consolidation or exchange of stock, or purchase or otherwise acquire all or substantially all of the assets or stock of, or any partnership or joint venture interest in, any other Person except as otherwise provided in this ss.7.4, or sell, transfer, convey or lease any assets or group of assets (except sales of equipment tools, parts and related assets in the ordinary course of business, sales of assets totaling an aggregate amount, from the date hereof through the Maturity Date, of no more than \$10,000,000, and dispositions listed on Schedule 7.4) or sell or assign, with or without recourse, any receivables (except to another Borrower). A Borrower may purchase or otherwise acquire all or substantially all of the assets or stock of any class of, or joint venture interest in, any Person provided that (a) at the time of such acquisition, no Default or Event of Default has occurred and is continuing, and such acquisition will not otherwise create a Default or an Event of Default hereunder; (b) the business to be acquired is predominantly in the same lines of business as the Borrowers, or businesses reasonably related thereto; (c) the aggregate cash consideration to be paid in connection with any such acquisition (including deferred payments and the aggregate amount of all Funded Debt assumed, but excluding contingent payments) shall not exceed \$10,000,000; (d) the Borrowers are in current compliance with and, giving effect to the proposed acquisition (including any borrowings made or to be made in connection therewith), will continue to be in compliance with all of the covenants in ss.8 hereof on a pro forma historical combined basis as if the transaction occurred on the first day of the period of measurement, and in the event that the aggregate cash consideration given in connection with any such acquisition exceeds \$7,500,000, including deferred payments and the aggregate amount of all liabilities assumed, the Banks shall have been provided with a Compliance Certificate demonstrating such compliance; (e) the board of directors and (if required by applicable law) the shareholders, or the equivalent thereof, of the business to be acquired has approved such acquisition; (f) the business to be acquired operates predominantly in the continental United States; (g) in the case of an asset acquisition, all of the assets to be acquired shall be owned by an existing or newly created Subsidiary of the Parent which is a Borrower, all of the stock of which that is directly or indirectly owned by the Parent has been or will be pledged to the Agent on behalf of the Banks, or, in the case of a stock acquisition, the acquired company shall become or shall be merged with a wholly-owned Subsidiary of the Parent which is a Borrower, 100% of the stock of which has been or will be pledged to the Agent on behalf of the Banks; and (h) if such acquisition is made by a merger, the surviving entity shall be a Borrower, 100% of the stock of which shall be pledged to the Agent on behalf of the Banks. Any Borrower may merge with any other Borrower.

ss.7.5. Sale and Leaseback. None of the Borrowers shall enter into any arrangement, directly or indirectly, whereby any Borrower shall sell or transfer any property owned by it in order then or thereafter to lease such property or lease other property which such Borrower intends to use for substantially the same purpose as the property being sold or transferred, without the prior written consent of the Banks; other than such arrangements which do not in the aggregate exceed \$100,000.

ss.7.6. Restricted Distributions and Redemptions. None of the Borrowers may make Distributions except as set forth in this ss.7.6. Each Borrower may make distributions payable solely in common stock or preferred stock of such Borrower, subject to the requirement to pledge all such stock pursuant to ss.5.19 hereof. Borrowers other than the Parent may declare or pay Distributions to the Parent. In addition, the Borrowers (other than the Parent) shall not redeem, convert, retire or otherwise acquire shares of any class of capital stock of such Borrowers. The Parent may declare or pay dividends and may redeem, convert, retire, or otherwise acquire shares of its capital stock, provided that the aggregate amount of all such Distributions by the Parent shall not exceed 50% of Consolidated Net Income in any one fiscal year. None of the Borrowers may make any Distribution under this ss.7.6 if a Default or Event of Default exists or would be created by the making of such Distribution. The Borrowers shall not effect or permit any change in or amendment to any document or instrument pertaining to the terms of the Borrowers' or the International Signatories' capital stock other than the amendment to the Parent's certificate of incorporation increasing the authorized amount of common stock and the par value of the common stock and the preferred stock.

ss.7.7. Employee Benefit Plans. None of the Borrowers nor any ERISA Affiliate will:

(a) engage in any "prohibited transaction" within the meaning of ss.406 of ERISA or ss.4975 of the Code which could result in a material liability for the Borrowers taken as a whole; or

(b) permit any Guaranteed Pension Plan to incur an "accumulated funding deficiency," as such term is defined in ss.302 of ERISA, whether or not such deficiency is or may be waived; or

(c) fail to contribute to any Guaranteed Pension Plan to an extent which, or terminate any Guaranteed Pension Plan in a manner which, could result in the imposition of a lien or encumbrance on the assets of any Borrower pursuant to ss.302(f) or ss.4068 of ERISA; or

(d) amend any Guaranteed Pension Plan in circumstances requiring the posting of security pursuant to ss.307 of ERISA or ss.401(a)(29) of the Code; or

(e) permit or take any action which would result in the aggregate benefit liabilities (within the meaning of ss.4001 of ERISA) of all Guaranteed Pension Plans exceeding the value of the aggregate assets of such Plans, disregarding for this purpose the benefit liabilities and assets of any such Plan with assets in excess of benefit liabilities.

The Borrowers will (i) promptly upon filing the same with the Department of Labor or Internal Revenue Service, furnish to the Banks a copy of the most recent actuarial statement required to be submitted under ss.103(d) of ERISA and Annual Report, Form 5500, with all required attachments, in respect of each Guaranteed Pension Plan and (ii) promptly upon receipt or dispatch, furnish to the Banks any notice, report or demand sent or received in respect of a Guaranteed Pension Plan under ss.ss.302, 4041, 4042, 4043, 4063, 4066 and 4068 of ERISA, or in respect of a Multiemployer Plan, under ss.ss.4041A, 4202, 4219, 4242, or 4245 of ERISA.

ss.7.8. Negative Pledges. Except for Permitted Liens, no Borrower will pledge any of its assets to any Person other than to the Agent for the benefit of the Banks, nor will any Borrower grant any negative pledges on their assets to any Person other than hereunder.

ss.7.9. Pledges of Stock of the Sintel Group. So long as the Sintel Stock Pledge Agreement or any successor agreement has not been terminated pursuant to ss.11 hereof, Sintel will not pledge any of the capital stock of the Sintel Group to any Person other than to the Agent for the benefit of the Banks, nor will Sintel grant any negative pledges on the capital stock of the Sintel Group to any Person other than hereunder.

ss.7.10. Newly-Created Subsidiaries. No Borrower shall create a Subsidiary which is not a U.S. Subsidiary.

ss.8. FINANCIAL COVENANTS OF THE BORROWERS. The Borrowers agree that, so long as any Loan, Reimbursement Obligation or any Note is outstanding or the Banks have any obligation to make Loans or the Agent has any obligation to issue, extend or renew any Letters of Credit hereunder, they shall comply with the following covenants:

ss.8.1. Leverage Ratios. As of the end of any fiscal quarter of the Borrowers commencing with the fiscal quarter ending March 31, 1997, (a) the ratio of (i) Senior Debt to (ii) EBITDA for the period of four (4) consecutive fiscal quarters ending on such date shall not exceed 2.50:1, and (b) the ratio of (i) Funded Debt to (ii) EBITDA for the period of four (4) consecutive fiscal quarters ending on such date shall not exceed 3.00:1.

ss.8.2. Capital Expenditures. In any fiscal year, the Borrowers shall not make or commit to make Capital Expenditures in excess of two times the consolidated depreciation and amortization expenses of the Borrowers for such fiscal year.

ss.8.3. Interest Coverage Ratio. As of the end of any fiscal quarter of the Borrowers commencing with the fiscal quarter ending March 31, 1997, the ratio of (a) EBIT for the period of four (4) consecutive fiscal quarters ending on such date to (b) Consolidated Total Interest Expense for such period shall not be less than 4.00:1.

ss.8.4. Liquidity. As of the end of any fiscal quarter of the Borrowers commencing with the fiscal quarter ending March 31, 1997, (i) the ratio of (a) Qualified Accounts Receivable to (b) the sum of trade payables of the Borrowers shall not be less than 1.40:1, and (ii) the ratio of (a) Qualified Accounts Receivable to (b) Accounts Receivable shall not be less than 0.70:1.

ss.8.5. Profitable Operations. The Borrowers will not permit Consolidated Net Income to be less than \$0 for any two consecutive fiscal quarters.

ss.9. CLOSING CONDITIONS.

The obligations of the Banks to make the Loans and the Agent to issue Letters of Credit on the Closing Date and otherwise be bound by the terms of this Agreement shall be subject to the satisfaction of each of the following conditions precedent:

ss.9.1. Corporate Action. All corporate action necessary for the valid execution, delivery and performance by each Borrower and International Signatory of the Loan Documents shall have been duly and effectively taken, and evidence thereof satisfactory to the Agent shall have been provided to the Agent; provided, however, that Sintel shall have ninety (90) days after the Closing Date to effect this provision.

ss.9.2. Loan Documents, Etc. Each of the Loan Documents shall have been duly and properly authorized, executed and delivered by the respective parties thereto and shall be in full force and effect in a form satisfactory to the Banks; provided, however, that Sintel shall have ninety (90) days after the Closing Date to effect this provision.

ss.9.3. Certified Copies of Charter Documents. The Agent shall have received from each of the Borrowers and the International Signatories a copy, certified by a duly authorized officer of such Person to be true and complete on the date hereof, of each of (a) its charter or other incorporation documents (including certificates of merger and name changes) as in effect on such date of certification, and (b) its by-laws as in effect on such date; provided, however, that Sintel shall have ninety (90) days after the Closing Date to effect this provision.

ss.9.4. Incumbency Certificate. The Agent shall have received an incumbency certificate, dated as of the date hereof, signed by duly authorized officers giving the name and bearing a specimen signature of each individual who shall be

authorized: (a) to sign the Loan Documents on behalf of the Borrowers and the International Signatories; (b) to make Loan and Letter of Credit Requests; and (c) to give notices and to take other action on the Borrowers' and the International Signatories' behalf under the Loan Documents; provided, however, that Sintel shall have ninety (90) days after the Closing Date to effect this provision.

ss.9.5. Validity of Liens. Each of the Stock Pledge Agreements shall be effective to create in favor of the Agent a legal, valid and enforceable first security interest in and lien upon the Collateral, subject only to Permitted Liens. All filings, recordings, deliveries of instruments and other actions necessary or desirable in the opinion of the Agent to protect and preserve such security interests shall have been duly effected. The Agent shall have received evidence thereof in form and substance satisfactory to the Agent; provided, however, that the International Signatories shall have ninety (90) days after the Closing Date to effect this provision.

ss.9.6. UCC Search Results. The Agent shall have received the results of UCC searches with respect to the Borrowers indicating no liens other than Permitted Liens and otherwise in form and substance satisfactory to the Agent.

ss.9.7. Certificates of Insurance. The Agent shall have received (a) a certificate of insurance from an independent insurance broker dated as of the date hereof, or within fifteen (15) days prior thereto, identifying insurers, types of insurance, insurance limits, and policy terms, and otherwise describing the insurance coverage of the Borrowers and (b) copies of all policies evidencing such insurance (or certificates therefor signed by the insurer or an agent authorized to bind the insurer).

ss.9.8. Opinion of Counsel. The Banks shall have received favorable legal opinions from general counsel to the Borrowers, addressed to the Banks, dated as of the date hereof, in form and substance satisfactory to the Agent. Opinions satisfactory to the Agent regarding the Sintel Stock Pledge Agreement and the International Pledge Documents (defined therein) shall be received within ninety (90) days of the date hereof.

ss.9.9. Certificate of Financial Condition. The Agent shall have received a certificate from the CFO satisfactory to the Agent certifying that no material adverse change has occurred in the financial condition, results of operations, business, properties or prospects of the Borrowers, taken as a whole, since the date of the most recent financial statements and projections provided to the Banks.

ss.9.10. Initial Compliance Certificate. The Agent shall have received a Compliance Certificate regarding compliance with the covenants set forth in ss.8 hereof as of the Closing Date.

ss.9.11. Interim Balance Sheets and Income Statements. The Agent shall have received an unaudited consolidated balance sheet and statement of income of the Parent dated the Interim Balance Sheet Date, including reconciliations of (A) the Borrowers (excluding that portion of assets, liabilities, income and expenses of the Parent attributable to non-Borrowers) and (B) the non-Borrowers to the consolidated balance sheet and statement of income of the Parent, which balance sheet and statement of income shall be attached hereto as Schedule 9.11.

ss.9.12. Payoff Letters. The Banks shall have received payoff letters from Fleet Financial Corporation ("Fleet") with respect to the Fleet Credit Agreement and from First Union regarding its mortgages indicating the amount to be paid to such lenders on the Closing Date in order to fully discharge such obligations to the lenders and acknowledging that upon receipt of such funds each will forthwith execute and deliver to the Agent for filing all termination statements and take such other actions as may be necessary to discharge all mortgages and security interests in favor of such lender.

ss.10. CONDITIONS OF ALL LOANS.

The obligations of the Banks to make any Loan (including without limitation the obligation of the Agent to issue any Letter of Credit) on and subsequent to

the Closing Date is subject to the following conditions precedent:

ss.10.1. Representations True; No Event of Default. Each of the representations and warranties of the Borrowers contained in this Agreement or in any document or instrument delivered pursuant to or in connection with this Agreement shall be true as of the date as of which they were made and shall also be true at and as of the time of any Drawdown Date with the same effect as if made at and as of that time (except to the extent of changes resulting from transactions contemplated or permitted by this Agreement and changes occurring in the ordinary course of business which singly or in the aggregate are not materially adverse, or to the extent that such representations and warranties relate expressly to an earlier date) and no Default or Event of Default shall have occurred and be continuing.

ss.10.2. Performance; No Event of Default. The Borrowers shall have performed and complied with all terms and conditions herein required to be performed or complied with by them prior to or at the time of any Loan, and at the time of any Loan, there shall exist no Event of Default or condition which would result in an Event of Default upon consummation of such Loan (including without limitation any amounts to be drawn under a Letter of Credit). Each request by the Borrowers for a Loan (including without limitation each request for issuance of a Letter of Credit) subsequent to the first Loan shall constitute certification by the Borrowers that the conditions specified in ss.10.1 and 10.2 will be duly satisfied on the date of such Loan or Letter of Credit issuance.

ss.10.3. No Legal Impediment. No change shall have occurred in any law or regulations thereunder or interpretations thereof which in the reasonable opinion of the Banks would make it illegal for the Banks to make Loans hereunder.

ss.10.4. Governmental Regulation. The Banks shall have received such statements in substance and form reasonably satisfactory to the Banks as they shall require for the purpose of compliance with any applicable regulations of the Comptroller of the Currency or the Board of Governors of the Federal Reserve System.

ss.10.5. Proceedings and Documents. All proceedings in connection with the transactions contemplated by this Agreement and all documents incident thereto shall have been delivered to the Banks as of the date hereof in form and substance satisfactory to the Banks, including without limitation a Letter of Credit and Loan Request in the form attached hereto as Exhibit C, and the Banks shall have received all information and such counterpart originals or certified or other copies of such documents as the Banks may reasonably request.

ss.11. COLLATERAL SECURITY. The Obligations shall be secured by a perfected security interest (having, with respect to each category of Collateral, the respective rights and priorities set forth herein and in the Stock Pledge Agreements) in all of the Collateral, whether now owned or hereafter acquired, pursuant to the terms of the Stock Pledge Agreements. However, provided that no Default or Event of Default has occurred and is continuing, the Agent shall release the stock of Sintel and the Sintel Stock Pledge Agreement (or any successor agreement) shall terminate, if such release and termination is a required condition of refinancing the indebtedness of Sintel or its immediate parent (including, without limitation, refinancing existing indebtedness to Telefonica), provided that the Agent consents to the terms of such refinancing, which consent shall not be unreasonably withheld.

ss.12. EVENTS OF DEFAULT; ACCELERATION; TERMINATION OF COMMITMENT.

ss.12.1. Events of Default and Acceleration. If any of the following events ("Events of Default" or, if the giving of notice or the lapse of time or both is required, then, prior to such notice and/or lapse of time, "Defaults") shall occur:

(a) the Borrowers shall fail to pay any principal of the Loans or any Reimbursement Obligations when the same shall become due and payable, whether at the Maturity Date or any accelerated date of

maturity or at any other date fixed for payment;

(b) the Borrowers shall fail to pay any interest or fees or other amounts owing hereunder within five (5) Business Days after the same shall become due and payable whether at the Maturity Date or any accelerated date of maturity or at any other date fixed for payment;

(c) the Borrowers shall fail to comply with the covenants contained in ss.6.3, 6.5, 6.7, 6.9, 6.13, 6.14, 7 or 8 hereof;

(d) the Borrowers shall fail to comply with the covenants contained in ss.6.4 or 6.10 hereof and such failure shall be continuing for ten (10) days;

(e) the Borrowers shall fail to perform any term, covenant or agreement contained herein or in any of the other Loan Documents (other than those specified in subsections (a), (b), (c) and (d) above) within thirty (30) days after written notice of such failure has been given to the Borrowers by the Banks;

(f) any representation or warranty contained in this Agreement or in any document or instrument delivered pursuant to or in connection with this Agreement shall prove to have been false in any material respect upon the date when made or repeated;

(g) any Borrower shall fail to pay at maturity, or within any applicable period of grace, any and all obligations for Funded Debt (other than the Obligations) or any Guarantee with respect thereto in an aggregate amount greater than \$1,000,000, or fail to observe or perform any material term, covenant or agreement contained in any agreement by which it is bound, evidencing or securing borrowed money in an aggregate amount greater than \$1,000,000 for such period of time as would, or would have permitted (assuming the giving of appropriate notice if required) the holder or holders thereof or of any obligations issued thereunder to accelerate the maturity thereof;

(h) (i) any Borrower makes an assignment for the benefit of creditors, or admits in writing its inability to pay or generally fails to pay its debts as they mature or become due, or petitions or applies for the appointment of a trustee or other custodian, liquidator or receiver of any Borrower or of any substantial part of the assets of any Borrower or commences any case or other proceeding relating to any Borrower under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation or similar law of any jurisdiction, now or hereafter in effect, or takes any action to authorize or in furtherance of any of the foregoing (other than the dissolution of Subsidiaries with assets, liabilities and projected or anticipated revenues of less than (in each such case) \$100,000); or (ii) any such petition or application is filed or any such case or other proceeding is commenced against any Borrower and or any Borrower indicates its approval thereof, consent thereto or acquiescence therein;

(i) a decree or order is entered appointing any such trustee, custodian, liquidator or receiver or adjudicating any Borrower bankrupt or insolvent, or approving a petition in any such case or other proceeding, or a decree or order for relief is entered in respect of any Borrower in an involuntary case under federal bankruptcy laws as now or hereafter constituted, and such decree or order remains in effect for more than sixty (60) days, whether or not consecutive;

(j) there shall remain in force, undischarged, unsatisfied and unstayed, for more than thirty (30) days, whether or not consecutive, any final judgment against any Borrower which, with other outstanding final judgments against any Borrower, exceeds in the aggregate \$1,000,000 after taking into account any undisputed insurance coverage;

(k) any Borrower or any ERISA Affiliate incurs any liability

to the PBGC or a Guaranteed Pension Plan pursuant to Title IV of ERISA in an aggregate amount exceeding \$1,000,000; any Borrower or any ERISA Affiliate is assessed withdrawal liability pursuant to Title IV of ERISA by a Multiemployer Plan requiring aggregate annual payments exceeding \$1,000,000, or any of the following occurs with respect to a Guaranteed Pension Plan: (i) an ERISA Reportable Event, or a failure to make a required installment or other payment (within the meaning of ss.302(f)(1) of ERISA), provided the Agent determines in its reasonable discretion that such event (A) could be expected to result in liability of such Borrower to the PBGC or the Plan in an aggregate amount exceeding \$1,000,000 and (B) could constitute grounds for the termination of such Plan by the PBGC, for the appointment by the appropriate United States District Court of a trustee to administer such Plan or for the imposition of a lien in favor of the Guaranteed Pension Plan; (ii) the appointment by a United States District Court of a trustee to administer such Plan; or (iii) the institution by the PBGC of proceedings to terminate such Plan;

(l) any of the Loan Documents shall be cancelled, terminated, revoked or rescinded otherwise than in accordance with the terms thereof or with the express prior written agreement, consent or approval of the Banks, or any action at law, suit or in equity or other legal proceeding to cancel, revoke or rescind any of the Loan Documents shall be commenced by or on behalf of the Borrowers or any of their respective stockholders, or any court or any other governmental or regulatory authority or agency of competent jurisdiction shall make a determination that, or issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable in accordance with the terms thereof; or

(m) (i) any person or group of persons (within the meaning of Section 13 or 14 of the Securities Exchange Act of 1934, as amended) shall have acquired beneficial ownership (within the meaning of Rule 13d-3 promulgated by the Securities and Exchange Commission under said Act) of 20% or more of the outstanding shares of common stock of the Parent, or (ii) members of the Jorge L. Mas family cease to own 30% or more of the common stock of the Parent; or (iii) during any period of twelve consecutive calendar months, individuals who were directors of the Parent on the first day of such period shall cease to constitute a majority of the Board of Directors of the Parent unless the replacement directors were nominated by the original directors;

then, and in any such event, so long as the same may be continuing, the Agent may and, upon the request of the Banks, shall, by notice in writing to the Borrowers, declare all amounts owing with respect to this Agreement, the Notes and the other Loan Documents and all Reimbursement Obligations to be, and they shall thereupon forthwith become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrowers; provided that, in the event of any Bankruptcy Event, all such amounts shall become immediately due and payable automatically and without any requirement of notice from the Agent or any Bank. Upon demand by the Banks after the occurrence of any Event of Default, the Borrowers shall immediately provide to the Agent cash in an amount equal to the aggregate Maximum Drawing Amount of all Letters of Credit and Reimbursement Obligations outstanding, to be held by the Agent as collateral security for the Obligations.

ss.12.2. Termination of Commitments. If any Event of Default shall occur, any unused portion of the Total Commitment hereunder shall forthwith terminate and the Banks shall be relieved of all further obligations to make Loans to the Borrowers and the Agent shall be relieved of all further obligations to issue Letters of Credit; or if on any Drawdown Date the conditions precedent to the making of the Loans to be made on such Drawdown Date or the issuance of any Letters of Credit to be issued on such date are not satisfied (except as a consequence of a default on the part of the Banks), the Banks may by notice to the Borrowers, terminate the unused portion of the Total Commitment hereunder, and upon such Notice being given, such unused portion of the Total Commitment hereunder shall terminate immediately and the Banks shall be relieved of all

further obligations to make Loans to the Borrowers and the Agent shall be relieved of all further obligations to issue, extend or renew Letters of Credit. No termination of any portion of the Total Commitment hereunder shall relieve the Borrowers of any of the Obligations.

ss.12.3. Remedies. Subject to ss.14.8, in case any one or more of the Events of Default shall have occurred and be continuing, and whether or not the Banks shall have accelerated the maturity of the Loans pursuant to ss.12.1, each Bank, if owed any amount with respect to the Loans or the Reimbursement Obligations, may, with the consent of the Majority Banks but not otherwise, proceed to protect and enforce its rights by suit in equity, action at law or other appropriate proceeding, whether for the specific performance of any covenant or agreement contained in this Agreement and the other Loan Documents or any instrument pursuant to which the Obligations to such Bank are evidenced, including, without limitation, as permitted by applicable law the obtaining of the ex parte appointment of a receiver, and, if such amount shall have become due, by declaration or otherwise, proceed to enforce the payment thereof or any legal or equitable right of such Bank. No remedy herein conferred upon any Bank or the Agent or the holder of any Note or purchaser of any Letter of Credit Participation is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of law.

ss.13. SETOFF. Regardless of the adequacy of any collateral, during the continuance of an Event of Default, any deposits or other sums credited by or due from any Bank to the Borrowers and any securities or other property of the Borrowers in the possession of such Bank may be applied to or set off against the payment of the Obligations and any and all other liabilities, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, of the Borrowers to the Banks. Such Bank shall notify the Parent and the other Banks of such application or setoff. The Banks agree among themselves that, if a Bank shall obtain payment on any Obligations outstanding under this Agreement through the exercise of a right of offset, banker's lien or counterclaim, or from any other source (other than by way of a pro rata payment), it shall promptly notify the Agent thereof and make such adjustments with the other Banks as shall be equitable to the end that all the Banks shall share the benefits of such payments pro rata in accordance with the aggregate unpaid amount of the Notes held by each Bank immediately prior to the payment obtained by such Bank as aforesaid. The Banks further agree among themselves that if any payment to a Bank obtained by such Bank through the exercise of a right of offset, banker's lien or counterclaim, or from any other source (other than by way of a pro rata payment) as aforesaid shall be rescinded or must otherwise be restored, the Banks who shall have shared the benefit of such payment shall return their share of that benefit to the Bank whose payment shall have been rescinded or otherwise restored.

ss.14. THE AGENT.

ss.14.1. Appointment of Agent, Powers and Immunities. Each Bank hereby irrevocably appoints and authorizes the Agent to act as its agent hereunder and under the other Loan Documents, provided, however, the Agent is hereby authorized to serve only as an administrative and collateral agent for the Banks and to exercise such powers as are reasonably incidental thereto and as are set forth in this Agreement and the other Loan Documents. The Agent hereby acknowledges that it does not have the authority to negotiate any agreement which would bind the Banks or agree to any amendment, waiver or modification of any of the Loan Documents or bind the Banks except as set forth in this Agreement or the Loan Documents. Except as provided herein and in the other Loan Documents, the Agent shall take action or refrain from acting only upon instructions of the Banks and no action taken or failure to act without the consent of the Banks shall be binding on any Bank which has not consented. Each Bank irrevocably authorizes the Agent to execute the Stock Pledge Agreements and all other instruments relating thereto and to take such action on behalf of each of the Banks and to exercise all such powers as are expressly delegated to the Agent under the Loan Documents and all related documents, together with such other powers as are reasonably incidental thereto. It is agreed that the duties, rights, privileges and immunities of the Agent, in its capacity as issuer of

Letters of Credit hereunder, shall be identical to its duties, rights, privileges and immunities as a Bank as provided in this ss.14. The Agent shall not have any duties, obligations or responsibilities, or any fiduciary relationship with any Bank, except those expressly set forth in this Agreement and the other Loan Documents. Without limiting the generality of the foregoing, the Agent shall not be required to take any action with respect to any Default or Event of Default, except as expressly provided in ss.12. Neither the Agent nor any of its affiliates shall be responsible to the Banks for any recitals, statements, representations or warranties made by the Borrowers or any other Person whether contained herein or otherwise or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement, the other Loan Documents or any other document referred to or provided for herein or therein or for any failure by the Borrowers or any other Person to perform its obligations hereunder or thereunder or in respect of the Notes. The Agent may employ agents and attorneys-in-fact and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. Neither the Agent nor any of its directors, officers, employees or agents shall be responsible for any action taken or omitted to be taken in good faith by it or them hereunder or in connection herewith, except for its or their own gross negligence or willful misconduct. The Agent in its separate capacity as a Bank shall have the same rights and powers hereunder as any other Bank.

ss.14.2. Actions By Agent. The Agent shall be fully justified in failing or refusing to take any action under this Agreement as it reasonably deems appropriate unless it shall first have received such advice or concurrence of the Banks and shall be indemnified to its reasonable satisfaction by the Banks 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 Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any of the Loan Documents in accordance with a request of the Banks, and such request and any action taken or failure to act pursuant thereto shall be binding upon the Banks and all future holders of the Notes or any Letter of Credit Participation.

ss.14.3. INDEMNIFICATION. WITHOUT LIMITING THE OBLIGATIONS OF THE BORROWERS HEREUNDER OR UNDER ANY OTHER LOAN DOCUMENTS, THE BANKS AGREE TO INDEMNIFY THE AGENT, RATABLY IN ACCORDANCE WITH THEIR RESPECTIVE COMMITMENT PERCENTAGES, FOR ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES OR DISBURSEMENTS OF ANY KIND OR NATURE WHATSOEVER (OTHER THAN LOSSES WITH RESPECT TO THE AGENT'S PRO RATA SHARE OF THE OBLIGATIONS) WHICH HAVE NOT BEEN REIMBURSED BY THE BORROWERS AND WHICH MAY AT ANY TIME BE IMPOSED ON, INCURRED BY OR ASSERTED AGAINST THE AGENT IN ANY WAY RELATING TO OR ARISING OUT OF THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR ANY DOCUMENTS CONTEMPLATED BY OR REFERRED TO HEREIN OR THEREIN OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY OR THE ENFORCEMENT OF ANY OF THE TERMS HEREOF OR THEREOF OR OF ANY SUCH OTHER DOCUMENTS; PROVIDED, THAT NO BANK SHALL BE LIABLE FOR ANY OF THE FOREGOING TO THE EXTENT THEY ARISE FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE AGENT (OR ANY AGENT THEREOF), IT BEING THE INTENT OF THE PARTIES HERETO THAT ALL SUCH INDEMNIFIED PARTIES SHALL BE INDEMNIFIED FOR THEIR ORDINARY SOLE OR CONTRIBUTORY NEGLIGENCE.

ss.14.4. Reimbursement. Without limiting the provisions of ss.14.3, the Banks and the Agent hereby agree that the Agent shall not be obliged to make available to any Person any sum which the Agent is expecting to receive for the account of that Person until the Agent has determined that it has received that sum. The Agent may, however, disburse funds prior to determining that the sums which the Agent expects to receive have been finally and unconditionally paid to the Agent, if the Agent wishes to do so. If and to the extent that the Agent does disburse funds and it later becomes apparent that the Agent did not then receive a payment in an amount equal to the sum paid out, then any Person to whom the Agent made the funds available shall, on demand from the Agent, refund to the Agent the sum paid to that Person. If, in the opinion of the Agent, the distribution of any amount received by it in such capacity hereunder or under the Loan Documents might involve it in liability, it may refrain from making distribution until its right to make distribution shall have been adjudicated by a court of competent jurisdiction. If a court of competent jurisdiction shall adjudge that any amount received and distributed by the Agent is to be repaid,

each Person to whom any such distribution shall have been made shall either repay to the Agent its proportionate share of the amount so adjudged to be repaid or shall pay over the same in such manner and to such Persons as shall be determined by such court.

ss.14.5. Documents. The Agent will forward to each Bank, promptly after the Agent's receipt thereof, a copy of each notice or other document furnished to the Agent for such Bank hereunder; provided, however, that, notwithstanding the foregoing, the Agent may furnish to the Banks a monthly summary with respect to Letters of Credit issued hereunder in lieu of copies of the related Letter of Credit Applications.

ss.14.6. Non-Reliance on Agent and Other Banks. Each Bank represents that it has, independently and without reliance on the Agent or any other Bank, and based on such documents and information as it has deemed appropriate, made its own appraisal of the financial condition and affairs of the Borrowers and decision to enter into this Agreement and the other Loan Documents and agrees that it will, independently and without reliance upon the Agent or any other Bank, and based on such documents and information as it shall deem appropriate at the time, continue to make its own appraisals and decisions in taking or not taking action under this Agreement or any other Loan Document. The Agent shall not be required to keep informed as to the performance or observance by the Borrowers of this Agreement, the other Loan Documents or any other document referred to or provided for herein or therein or by any other Person of any other agreement or to make inquiry of, or to inspect the properties or books of, any Person. Except for notices, reports and other documents and information expressly required to be furnished to the Banks by the Agent hereunder, the Agent shall not have any duty or responsibility to provide any Bank with any credit or other information concerning any person which may come into the possession of the Agent or any of its affiliates. Each Bank shall have access to all documents relating to the Agent's performance of its duties hereunder at such Bank's request. Unless any Bank shall promptly object to any action taken by the Agent hereunder (other than actions to which the provisions of ss.14.8 are applicable and other than actions which constitute gross negligence or willful misconduct by the Agent), such Bank shall conclusively be presumed to have approved the same.

ss.14.7. Resignation of Agent. The Agent may resign at any time by giving 60 days' prior written notice thereof to the Banks and the Borrowers. Upon any such resignation, the Banks shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Banks and shall have accepted such appointment within 30 days after the retiring Agent's giving of notice of resignation, then the retiring Agent may, on behalf of the Banks, appoint a successor Agent, which shall be a financial institution having a combined capital and surplus in excess of \$150,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations hereunder. After any retiring Agent's resignation, the provisions of this Agreement shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Agent. Any new Agent appointed pursuant to this ss.14.7 shall immediately issue new Letters of Credit in place of Letters of Credit previously issued by the Agent.

ss.14.8. Action by the Banks, Consents, Amendments, Waivers, Etc. Except as otherwise expressly provided in this ss.14.8, any action to be taken (including the giving of notice) may be taken or any consent or approval required or permitted by the Agreement or any other Loan Document to be given by the Banks may be given, and any term of this Agreement, any other Loan Document or any other instrument, document or agreement related to this Agreement or the other Loan Documents or mentioned therein may be amended and the performance or observance by the Borrowers or any other person of any of the terms thereof and any Default or Event of Default (as defined in any of the above-referenced documents or instruments) may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Majority Banks; provided, however, that no such consent or amendment which affects the rights, duties or liabilities of the Agent (in its

capacity as Agent) shall be effective without the written consent of the Agent. Notwithstanding the foregoing, no amendment, waiver or consent shall do any of the following unless in writing and signed by ALL of the Banks: (a) increase the principal amount of the Total Commitment (or subject the Banks to any additional obligations), (b) reduce the principal of or interest on the Notes (including, without limitation, interest on overdue amounts) or any fees or other amounts payable hereunder, (c) postpone any date fixed for any payment in respect of principal or interest or Reimbursement Obligations (including, without limitation, interest on overdue amounts) on the Notes, or any fees or other amounts payable hereunder; (d) extend the expiration date of any Letter of Credit beyond the Maturity Date, (e) change the definition of "Majority Banks" or number of Banks which shall be required for the Banks or any of them to take any action under the Loan Documents; (f) amend this ss.14.8; (g) change the Commitment Percentage of any Bank, except as permitted under ss.17 hereof; or (h) except as otherwise permitted in ss.11 hereof, release any Collateral.

ss.15. EXPENSES.

The Borrowers agree to pay (a) any taxes (including any interest and penalties in respect thereto) payable by the Agent or any of the Banks (other than Income Taxes) on or with respect to the transactions contemplated by this Agreement (the Borrowers hereby agreeing to indemnify the Agent and each Bank with respect thereto), (b) the reasonable fees, expenses and disbursements of the Agent's Special Counsel or any local counsel to the Agent incurred in connection with the preparation, administration or interpretation of the Loan Documents and other instruments mentioned herein, each closing hereunder, and amendments, modifications, approvals, consents or waivers hereto or hereunder, (c) the fees, expenses and disbursements of the Agent incurred by the Agent in connection with the preparation, administration or interpretation of the Loan Documents and other instruments mentioned herein, including all credit examination fees, (d) all reasonable out-of-pocket expenses (including without limitation reasonable attorneys' fees and costs, which attorneys may be employees of any Bank or the Agent, and reasonable consulting, accounting, appraisal, investment banking and similar professional fees and charges) incurred by any Bank or the Agent in connection with (i) the enforcement of or preservation of rights under any of the Loan Documents against the Borrowers or the administration thereof after the occurrence of a Default or Event of Default and (ii) any litigation, proceeding or dispute whether arising hereunder or otherwise, in any way related to any Bank's or the Agent's relationship with the Borrowers. In addition, the Borrowers agree to pay and save the Agent and the Banks harmless against any liability for payment of any state documentary stamp taxes, intangible taxes or similar taxes (including interest or penalties, if any) which may now or hereafter be determined to be payable in respect to the execution, delivery or recording of any Loan Document or the funding of any Loan, whether originally thought to be due or not, and regardless of any mistake of fact or law on the part of the Agent, the Banks or the Borrowers with respect to the applicability of such tax. The covenants of this ss.15 shall survive payment or satisfaction of all other Obligations.

ss.16. SURVIVAL OF COVENANTS, ETC. Unless otherwise stated herein, all covenants, agreements, representations and warranties made herein, in the other Loan Documents or in any documents or other papers delivered by or on behalf of the Borrowers pursuant hereto shall be deemed to have been relied upon by the Banks and the Agent, notwithstanding any investigation heretofore or hereafter made by any of them, and shall survive the making of the Loans and the issuance, extension or renewal of any Letters of Credit, as herein contemplated, and shall continue in full force and effect so long as any amount due under this Agreement, any Letter of Credit or the Notes remains outstanding and unpaid or any Bank has any obligation to make any Loans or the Agent has any obligation to issue any Letters of Credit hereunder. All statements contained in any certificate or other paper delivered by or on behalf of the Borrowers pursuant hereto or in connection with the transactions contemplated hereby shall

constitute representations and warranties by the Borrowers hereunder.

ss.17. ASSIGNMENT AND PARTICIPATION. It is understood and agreed that each Bank shall have the right to assign at any time all or a portion of its Commitment Percentage and interests in the risk relating to the Loans, outstanding Letters of Credit, and its Commitment hereunder in an amount equal to or greater than \$5,000,000 (which assignment shall be of an equal percentage of the Commitment, the Loans and outstanding Letters of Credit unless otherwise agreed to by the Agent) to additional banks or other financial institutions with the prior written approval of the Agent and, so long as no Default or Event of Default has occurred and is continuing, the Borrowers, which approvals shall not be unreasonably withheld. Any Bank may at any time, and from time to time, assign to any branch, lending office, or affiliate of such Bank all or any part of its rights and obligations under the Loan Documents by notice to the Agent and the Borrowers. It is further agreed that each bank or other financial institution which executes and delivers to the Agent and the Borrowers hereunder an Assignment and Acceptance substantially in the form of Exhibit E hereto together with an assignment fee in the amount of \$3,500 payable by the assigning Bank to the Agent, shall, on the date specified in such Assignment and Acceptance, become a party to this Agreement and the other Loan Documents for all purposes of this Agreement and the other Loan Documents, and its portion of the Commitment, the Loans and Letters of Credit shall be as set forth in such Assignment and Acceptance. The Bank assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights and be released from its obligations under this Agreement. Upon the execution and delivery of such Assignment and Acceptance, (a) the Borrowers shall issue to the bank or other financial institution a Note in the amount of such bank's or other financial institution's Commitment dated the date of the assignment or such other date as may be specified by the Agent and otherwise completed in substantially the form of Exhibit A and to the extent any assigning Bank has retained a portion of its obligations hereunder, an appropriate replacement Note to the assigning Bank reflecting its assignment; (b) the Agent shall distribute to the Borrowers, the Banks and such bank or financial institution a schedule reflecting such changes; and (c) this Agreement shall be appropriately amended to reflect (i) the status of the bank or financial institution as a party hereto and (ii) the status and rights of the Banks hereunder.

Each Bank shall also have the right to grant participations to one or more banks or other financial institutions in its Commitment, the Loans and outstanding Letters of Credit. The documents evidencing any such participation shall limit such participating bank or financial institutions voting rights with respect to this Agreement to the matters set forth in ss.14.8 which require the vote of all Banks.

Notwithstanding the foregoing, no assignment or participation shall operate to increase the Total Commitment hereunder or otherwise alter the substantive terms of this Agreement. Without the prior consent of the Agent and the Borrowers, no Bank which retains a Commitment hereunder shall have a Commitment of less than \$5,000,000, as such amount may be reduced upon reductions in the Total Commitment pursuant to ss.2.2 hereof.

Anything contained in this ss.17 to the contrary notwithstanding, any Bank may at any time pledge all or any portion of its interest and rights under this Agreement (including all or any portion of its Notes) to any of the twelve Federal Reserve Lenders organized under ss.4 of the Federal Reserve Act, 12 U.S.C. ss.341. No such pledge or the enforcement thereof shall release the pledgor Lender from its obligations hereunder or under any of the other Loan Documents.

ss.18. PARTIES IN INTEREST. All the terms of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto and thereto; provided that no Borrower shall assign or transfer its rights hereunder without the prior written consent of the Banks.

ss.19. NOTICES, ETC.

ss.19.1. Notices. Except as otherwise expressly provided in this Agreement, all notices and other communications made or required to be given pursuant to this Agreement or the other Loan Documents shall be in writing and shall be delivered in hand, mailed by United States first-class mail, postage prepaid, or sent by telecopier and confirmed by letter, addressed as follows:

(a) if to the Borrowers, at 3155 N.W. 77th Avenue, Miami, Florida 33122-1205, Attention: Edwin D. Johnson; Senior Vice President & Chief Financial Officer, telecopy number (305) 406-1908, with a copy to the Legal Department of the Borrowers at the same address, telecopy number (305) 406-1907;

(b) if to the Agent or BKB, at 100 Federal Street, Boston, Massachusetts 02110, Attention: Arthur Oberheim, Vice President, telecopy number 617-434-2160;

or such other address for notice as shall have last been furnished in writing to the Person giving the notice.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (a) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (b) if sent by registered or certified first-class mail, postage prepaid, five Business Days after the posting thereof, and (c) if sent by telecopier, at the time of the dispatch thereof with answer-back confirmation, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following Business Day.

ss.19.2. Deemed Notice. Except for notice of the occurrence of any Default or Event of Default required pursuant to ss.6.14 hereof, the Agent and the Banks shall be deemed to have received notice of any matter disclosed in the filings of the Parent with the United States Securities and Exchange Commission at the time such filing are delivered to the Banks.

ss.20. MISCELLANEOUS. The rights and remedies herein expressed are cumulative and not exclusive of any other rights which the Banks or Agent would otherwise have. The captions in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof. This Agreement and any amendment hereof may be executed in several counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be an original, but all of which together shall constitute one instrument. In proving this Agreement it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom enforcement is sought.

ss.21. ENTIRE AGREEMENT, ETC. The Loan Documents and any other documents executed in connection herewith or therewith express the entire understanding of the parties with respect to the transactions contemplated hereby. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated, except as provided in ss.14.8. No waiver shall extend to or affect any obligation not expressly waived or impair any right consequent thereon. No course of dealing or omission on the part of the Agent or any Bank in exercising any right shall operate as a waiver thereof or otherwise be prejudicial thereto. No notice to or demand upon the Borrowers shall entitle the Borrowers to other or further notice or demand in similar or other circumstances.

ss.22. WAIVER OF JURY TRIAL. EACH OF THE BORROWERS HEREBY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE NOTES OR ANY OF THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. EXCEPT AS PROHIBITED BY LAW, EACH BORROWER HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER IN ANY LITIGATION REFERRED TO IN THE PRECEDING SENTENCE ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. THE BORROWERS (a) CERTIFY THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY BANK OR THE AGENT HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH BANK OR THE AGENT WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVERS AND (b) ACKNOWLEDGE THAT THE AGENT AND THE BANKS HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS TO WHICH IT IS A PARTY BECAUSE OF, AMONG OTHER THINGS, THE BORROWERS' WAIVERS AND CERTIFICATIONS CONTAINED HEREIN.

ss.23. GOVERNING LAW. THIS AGREEMENT AND EACH OF THE OTHER LOAN DOCUMENTS (OTHER THAN THE INTERNATIONAL PLEDGE DOCUMENTS DEFINED IN THE SINTEL STOCK PLEDGE AGREEMENT) ARE CONTRACTS UNDER THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS AND SHALL FOR ALL PURPOSES BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF SAID COMMONWEALTH (EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW). THE BORROWERS CONSENT TO THE JURISDICTION OF ANY OF THE FEDERAL OR STATE COURTS LOCATED IN THE COMMONWEALTH OF MASSACHUSETTS IN CONNECTION WITH ANY SUIT TO ENFORCE THE RIGHTS OF ANY BANK OR THE AGENT UNDER THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS.

ss.24. SEVERABILITY. The provisions of this Agreement are severable and if any one clause or provision hereof shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement under seal as of the date first set forth above.

THE BORROWERS:

MASTEC, INC.

By:_____
Title:_____

B & D CONTRACTORS OF SHELBY, INC.
BURNUP & SIMS OF TEXAS, INC.
BURNUP & SIMS OF THE CAROLINAS, INC.
HARRISON-WRIGHT CO., INC.
UTILITY PRECAST, INC.
BURNUP & SIMS TELCOM OF FLORIDA, INC.
BURNUP & SIMS TSI, INC.
CHURCH & TOWER ENVIRONMENTAL, INC.
CHURCH & TOWER FIBER TEL, INC.
CHURCH & TOWER, INC.
CHURCH & TOWER OF FLORIDA, INC.
CHURCH & TOWER OF TN, INC.
DESIGNED TRAFFIC INSTALLATION CO.
GDSI, INC.
KENNEDY CABLE CONSTRUCTION, INC.
LATLINK CORPORATION
LATLINK ARGENTINA, INC.
MASTEC COMTEC OF CALIFORNIA, INC.
MASTEC COMTEC OF THE CAROLINAS, INC.
MASTEC TECHNOLOGIES, INC.
MASTEC TELEPORT, INC.
R.D. MOODY & ASSOCIATES, INC.
R.D. MOODY AND ASSOCIATES, INC. OF VIRGINIA

SHANCO CORPORATION
UTILITY LINE MAINTENANCE, INC.

By: _____
Title: _____

THE BANKS:

CREDITANSTALT-BANKVEREIN

By: _____
Title: _____

By: _____
Title: _____

FIRST UNION NATIONAL BANK OF FLORIDA

By: _____
Title: _____

THE SUMITOMO BANK, LIMITED

By: _____
Title: _____

By: _____
Title: _____

SCOTIABANC INC.

By: _____
Title: _____

THE FUJI BANK AND TRUST COMPANY

By: _____
Title: _____

COMERICA BANK

By: _____
Title: _____

LTCB TRUST COMPANY

By: _____
Title: _____

BANKBOSTON, N.A.,
individually and as Agent

By: _____
Title: _____

Exhibit 10.7

SECOND AMENDMENT TO REVOLVING
CREDIT AGREEMENT

THIS SECOND AMENDMENT TO REVOLVING CREDIT AGREEMENT (this "Second Amendment") is made and entered into as of the 31st day of July, 1998, by and among MASTEC, INC., a Delaware corporation (the "Parent"), its Subsidiaries (other than Excluded Subsidiaries and members of the MasTec International Group) listed on Schedule 1 to the Credit Agreement defined below (together with the Parent, collectively the "Borrowers"), BANKBOSTON, N.A., CREDITANSTALT CORPORATE FINANCE, INC., FIRST UNION NATIONAL BANK OF FLORIDA, SCOTIABANC INC., THE FUJI BANK AND TRUST COMPANY, COMERICA BANK and LTCB TRUST COMPANY (collectively, the "Banks") and BANKBOSTON, N.A. as agent (the "Agent") for the Banks.

WHEREAS, the Borrowers, the Banks and the Agent entered into a Revolving Credit Agreement dated as of June 9, 1997, as amended by a First Amendment to Revolving Credit Agreement dated as of January 28, 1998 (as the same may be further amended and in effect from time to time the "Credit Agreement"), pursuant to which the Banks extended credit to the Borrowers on the terms set forth therein;

WHEREAS, the Parent has informed the Banks that G.J.S. Construction Company has merged into Shanco Corporation;

WHEREAS, the Parent has requested that the Banks consent to make effective the provisions of ss.7.3(e)(ii) of the Credit Agreement, and the Banks are willing to consent to make effective the provisions of ss.7.3(e)(ii) of the Credit Agreement on the terms set forth herein;

WHEREAS, the Parent has requested certain revisions to the Credit Agreement and the parties desire to amend the Credit Agreement on the terms set forth herein;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Credit Agreement as follows:

1. Definitions. Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Credit Agreement.

2. Addition of Creditanstalt Corporate Finance, Inc. Pursuant to that certain Assignment and Acceptance dated as of April 1, 1998, by and between Creditanstalt AG (f/k/a Creditanstalt-Bankverein) and Creditanstalt Corporate Finance, Inc. ("CCFI"), as of such date CCFI accepted and assumed the rights and obligations of a Bank under the Credit Agreement.

3. Amendment to ss.1 of the Credit Agreement. Effective as of July 9, 1998, ss.1 of the Credit Agreement is hereby amended by deleting the definition of "Commitment Percentage" in its entirety and substituting in place thereof the following new definition:

"Commitment Percentage. With respect to each Bank, the percentage set forth beside its name below (subject to adjustment upon any assignments pursuant to ss.17):

Bank	Percentage
BKB	21.6000%
First Union	20.0000%
Comerica	13.6000%
LTCB	13.6000%
Creditanstalt Corporate	

Finance, Inc.	10.4000%
Fuji	10.4000%
SBI	10.4000%".

4. Amendment to ss.7.3 of the Credit Agreement. Section 7.3 of the Credit Agreement is hereby amended by deleting clause (e)(ii) thereof in its entirety and substituting in place thereof the following new clause (e)(ii):

"(ii) (A) 50% of net cash proceeds received in connection with the issuance by the Parent of the Senior Subordinated Notes due February 1, 2008."

5. Amendment to ss.8.1 of the Credit Agreement. Section 8.1 of the Credit Agreement is hereby amended by deleting clause (b) thereof in its entirety and substituting in place thereof the following new clause (b):

"(b) the ratio of (i) Funded Debt to (ii) EBITDA for the period of four (4) consecutive fiscal quarters ending on such date shall not exceed the ratio set forth opposite such date below:

Date	Ratio
June 30, 1998	4.50:1
September 30, 1998	4.50:1
December 31, 1998	4.00:1
March 31, 1999	3.50:1
June 30, 1999	3.25:1
September 30, 1999 and thereafter	3.00:1

6. Amendment to ss.8.3 of the Credit Agreement. Section 8.3 of the Credit Agreement is hereby amended by deleting ss.8.3 in its entirety and substituting in place thereof the following new ss.8.3:

"ss.8.3 Interest Coverage Ratio. As of the end of any fiscal quarter of the Borrowers commencing with the fiscal quarter ending March 31, 1997, the ratio of (a) EBIT for the period of four (4) consecutive fiscal quarters ending on such date to (b) Consolidated Total Interest Expense for such period shall not be less than the ratio set forth opposite such date below:

Date	Ratio
June 30, 1998	3.50:1
September 30, 1998	2.50:1
December 31, 1998	2.50:1
March 31, 1999	2.75:1
June 30, 1999	3.00:1
September 30, 1999	3.25:1
December 31, 1999	3.50:1
Thereafter	4.00:1."

7. Amendment to ss.8.4 of the Credit Agreement. Section 8.4 of the Credit Agreement is hereby amended by deleting ss.8.4 in its entirety and substituting in place thereof the following new ss.8.4:

"ss.8.4 [This section intentionally omitted.]"

8. Amendment Fee. Each Bank which executed and delivered its signature pages by 5:00 p.m. July 31, 1998 by facsimile (to be followed by originals) shall receive from the Parent an amendment fee equal to 0.05% of such Bank's Commitment payable to such Bank for its own account.

9. Effectiveness. This Second Amendment shall be effective as of the date hereof, subject to the receipt by the Agent of this Second Amendment duly and properly authorized, executed and delivered by the respective parties hereto. This Second Amendment shall become effective upon satisfaction of each of the following conditions:

- (a) This Second Amendment shall have been executed and delivered by the respective parties hereto;
- (b) The Borrowers shall have executed and delivered an affidavit regarding the execution of the Second Amendment outside of the State of Florida; and
- (c) Shanco Corporation shall have delivered to the Agent copies of its certificate and/or plan of merger filed with its charter or other incorporation documents, certified by the Secretary of State of its jurisdictions of incorporation;

provided, however, that as of the Effective Date ss.2 of this Second Amendment shall be deemed to have been effective as of April 1, 1998 and ss.3 of this Second Amendment shall be deemed to have been effective as of July 9, 1998.

10. Representations and Warranties. Each of the Borrowers represents and warrants as follows:

(a) The execution, delivery and performance of each of this Second Amendment and the transactions contemplated hereby are within the corporate power and authority of such Borrower and have been or will be authorized by proper corporate proceedings, and do not (a) require any consent or approval of the stockholders of such Borrower, (b) contravene any provision of the charter documents or by-laws of such Borrower or any law, rule or regulation applicable to such Borrower, or (c) contravene any provision of, or constitute an event of default or event which, but for the requirement that time elapse or notice be given, or both, would constitute an event of default under, any other material agreement, instrument or undertaking binding on such Borrower.

(b) This Second Amendment and the Credit Agreement, as amended as of the date hereof, and all of the terms and provisions hereof and thereof are the legal, valid and binding obligations of such Borrower enforceable in accordance with their respective terms except as limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, and except as the remedy of specific performance or of injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

(c) The execution, delivery and performance of this Second Amendment and the transactions contemplated hereby do not require any approval or consent of, or filing or registration with, any governmental or other agency or authority, or any other party.

(d) The representations and warranties contained in ss.5 of the Credit Agreement are true and correct in all material respects as of the date hereof as though made on and as of the date hereof.

(e) No Default or Event of Default under the Credit Agreement has occurred and is continuing.

11. Ratification, etc. Except as expressly amended hereby, the Credit Agreement, the other Loan Documents and all documents, instruments and agreements related thereto are hereby ratified and confirmed in all respects and shall continue in full force and effect. This Second Amendment and the Credit Agreement shall hereafter be read and construed together as a single document, and all references in the Credit Agreement or any related agreement or instrument to the Credit Agreement shall hereafter refer to the Credit Agreement as amended by this Second Amendment.

12. GOVERNING LAW. THIS SECOND AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS AND SHALL TAKE EFFECT AS A SEALED INSTRUMENT IN ACCORDANCE WITH SUCH LAWS.

13. Counterparts. This Second Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, each of the undersigned have duly executed this Second Amendment under seal as of the date first set forth above.

The Borrowers:

MASTEC, INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUED ON NEXT PAGE]

B & D CONTRACTORS OF SHELBY, INC.
BURNUP & SIMS OF TEXAS, INC.
HARRISON-WRIGHT CO., INC.
UTILITY PRECAST, INC.
BURNUP & SIMS TELCOM OF FLORIDA, INC.
CHURCH & TOWER ENVIRONMENTAL, INC.
CHURCH & TOWER FIBER TEL, INC.
CHURCH & TOWER, INC.
CHURCH & TOWER OF FLORIDA, INC.
CHURCH & TOWER OF TN, INC.
DESIGNED TRAFFIC INSTALLATION CO.
GDSI, INC.
KENNEDY CABLE CONSTRUCTION, INC.
LATLINK CORPORATION
LATLINK ARGENTINA, INC.
MASTEC COMTEC OF CALIFORNIA, INC.
MASTEC COMTEC OF THE CAROLINAS, INC.
MASTEC TECHNOLOGIES, INC.
MASTEC TELEPORT, INC.
R.D. MOODY & ASSOCIATES, INC.

R.D. MOODY AND ASSOCIATES, INC. OF VIRGINIA
SHANCO CORPORATION
UTILITY LINE MAINTENANCE, INC.
AIDCO, INC.
AIDCO SYSTEMS, INC.
E. L. DALTON & COMPANY, INC.
NORTHLAND CONTRACTING, INC.
WILDE CONSTRUCTION, INC.
WILDE OPTICAL SERVICE, INC.
TELE-COMMUNICATIONS CORPORATION OF VIRGINIA
WILDE ACQUISITION CO., INC.
WILDE HOLDING CO., INC.
WEEKS CONSTRUCTION COMPANY
C & S DIRECTIONAL BORING, INC.
LESSARD-NYREN UTILITIES, INC.
LNU, INC.
S.S.S. CONSTRUCTION, INC.
CONTRACT MANAGEMENT AND ASSISTANCE CORP.
ELECTRONIC EQUIPMENT ANALYZERS, INC.

By: _____
Name:
Title:

The Banks:

CREDITANSTALT CORPORATE FINANCE, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

FIRST UNION NATIONAL BANK OF FLORIDA

By: _____
Name:
Title:

SCOTIABANC INC.

By: _____
Name:
Title:

THE FUJI BANK AND TRUST COMPANY

By: _____
Name:

Title:

COMERICA BANK

By: _____
Name:
Title:

LTCB TRUST COMPANY

By: _____
Name:
Title:

BANKBOSTON, N.A.,
individually and as Agent

By: _____
Name:
Title:

THIRD AMENDMENT TO REVOLVING
CREDIT AGREEMENT

THIS THIRD AMENDMENT TO REVOLVING CREDIT AGREEMENT (this "Third Amendment") is made and entered into as of the 11th day of September, 1998, by and among MASTEC, INC., a Delaware corporation (the "Parent"), its Subsidiaries (other than Excluded Subsidiaries and members of the MasTec International Group) listed on Schedule 1 to the Credit Agreement defined below (together with the Parent, collectively the "Borrowers"), BANKBOSTON, N.A., CREDITANSTALT CORPORATE FINANCE, INC., FIRST UNION NATIONAL BANK OF FLORIDA, SCOTIABANC INC., THE FUJI BANK AND TRUST COMPANY, COMERICA BANK and LTCB TRUST COMPANY (collectively, the "Banks") and BANKBOSTON, N.A. as agent (the "Agent") for the Banks.

WHEREAS, the Borrowers, the Banks and the Agent entered into a Revolving Credit Agreement dated as of June 9, 1997, as amended by a First Amendment to Revolving Credit Agreement dated as of January 28, 1998, and as further amended by a Second Amendment to Revolving Credit Agreement dated as of July 31st, 1998 (as the same may be further amended and in effect from time to time the "Credit Agreement"), pursuant to which the Banks extended credit to the Borrowers on the terms set forth therein;

WHEREAS, the Parent has requested certain revisions to the Credit Agreement and the parties desire to amend the Credit Agreement on the terms set forth herein;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Credit Agreement as follows:

1. Definitions. Capitalized terms used herein without definition

shall have the meanings assigned to such terms in the Credit Agreement.

2. Amendment of ss.1 of the Loan Agreement. Section 1 of the Credit Agreement is hereby amended by

(a) inserting the following definition in its proper alphabetical place:

"Equity Purchase Contract. Any agreement (including any master agreement and any agreement, whether or not in writing, relating to any single transaction) that is an equity derivative or equity index swap or option or other similar agreement (including any option to enter into any of the foregoing)."

and (b) deleting the definition of "Obligations" in its entirety and replacing it with the following new definition, inserted in its proper alphabetical place:

"Obligations. All indebtedness, obligations and liabilities of the Borrowers to any of the Banks or the Agent, individually or collectively, existing on the date of this Agreement or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under this Agreement or any of the other Loan Documents, or under any Equity Purchase Contract between the Borrowers and any Bank, or in respect of any of the Loans made or Reimbursement Obligations incurred or any of the Notes, Letter of Credit Applications, Letters of Credit or other instruments at any time evidencing any thereof."

3. Amendment to ss.7.6 of the Credit Agreement. Section 7.6 of the Credit Agreement is hereby amended by deleting ss.7.6 in its entirety and substituting in place thereof the following new ss.7.6:

"ss.7.6 Restricted Distributions and Redemptions. None of the Borrowers may make Distributions except as set forth in this ss.7.6. Each Borrower may make distributions payable solely in common stock or preferred stock of such Borrower, subject to the requirement to pledge all such stock pursuant to ss.5.19 hereof. Borrowers other than the Parent may declare or pay Distributions to the Parent. In addition, the Borrowers (other than the Parent) shall not redeem, convert, retire or otherwise acquire shares of any class of capital stock of such Borrowers. The Parent may declare or pay dividends and may redeem, convert, retire, or otherwise acquire shares of its capital stock (either directly or via an Equity Purchase Contract), provided that the aggregate amount of all such Distributions by the Parent shall not exceed (i) 50% of Consolidated Net Income in any one fiscal year, plus (ii) \$10,000,000 (which \$10,000,000 shall not be reduced by any losses in Consolidated Net Income). None of the Borrowers may make any Distribution under this ss.7.6 if a Default or Event of Default exists or would be created by the making of such Distribution. The Borrowers shall not effect or permit any change in or amendment to any document or instrument pertaining to the terms of the Borrowers' or the International Signatories' capital stock other than the amendment to the Parent's certificate of incorporation increasing the authorized amount of common stock and the par value of the common stock and the preferred stock."

4. Effectiveness. This Third Amendment shall be effective as of the date hereof, subject to the receipt by the Agent of this Third Amendment duly and properly authorized, executed and delivered by the respective parties hereto. This Third Amendment shall become effective upon satisfaction of each of the following conditions:

(a) This Third Amendment shall have been executed and delivered by the respective parties hereto; and

(b) The Borrowers shall have executed and delivered an affidavit regarding the execution of the Third Amendment outside of the State of Florida.

5. Representations and Warranties. Each of the Borrowers represents and warrants as follows:

(a) The execution, delivery and performance of each of this Third Amendment and the transactions contemplated hereby are within the corporate power and authority of such Borrower and have been or will be authorized by proper corporate proceedings, and do not (a) require any consent or approval of the stockholders of such Borrower, (b) contravene any provision of the charter documents or by-laws of such Borrower or any law, rule or regulation applicable to such Borrower, or (c) contravene any provision of, or constitute an event of default or event which, but for the requirement that time elapse or notice be given, or both, would constitute an event of default under, any other material agreement, instrument or undertaking binding on such Borrower.

(b) This Third Amendment and the Credit Agreement, as amended as of the date hereof, and all of the terms and provisions hereof and thereof are the legal, valid and binding obligations of such Borrower enforceable in accordance with their respective terms except as limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, and except as the remedy of specific performance or of injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

(c) The execution, delivery and performance of this Third Amendment and the transactions contemplated hereby do not require any approval or consent of, or filing or registration with, any governmental or other agency or authority, or any other party.

(d) The representations and warranties contained in ss.5 of the Credit Agreement are true and correct in all material respects as of the date hereof as though made on and as of the date hereof.

(e) No Default or Event of Default under the Credit Agreement has occurred and is continuing.

6. Ratification, etc. Except as expressly amended hereby, the Credit Agreement, the other Loan Documents and all documents, instruments and agreements related thereto are hereby ratified and confirmed in all respects and shall continue in full force and effect. This Third Amendment and the Credit Agreement shall hereafter be read and construed together as a single document, and all references in the Credit Agreement or any related agreement or instrument to the Credit Agreement shall hereafter refer to the Credit Agreement as amended by this Third Amendment.

7. GOVERNING LAW. THIS THIRD AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS AND SHALL TAKE EFFECT AS A SEALED INSTRUMENT IN ACCORDANCE WITH SUCH LAWS.

8. Counterparts. This Third Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, each of the undersigned have duly executed this Third Amendment under seal as of the date first set forth above.

The Borrowers:

MASTEC, INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUED ON NEXT PAGE]

B & D CONTRACTORS OF SHELBY, INC.
BURNUP & SIMS OF TEXAS, INC.
HARRISON-WRIGHT CO., INC.
UTILITY PRECAST, INC.
BURNUP & SIMS TELCOM OF FLORIDA, INC.
CHURCH & TOWER ENVIRONMENTAL, INC.
CHURCH & TOWER FIBER TEL, INC.
CHURCH & TOWER, INC.
CHURCH & TOWER OF FLORIDA, INC.
CHURCH & TOWER OF TN, INC.
DESIGNED TRAFFIC INSTALLATION CO.
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KENNEDY CABLE CONSTRUCTION, INC.
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AIDCO SYSTEMS, INC.
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NORTHLAND CONTRACTING, INC.
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WILDE OPTICAL SERVICE, INC.
TELE-COMMUNICATIONS CORPORATION OF VIRGINIA
WILDE ACQUISITION CO., INC.
WILDE HOLDING CO., INC.
WEEKS CONSTRUCTION COMPANY
C & S DIRECTIONAL BORING, INC.
LESSARD-NYREN UTILITIES, INC.
LNU, INC.
S.S.S. CONSTRUCTION, INC.
CONTRACT MANAGEMENT AND ASSISTANCE CORP.
ELECTRONIC EQUIPMENT ANALYZERS, INC.

By: _____
Name:
Title:

The Banks:

CREDITANSTALT CORPORATE FINANCE, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

FIRST UNION NATIONAL BANK OF FLORIDA

By: _____
Name:
Title:

SCOTIABANC INC.

By: _____
Name:
Title:

THE FUJI BANK AND TRUST COMPANY

By: _____
Name:
Title:

COMERICA BANK

By: _____
Name:
Title:

LTCB TRUST COMPANY

By: _____
Name:
Title:

BANKBOSTON, N.A.,
individually and as Agent

By: _____
Name:

Title:

FOURTH AMENDMENT TO REVOLVING
CREDIT AGREEMENT

THIS FOURTH AMENDMENT TO REVOLVING CREDIT AGREEMENT (this "Fourth Amendment") is made and entered into as of the 25th day of September, 1998, by and among MASTEC, INC., a Delaware corporation (the "Parent"), its Subsidiaries (other than Excluded Subsidiaries and members of the MasTec International Group) listed on Schedule 1 to the Credit Agreement defined below (together with the Parent, collectively the "Borrowers"), BANKBOSTON, N.A., CREDITANSTALT CORPORATE FINANCE, INC., FIRST UNION NATIONAL BANK OF FLORIDA, SCOTIABANC INC., THE FUJI BANK AND TRUST COMPANY, COMERICA BANK and LTCB TRUST COMPANY (collectively, the "Banks") and BANKBOSTON, N.A. as agent (the "Agent") for the Banks.

WHEREAS, the Borrowers, the Banks and the Agent entered into a Revolving Credit Agreement dated as of June 9, 1997, as amended by a First Amendment to Revolving Credit Agreement dated as of January 28, 1998, as further amended by a Second Amendment to Revolving Credit Agreement dated as of July 31, 1998, and as further amended by a Third Amendment to Revolving Credit Agreement dated as of September 11, 1998 (as the same may be further amended and in effect from time to time the "Credit Agreement"), pursuant to which the Banks extended credit to the Borrowers on the terms set forth therein;

WHEREAS, the Parent has requested certain revisions to the Credit Agreement and the parties desire to amend the Credit Agreement on the terms set forth herein;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Credit Agreement as follows:

1. Definitions. Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Credit Agreement.

2. Amendment of ss.1 of the Loan Agreement. Section 1 of the Credit Agreement is hereby amended by

(a) inserting the following definition in its proper alphabetical place:

"Approval Date. The date on which all of the Banks agree to the pricing change for documentary Letters of Credit."

and (b) deleting the definitions of "Letters of Credit" and "Pricing Table" in their entirety and replacing them with the following new definitions, inserted in proper alphabetical order:

"Letters of Credit. Documentary or standby Letters of Credit issued or to be issued by the Agent under ss.3 hereof for the account of the Borrowers."

"Pricing Table:

Pricing Ratio	Applicable LIBOR Margin (per annum)	Applicable L/C Margin (per annum)	Applicable Commitment Rate (per annum)
less than 1.00:1	0.75%	0.75%	0.250%
greater than or equal to 1.00:1, but less than 1.50:1			

	1.00%	1.00%	0.250%
greater than or equal to 1.50:1, but less than 2.00:1			
	1.25%	1.25%	0.375%
greater than or equal to 2.00:1			
	1.50%	1.50%	0.375%

provided that prior to the Approval Date, the Applicable L/C Margin for documentary Letters of Credit shall be as set forth in the table above, and that on and after the Approval Date, the Applicable L/C Margin for documentary Letters of Credit shall be priced at the Applicable L/C Margin set forth in the table above multiplied by 0.5."

3. Amendment to ss.3.1 of the Credit Agreement. Section 3.1 of the Credit Agreement is hereby amended by deleting the figure "\$10,000,000" in clause (a) and substituting in place thereof the figure "\$20,000,000".

4. Effectiveness. This Fourth Amendment shall be effective as of the date hereof, subject to the receipt by the Agent of this Fourth Amendment duly and properly authorized, executed and delivered by the Majority Banks and the Borrowers, whereas the pricing change for documentary Letters of Credit shall only be effective upon the approval of all of the Banks.

5. Representations and Warranties. Each of the Borrowers represents and warrants as follows:

(a) The execution, delivery and performance of each of this Fourth Amendment and the transactions contemplated hereby are within the corporate power and authority of such Borrower and have been or will be authorized by proper corporate proceedings, and do not (a) require any consent or approval of the stockholders of such Borrower, (b) contravene any provision of the charter documents or by-laws of such Borrower or any law, rule or regulation applicable to such Borrower, or (c) contravene any provision of, or constitute an event of default or event which, but for the requirement that time elapse or notice be given, or both, would constitute an event of default under, any other material agreement, instrument or undertaking binding on such Borrower.

(b) This Fourth Amendment and the Credit Agreement, as amended as of the date hereof, and all of the terms and provisions hereof and thereof are the legal, valid and binding obligations of such Borrower enforceable in accordance with their respective terms except as limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally, and except as the remedy of specific performance or of injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

(c) The execution, delivery and performance of this Fourth Amendment and the transactions contemplated hereby do not require any approval or consent of, or filing or registration with, any governmental or other agency or authority, or any other party.

(d) The representations and warranties contained in ss.5 of the Credit Agreement are true and correct in all material respects as of the date hereof as though made on and as of the date hereof.

(e) No Default or Event of Default under the Credit Agreement has occurred and is continuing.

6. Ratification, etc. Except as expressly amended hereby, the Credit Agreement, the other Loan Documents and all documents, instruments and agreements related thereto are hereby ratified and confirmed in all respects and shall continue in full force and effect. This Fourth Amendment and the Credit

Agreement shall hereafter be read and construed together as a single document, and all references in the Credit Agreement or any related agreement or instrument to the Credit Agreement shall hereafter refer to the Credit Agreement as amended by this Fourth Amendment.

7. GOVERNING LAW. THIS FOURTH AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS AND SHALL TAKE EFFECT AS A SEALED INSTRUMENT IN ACCORDANCE WITH SUCH LAWS.

8. Counterparts. This Fourth Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, each of the undersigned have duly executed this Fourth Amendment under seal as of the date first set forth above.

The Borrowers:

MASTEC, INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUED ON NEXT PAGE]

B & D CONTRACTORS OF SHELBY, INC.
BURNUP & SIMS OF TEXAS, INC.
HARRISON-WRIGHT CO., INC.
UTILITY PRECAST, INC.
BURNUP & SIMS TELCOM OF FLORIDA, INC.
CHURCH & TOWER ENVIRONMENTAL, INC.
CHURCH & TOWER FIBER TEL, INC.
CHURCH & TOWER, INC.
CHURCH & TOWER OF FLORIDA, INC.
CHURCH & TOWER OF TN, INC.
DESIGNED TRAFFIC INSTALLATION CO.
GDSI, INC.
KENNEDY CABLE CONSTRUCTION, INC.
LATLINK CORPORATION
LATLINK ARGENTINA, INC.
MASTEC COMTEC OF CALIFORNIA, INC.
MASTEC COMTEC OF THE CAROLINAS, INC.
MASTEC TECHNOLOGIES, INC.
MASTEC TELEPORT, INC.
R.D. MOODY & ASSOCIATES, INC.
R.D. MOODY AND ASSOCIATES, INC. OF VIRGINIA
SHANCO CORPORATION
UTILITY LINE MAINTENANCE, INC.
AIDCO, INC.
AIDCO SYSTEMS, INC.
E. L. DALTON & COMPANY, INC.
NORTHLAND CONTRACTING, INC.

WILDE CONSTRUCTION, INC.
WILDE OPTICAL SERVICE, INC.
TELE-COMMUNICATIONS CORPORATION OF VIRGINIA
WILDE ACQUISITION CO., INC.
WILDE HOLDING CO., INC.
WEEKS CONSTRUCTION COMPANY
C & S DIRECTIONAL BORING, INC.
LESSARD-NYREN UTILITIES, INC.
LNU, INC.
S.S.S. CONSTRUCTION, INC.
CONTRACT MANAGEMENT AND ASSISTANCE CORP.
ELECTRONIC EQUIPMENT ANALYZERS, INC.

By: _____
Name:
Title:

The Banks:

CREDITANSTALT CORPORATE FINANCE, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

FIRST UNION NATIONAL BANK OF FLORIDA

By: _____
Name:
Title:

SCOTIABANC INC.

By: _____
Name:
Title:

THE FUJI BANK AND TRUST COMPANY

By: _____
Name:
Title:

COMERICA BANK

By: _____

Name:
Title:

LTCB TRUST COMPANY

By: _____
Name:
Title:

BANKBOSTON, N.A.,
individually and as Agent

By: _____
Name:
Title:

FIFTH AMENDMENT TO REVOLVING
CREDIT AGREEMENT AND CONSENT

THIS FIFTH AMENDMENT TO REVOLVING CREDIT AGREEMENT AND CONSENT (this "Fifth Amendment") is made and entered into as of the 29th day of December, 1998, by and among MASTEC, INC., a Florida corporation (the "Parent"), its Subsidiaries (other than Excluded Subsidiaries and members of the MasTec International Group) listed on Schedule 1 to the Credit Agreement defined below (together with the Parent, collectively the "Borrowers"), BANKBOSTON, N.A. ("BKB"), BANK AUSTRIA CREDITANSTALT CORPORATE FINANCE, INC. (f/k/a Creditanstalt Corporate Finance, Inc.), FIRST UNION NATIONAL BANK OF FLORIDA ("First Union"), SCOTIABANC INC. ("SBI"), COMERICA BANK, LTCB TRUST COMPANY and LASALLE NATIONAL BANK (collectively, the "Banks") and BANKBOSTON, N.A. as agent (the "Agent") for the Banks.

WHEREAS, the Borrowers, the Banks and the Agent entered into a Revolving Credit Agreement dated as of June 9, 1997, as amended by a First Amendment to Revolving Credit Agreement dated as of January 28, 1998, as further amended by a Second Amendment to Revolving Credit Agreement dated as of July 31, 1998, and as further amended by a Third Amendment to Revolving Credit Agreement dated as of September 11, 1998, as further amended by a Fourth Amendment to Revolving Credit Agreement dated as of September 25, 1998 (as the same may be further amended and in effect from time to time the "Credit Agreement"), pursuant to which the Banks extended credit to the Borrowers on the terms set forth therein;

WHEREAS, the Parent has requested certain revisions to the Credit Agreement, including an increase in the Total Commitment, and the parties desire to amend the Credit Agreement on the terms set forth herein;

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Credit Agreement as follows:

1. Definitions. Capitalized terms used herein without definition shall have the meanings assigned to such terms in the Credit Agreement.

2. Addition of LaSalle National Bank. LaSalle National Bank ("LaSalle")

by its signature below agrees to become a Bank under the Credit Agreement, and does hereby join and become a party to the Credit Agreement as a Bank, accepting and assuming the rights and obligations of a Bank under the Credit Agreement. LaSalle agrees to comply with, and be bound by, all of the terms and conditions of the Credit Agreement in all respects as an original Bank thereunder, as if such Bank were an original signatory thereto, including without limitation, assuming all responsibilities and liabilities arising or incurred under the Credit Agreement and the Notes on and after the Closing Date. Without limiting the above, LaSalle hereby expressly consents to the terms and conditions of ss.23 (Governing Law; Submission to Jurisdiction) of the Credit Agreement. The parties to this Fifth Amendment agree that this ss.2 shall be deemed to be, and is hereby made a part of, the Credit Agreement as if set forth therein in full.

3. Amendment of ss.1 of the Loan Agreement. Section 1 of the Credit Agreement is hereby amended by

(a) inserting the following definitions in their proper alphabetical places:

Aidco Management. The managers of Aidco, Inc. and Aidco Systems, Inc.

Applicable Base Rate Margin. The Applicable Base Rate Margin on Base Rate Loans shall be as set forth in the Pricing Table. Any change in the Applicable Base Rate Margin shall become effective on the first day of each quarter which begins after receipt by the Banks of financial statements delivered pursuant to ss.6.4(a) or (b) hereof which indicate a change in the Pricing Ratio. If at any time the financial statements required to be delivered pursuant to ss.6.4(a) or (b) hereof are not delivered within the time periods specified in such subsections, the Applicable Base Rate Margin shall be 0.5% with respect to any Base Rate Loan requested on or after the date on which such financial statements were required to be delivered but before the time of actual receipt of such financial statements, subject to adjustment upon actual receipt of such financial statements.

Co-Agent(s). First Union and SBI.

Wilde-Aidco Bonuses. Signing bonuses for certain employees of Wilde Construction, Inc., Wilde Optical Service, Inc., Wilde Acquisition Co., Inc., Wilde Holding Co., Inc., Aidco, Inc. and Aidco Systems, Inc., not to exceed an aggregate amount of \$17,500,000.00.

Wilde-Aidco Non-Compete Agreement(s). Non-compete agreement(s) with certain members of Wilde Management and Aidco Management, with payments under such non-compete agreement(s) not to exceed an aggregate amount of \$16,000,000.00.

Wilde-Aidco Transaction. The Parent's (a) repurchase in three installments during the period beginning December 1, 1998 and ending November 30, 1999 of 440,000 shares of its capital stock from Aidco Management for \$30.00 per share, (b) the Wilde-Aidco Non-Compete Agreement(s), and (c) the Wilde-Aidco Bonuses.

Wilde Management. The managers of Wilde Construction, Inc., Wilde Optical Service, Inc., Wilde Acquisition Co., Inc. and Wilde Holding Co., Inc."

and (b) deleting the definitions of "Applicable L/C Margin," "Applicable LIBOR Margin," "Collateral," "Commitment Percentage," "Loan Documents," and "Pricing Table" in their entirety and replacing them with the following new definitions, inserted in proper alphabetical order:

"Applicable L/C Margin. The Applicable L/C Margin on Letters of Credit shall be as set forth in the Pricing Table. The effective date of a change in the Applicable L/C Margin shall be the first day after receipt by the Banks of financial statements delivered pursuant to ss.6.4(a) or (b) hereof which indicate a change in the Pricing Ratio. If at any time the financial statements required to be delivered

pursuant to ss.6.4(a) or (b) hereof are not delivered within the time periods specified in such subsections, the Applicable L/C Margin shall be 2.25% with respect to any Letter of Credit issued after the date on which such financial statements were required to be delivered but before actual receipt of such financial statements, subject to adjustment upon actual receipt of such financial statements.

Applicable LIBOR Margin. The Applicable LIBOR Margin on LIBOR Loans shall be as set forth in the Pricing Table. Any change in the Applicable LIBOR Margin shall become effective on the first day of each Interest Period which begins three (3) or more days after receipt by the Banks of financial statements delivered pursuant to ss.6.4(a) or (b) hereof which indicate a change in the Pricing Ratio. If at any time the financial statements required to be delivered pursuant to ss.6.4(a) or (b) hereof are not delivered within the time periods specified in such subsections, the Applicable LIBOR Margin shall be 2.25% with respect to any LIBOR Loan requested on or after the date on which such financial statements were required to be delivered but before the time of actual receipt of such financial statements, subject to adjustment upon actual receipt of such financial statements.

Collateral. The shares of all direct or indirect Subsidiaries of the Parent that are or are intended to be subject to the security interests created by the U.S. Stock Pledge Agreement.

Commitment Percentage. With respect to each Bank, the percentage set forth beside its name below (subject to adjustment upon any assignments pursuant to ss.17):

Bank	Percentage
BKB	24.2424%
First Union	22.7273%
SBI	15.4545%
Comerica	10.3030%
LTCB	10.3030%
LaSalle National Bank	9.0909%
Bank Austria Creditanstalt Corporate Finance, Inc.	7.8788%.

Loan Documents. This Agreement, the Notes, the Letter of Credit Applications, the Letters of Credit, and the U.S. Stock Pledge Agreement.

Pricing Table:

Pricing Ratio	Applicable Base Rate Margin (per annum)	Applicable LIBOR Margin (per annum)	Applicable L/C Margin per annum)	Applicable Commitment Rate (per annum)
less than 2.00:1	0.00%	1.00%	1.00%	0.250%
greater than or equal to 2.00:1, but less than 2.50:1	0.00%	1.25%	1.25%	0.250%
greater than or equal to 2.50:1, but less than 3.00:1	0.00%	1.50%	1.50%	0.375%
greater than or equal to 3.00:1, but less than	0.25%	1.75%	1.75%	0.375%

3.50:1

greater than or equal to 3.50:1, but less than 4.00:1	0.25%	2.00%	2.00%	0.500%
greater than or equal to 4.00:1	0.50%	2.25%	2.25%	0.500%

provided that the Applicable L/C Margin for documentary Letters of Credit issued on or after December 29, 1998 shall be priced at the Applicable L/C Margin set forth in the table above multiplied by 0.5."

4. Amendment to ss.2.1 of the Credit Agreement. Section 2.1 of the Credit Agreement is hereby amended by deleting the figure "\$125,000,000" therein and substituting in place thereof the figure "\$165,000,000".

5. Amendment to ss.2.4(a) of the Credit Agreement. Section 2.4(a) of the Credit Agreement is hereby amended by deleting ss.2.4(a) in its entirety and substituting in place thereof the following new ss.2.4(a):

"(a) The outstanding principal amount of the Revolving Credit Loans shall bear interest at the rate per annum equal to (i) the Base Rate plus the Applicable Base Rate Margin, or (ii) at the Borrowers' option as provided herein, the LIBOR Rate plus the Applicable LIBOR Margin."

6. Amendment to ss.4.1(b) of the Credit Agreement. Section 4.1(b) of the Credit Agreement is hereby amended by deleting ss.4.1(b) in its entirety and substituting in place thereof the following new ss.4.1(b):

"(b) Letter of Credit Fees. The Borrowers shall pay in advance on the date of issuance of each Letter of Credit an issuance fee to the Agent for its account equal to one eighth of one percent (1/8%) per annum on the Maximum Drawing Amount of each Letter of Credit (the "Issuance Fee"). The Borrowers shall also pay a fee to the Agent (the "Letter of Credit Fee"), which fee shall be for the accounts of the Banks in accordance with their respective Commitment Percentages. With respect to each standby Letter of Credit, such fees shall be calculated and paid quarterly in advance on the first Business Day of each fiscal quarter and equal to the Applicable L/C Margin multiplied by the Maximum Drawing Amount of all outstanding Letters of Credit. With respect to any documentary Letter of Credit, such fees shall be calculated based on the Maximum Drawing Amount thereunder during the period commencing on the date of issuance thereof (or with respect to documentary Letters of Credit outstanding on December 29, 1998, commencing December 29, 1998) through the date of negotiation or cancellation thereof (calculated on the basis of a 360-day year for the actual number of days elapsed) and shall be payable in arrears within seven (7) Business Days after the end of each month during which, or any part of which, such documentary Letter of Credit is outstanding. In addition to the Issuance Fee and the Letter of Credit Fee, the Borrowers shall pay to the Agent, for its own account, all related customary administrative fees in accordance with customary practice. Notwithstanding any provision contained herein to the contrary, no fees, commissions or other amounts paid as of or prior to December 29, 1998 in respect of any Letter of Credit existing as of such date shall be repaid or credited against any amounts otherwise payable pursuant to this ss.4.1(b)."

7. Amendment to ss.4.9 of the Credit Agreement. Section 4.9 of the Credit Agreement is hereby amended by deleting ss.4.9 in its entirety and substituting in place thereof the following new ss.4.9:

"ss.4.9 Interest on Overdue Amounts. Overdue principal and (to the extent permitted by applicable law) interest on the Loans and all other overdue amounts payable hereunder or under any of the other Loan

Documents shall bear interest compounded monthly and payable on demand at a rate per annum equal to the Base Rate plus the Applicable Base Rate Margin plus two (2) percent until such amount shall be paid in full (after, as well as before, judgment)."

8. Amendment to ss.5 of the Credit Agreement. Section 5 of the Credit Agreement is hereby amended by

(a) adding the following ss.5.21 in its proper place:

"5.21. Year 2000 Issue. The Borrowers and their Subsidiaries have reviewed the areas within their businesses and operations which could be adversely affected by, and have developed or are developing a program to address on a timely basis, the "Year 2000 Issue" (i.e. the risk that computer applications used by any of the Borrowers or their Subsidiaries may be unable to recognize and perform properly date-sensitive functions involving certain dates prior to and any date after December 31, 1999). Based upon such review, the Borrowers reasonably believe that the "Year 2000 Issue" will not have any materially adverse effect on the business or financial condition of any of the Borrowers or its Subsidiaries."

and (b) deleting ss.ss.5.17 and 5.19 in their entirety and substituting in place thereof the following new ss.ss.5.17 and 5.19:

"ss.5.17 Perfection of Security Interests. Except as set forth on Schedule 5.17, the Collateral and the Agent's rights with respect to the Collateral are not subject to any setoff, claims, withholdings or other defenses. The Borrowers and MasTec International, Inc. are the owners of the Collateral free from any lien, security interest, encumbrance and any other claim or demand, other than liens in favor of the Agent for the benefit of the Banks to secure the Obligations. The U.S. Stock Pledge Agreement is effective to create in favor of the Agent, for the benefit of the Banks, a legal, valid and enforceable first priority security interest in the Collateral. The certificates for the shares of such Collateral have been delivered to the Agent."

ss.5.19 Subsidiaries. Schedule 1 sets forth a complete and accurate list of the direct or indirect Subsidiaries of the Parent, including the name of each Subsidiary and its jurisdiction of incorporation, together with the number of authorized and outstanding shares of each Subsidiary. All of the stock of each U.S. Subsidiary (other than the Excluded Subsidiaries) which is directly or indirectly owned by the Parent has been pledged to the Agent on behalf of the Banks pursuant to the U.S. Stock Pledge Agreement. The Parent has good and marketable title to all of the shares it purports to own of the stock of each such Subsidiary, free and clear in each case of any lien. All such shares have been duly issued and are fully paid and non-assessable. Each Subsidiary of the Parent, other than the Excluded Subsidiaries and the members of the MasTec International Group, is a Borrower hereunder."

9. Amendment to ss.7.3(e) of the Credit Agreement. Section 7.3(e) of the Credit Agreement is hereby amended by deleting ss.7.3(e) in its entirety and substituting in place thereof the following new ss.7.3(e):

"(e) Investments (as defined in ss.1) by any Borrower in any affiliate or Subsidiary of a Borrower which is not also a Borrower (which may include the MasTec International Group or other non-U.S. entities) or in any other Person (i) funded prior to or on December 29, 1998 and listed on Schedule 7.3(e), plus (ii) \$15,000,000, plus (iii) the net cash proceeds from the sale of any Investments listed on Schedule 7.3(e) and the net cash proceeds from any sale of the stock of Sintel; provided that the sum of items (i) through (iii) shall not exceed \$125,000,000."

10. Amendment to ss.7.6 of the Credit Agreement. Section 7.6 of the Credit Agreement is hereby amended by deleting ss.7.6 in its entirety and

substituting in place thereof the following new ss.7.6:

"ss.7.6 Restricted Distributions and Redemptions. None of the Borrowers may make Distributions except as set forth in this ss.7.6. Each Borrower may make distributions payable solely in common stock or preferred stock of such Borrower, subject to the requirement to pledge all such stock pursuant to ss.5.19 hereof. Borrowers other than the Parent may declare or pay Distributions to the Parent. In addition, the Borrowers (other than the Parent) shall not redeem, convert, retire or otherwise acquire shares of any class of capital stock of such Borrowers. The Parent may declare or pay dividends and may redeem, convert, retire, or otherwise acquire shares of its capital stock (either directly or via an Equity Purchase Contract), provided that (a) prior to December 29, 1998, the aggregate amount of all such Distributions by the Parent shall not exceed 50% of Consolidated Net Income in any one fiscal year, plus, for the fiscal year ending December 31, 1998 only, \$10,000,000 (which \$10,000,000 shall not be reduced by any losses in Consolidated Net Income), and (b) on or after December 29, 1998, the aggregate amount of all such Distributions by the Parent shall consist of the Parent's repurchase in three installments from December 1, 1998 to November 30, 1999 of 440,000 shares of its capital stock from Aidco Management for \$30.00 per share. Notwithstanding the above, none of the Borrowers may make any Distribution under this ss.7.6 if a Default or Event of Default exists or would be created by the making of such Distribution. The Borrowers shall not effect or permit any change in or amendment to any document or instrument pertaining to the terms of the Borrowers' or the International Signatories' capital stock other than the amendment to the Parent's certificate of incorporation increasing the authorized amount of common stock and the par value of the common stock and the preferred stock."

11. Amendment to ss.7.9 of the Credit Agreement. Section 7.9 of the Credit Agreement is hereby amended by deleting ss.7.9 in its entirety and substituting in place thereof the following new ss.7.9:

"ss.7.9 [This section intentionally omitted.]"

12. Amendment to ss.8 of the Credit Agreement. Section 8 of the Credit Agreement is hereby amended by deleting ss.ss.8.1 and 8.3 in their entirety and substituting in place thereof the following new ss.ss.8.1 and 8.3:

"ss.8.1. Leverage Ratios. As of the end of any fiscal quarter of the Borrowers commencing with the fiscal quarter ending March 31, 1997, (a) the ratio of (i) Senior Debt to (ii) EBITDA for the period of four (4) consecutive fiscal quarters ending on such date shall not exceed 2.50:1, and (b) the ratio of (i) Funded Debt to (ii) EBITDA for the period of four (4) consecutive fiscal quarters ending on such date shall not exceed the ratio set forth opposite such date below:

Date	Ratio
June 30, 1998	4.50:1
September 30, 1998	4.50:1
December 31, 1998	4.00:1
March 31, 1999	3.50:1
June 30, 1999	3.25:1
September 30, 1999 and thereafter	3.00:1

For purposes of determining compliance with the Funded Debt to

EBITDA ratio, but not for purposes of determining the Pricing Ratio, EBITDA shall be adjusted to add back pre-tax charges taken in connection with the Wilde-Aidco Transaction, provided that (a) PricewaterhouseCoopers determines that the Parent must take such pre-tax charges in the fiscal quarter ending on December 31, 1998, (b) such pre-tax charges are taken in the fiscal quarter ending on December 31, 1998, and (c) such pre-tax charges do not exceed an aggregate amount of \$33,500,000 (the "Wilde-Aidco Special Charges").

ss.8.3. Interest Coverage Ratio. As of the end of any fiscal quarter of the Borrowers commencing with the fiscal quarter ending March 31, 1997, the ratio of (a) EBIT for the period of four (4) consecutive fiscal quarters ending on such date to (b) Consolidated Total Interest Expense for such period shall not be less than the ratio set forth opposite such date below:

Date	Ratio
June 30, 1998	3.50:1
September 30, 1998	2.50:1
December 31, 1998	2.50:1
March 31, 1999	2.75:1
June 30, 1999	3.00:1
September 30, 1999	3.25:1
December 31, 1999	3.50:1
Thereafter	4.00:1

For purposes of calculating the EBIT to Consolidated Total Interest Expense ratio, EBIT shall be adjusted to add back the Wilde-Aidco Special Charges."

13. Amendment to ss.11 of the Credit Agreement. Section 11 of the Credit Agreement is hereby amended by deleting ss.11 in its entirety and substituting in place thereof the following new ss.11:

"ss.11. COLLATERAL SECURITY. The Obligations shall be secured by a perfected security interest (having, with respect to each category of Collateral, the respective rights and priorities set forth herein and in the Stock Pledge Agreements) in all of the Collateral, whether now owned or hereafter acquired, pursuant to the terms of the U.S. Stock Pledge Agreement. The Agent may from time to time, in its discretion, release Collateral, provided that the aggregate value of such released Collateral does not exceed five percent (5%) of the consolidated net worth of the Borrowers determined in accordance with GAAP."

1. Amendment to ss.14 of the Credit Agreement. Section 14 of the Credit Agreement is hereby amended by adding the following ss.14.9 to the end thereof: "ss.14.9. Co-Agents. None of the Banks identified in this Agreement as a "Co-Agent" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Banks as such. Without limiting the foregoing, none of the Banks so identified as a "Co-Agent" shall have or be deemed to have any fiduciary relationship with any Bank. Each Bank acknowledges that it has not relied, and will not rely, on any of the Banks so identified in deciding to enter into this Agreement or not taking action hereunder."

2. Amendment to Schedules of the Credit Agreement. Schedule 7.3(e) is hereby added to the Credit Agreement in the form attached hereto.

3. Consent to Wilde-Aidco Bonuses and Non-Compete Agreement(s). Notwithstanding the provisions of ss.5.18 of the Credit Agreement, each of the Banks hereby consents to the Wilde-Aidco Bonuses and the Wilde-Aidco Non-Compete Agreements, provided that (a) no Default or Event of Default exists or would be created by the Wilde-Aidco Bonuses or the Wilde-Aidco Non-Compete Agreements (other than under ss.5.18), and (b) all other conditions of the Credit Agreement (other than ss.5.18) be met in connection with the Wilde-Aidco Bonuses and the Wilde-Aidco Non-Compete Agreements.

4. Consent to Release of Sintel Stock and Termination of Sintel Stock Pledge Agreement. Notwithstanding the provisions of ss.14.8(h) of the Credit Agreement, each of the Banks hereby consents to the Agent's release of the Sintel stock, and the termination of the Sintel Stock Pledge, provided that Sintel shall be sold in accordance with the Stock Purchase Agreement; Stock Purchase Option, Stock Pledge and Shareholder Agreement dated December 30, 1998 (the "Sale Agreement"). If for any reason Sintel is not sold pursuant to the Sale Agreement, the Borrowers agree to re-pledge the stock of Sintel to the Agent for the benefit of the Banks, and to execute any agreements, further assurances or other instruments in connection with the re-pledge of the Sintel stock that the Agent may reasonably request.

5. Effectiveness. This Fifth Amendment shall become effective as of the date hereof, subject to the satisfaction of each of the following conditions:

(a) receipt by the Agent of this Fifth Amendment duly and properly authorized, executed and delivered by the respective parties hereto;

(b) the Borrowers shall have executed and delivered to the Agent amended and restated Notes for each of BKB, First Union and SBI, reflecting their revised Commitment Percentages as described in ss.2(b) of this Fifth Amendment;

(c) the Borrowers shall have delivered to the Agent certified copies of corporate resolutions of each of the Borrowers satisfactory to the Agent authorizing this Fifth Amendment, the amended and restated Notes, and all related documents;

(d) payment of all fees due to each Bank pursuant to the terms of the separate fee letters dated as of the date hereof; and

(e) the Parent shall have delivered to the Agent copies of (i) its charter or other incorporation documents, certified by the Secretary of State of Florida, and (ii) its termination of incorporation documents, certified by the Secretary of State of Delaware, evidencing its changed jurisdiction of incorporation.

6. Representations and Warranties. Each of the Borrowers represents and warrants as follows:

(a) The execution, delivery and performance of each of this Fifth Amendment and the transactions contemplated hereby are within the corporate power and authority of such Borrower and have been or will be authorized by proper corporate proceedings, and do not (a) require any consent or approval of the stockholders of such Borrower, (b) contravene any provision of the charter documents or by-laws of such Borrower or any law, rule or regulation applicable to such Borrower, or (c) contravene any provision of, or constitute an event of default or event which, but for the requirement that time elapse or notice be given, or both, would constitute an event of default under, any other material agreement, instrument or undertaking binding on such Borrower.

(b) This Fifth Amendment and the Credit Agreement, as amended as of the date hereof, and all of the terms and provisions hereof and thereof are the legal, valid and binding obligations of such Borrower enforceable in accordance with their respective terms except as limited by bankruptcy, insolvency, reorganization, moratorium or other laws

affecting the enforcement of creditors' rights generally, and except as the remedy of specific performance or of injunctive relief is subject to the discretion of the court before which any proceeding therefor may be brought.

(c) The execution, delivery and performance of this Fifth Amendment and the transactions contemplated hereby do not require any approval or consent of, or filing or registration with, any governmental or other agency or authority, or any other party.

(d) The representations and warranties contained in ss.5 of the Credit Agreement are true and correct in all material respects as of the date hereof as though made on and as of the date hereof.

(e) After giving effect to this Fifth Amendment, no Default or Event of Default under the Credit Agreement has occurred and is continuing.

7. Ratification, etc. Except as expressly amended hereby, the Credit Agreement, the other Loan Documents and all documents, instruments and agreements related thereto are hereby ratified and confirmed in all respects and shall continue in full force and effect. This Fifth Amendment and the Credit Agreement shall hereafter be read and construed together as a single document, and all references in the Credit Agreement or any related agreement or instrument to the Credit Agreement shall hereafter refer to the Credit Agreement as amended by this Fifth Amendment.

8. GOVERNING LAW. THIS FIFTH AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS AND SHALL TAKE EFFECT AS A SEALED INSTRUMENT IN ACCORDANCE WITH SUCH LAWS.

9. Counterparts. This Fifth Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, each of the undersigned have duly executed this Fifth Amendment under seal as of the date first set forth above.

The Borrowers:

MASTEC, INC.

By: _____
Name:
Title:

[SIGNATURES CONTINUED ON NEXT PAGE]

B & D CONTRACTORS OF SHELBY, INC.
BURNUP & SIMS OF TEXAS, INC.
HARRISON-WRIGHT CO., INC.
UTILITY PRECAST, INC.
BURNUP & SIMS TELCOM OF FLORIDA, INC.

CHURCH & TOWER ENVIRONMENTAL, INC.
CHURCH & TOWER FIBER TEL, INC.
CHURCH & TOWER, INC.
CHURCH & TOWER OF FLORIDA, INC.
CHURCH & TOWER OF TN, INC.
DESIGNED TRAFFIC INSTALLATION CO.
GDSI, INC.
KENNEDY CABLE CONSTRUCTION, INC.
LATLINK CORPORATION
LATLINK ARGENTINA, INC.
MASTEC COMTEC OF CALIFORNIA, INC.
MASTEC COMTEC OF THE CAROLINAS, INC.
MASTEC TECHNOLOGIES, INC.
MASTEC TELEPORT, INC.
R.D. MOODY & ASSOCIATES, INC.
R.D. MOODY AND ASSOCIATES, INC. OF VIRGINIA
SHANCO CORPORATION
UTILITY LINE MAINTENANCE, INC.
AIDCO, INC.
AIDCO SYSTEMS, INC.
E. L. DALTON & COMPANY, INC.
NORTHLAND CONTRACTING, INC.
WILDE CONSTRUCTION, INC.
WILDE OPTICAL SERVICE, INC.
TELE-COMMUNICATIONS CORPORATION OF VIRGINIA
WILDE ACQUISITION CO., INC.
WILDE HOLDING CO., INC.
WEEKS CONSTRUCTION COMPANY
C & S DIRECTIONAL BORING, INC.
LESSARD-NYREN UTILITIES, INC.
LNU, INC.
S.S.S. CONSTRUCTION, INC.
CONTRACT MANAGEMENT AND ASSISTANCE CORP.
ELECTRONIC EQUIPMENT ANALYZERS, INC.
MASTEC NORTH AMERICA, INC.
J.C. ENTERPRISES, INC (d/b/a Cotton & Taylor)

By: _____
Name:
Title:

The Banks:

BANK AUSTRIA CREDITANSTALT CORPORATE FINANCE,
INC. (f/k/a Creditanstalt Corporate Finance, Inc.)

By: _____
Name:
Title:

By: _____
Name:
Title:

FIRST UNION NATIONAL BANK OF FLORIDA

By: _____
Name:
Title:

SCOTIABANC INC.

By: _____
Name:
Title:

LASALLE NATIONAL BANK

By: _____
Name:
Title:

COMERICA BANK

By: _____
Name:
Title:

LTCB TRUST COMPANY

By: _____
Name:
Title:

BANKBOSTON, N.A.,
individually and as Agent

By: _____
Name:
Title:

Exhibit 10.8

AGREEMENT dated as of November 18, 1998 between MASTEC, INC. (the "Company") and JOEL T. CITRON (the "Executive").

The Executive is skilled in financial matters and possesses knowledge of the business, products and operations of the Company. The Executive and the Company believe that it is in their respective interests to enter into an employment agreement whereby, for the consideration specified herein, including options to purchase shares of Common Stock of the Company, \$.10 par value (the "Common Stock"), Executive shall provide the services specified herein.

ACCORDINGLY, in consideration of the mutual covenants and obligations hereinafter set forth, the parties agree as follows:

SECTION 1. EMPLOYMENT OF EXECUTIVE.

The Company hereby employs the Executive and the Executive hereby accepts such employment upon the terms and conditions hereinafter set forth.

SECTION 2. TERM.

The Executive's employment hereunder shall be for the period (the "Employment Period") commencing on the date hereof (the "Commencement Date") and ending on (a) the second anniversary of the date hereof, or (b) such earlier date upon which the employment of the Executive shall terminate in accordance with the provisions hereof (the date of termination being hereinafter called the "Termination Date"). The Employment Period may be extended by agreement of the Company and the Executive.

SECTION 3. SERVICES; OFFICES.

(a) The Executive shall be the Vice Chairman of the Company. The Executive shall direct and supervise the finance, administrative and mergers and acquisitions activities of the Company. The Executive shall report only directly to the Chairman of the Board of Directors of the Company (the "Board") or to the Board as a whole. The Company shall maintain for the Executive's exclusive use an office at the Company's headquarters facility in Miami, Florida and shall provide secretarial and other support personnel for the Executive, in each case commensurate with the Executive's status as an executive officer equal to or higher than all other executive officers of the Company with the exception of the Chairman of the Company. The Company shall also maintain for the Executive an office in New York City.

(b) The Company shall use its best efforts to assure that the Executive is elected a member of the Board. If the stockholders of the Company fail during the Employment Period to elect the Executive as a director or the Board shall fail to elect him as a member of the executive committee of the Board or shall remove him from that office other than a Termination for Cause, the Executive shall continue to receive the Salary (as defined herein) and the Executive Option (as defined herein) pursuant to this Employment Agreement.

SECTION 4. TIME TO BE DEVOTED TO COMPANY; NO SERVICES FOR COMPETITOR.

During the Employment Period, the Executive shall devote such working time, attention and energies as he, in his discretion, deems reasonably necessary for the business of the Company and any subsidiaries ("Subsidiaries"). The Company acknowledges that the Executive currently is a director of other companies and is a consultant to various other businesses. The Executive may, without restriction, carry on his current activities of this nature and any other activities that he deems appropriate during the Employment Period. However, notwithstanding the foregoing, the Executive shall not during the Employment Period be employed by or provide paid consulting services for any

enterprise engaged in a business that competes with the Company. The Executive resides in New York City, and the Company shall not request or require him to change residences. The Executive may from time to time provide services hereunder to the Company at its headquarters in Miami, Florida and at its other locations.

SECTION 5.

COMPENSATION; BONUS.

(a) Upon the execution hereof, the Company shall pay to the Executive as compensation for services previously rendered a fee of \$100,000.

(b) The Company shall pay to the Executive as compensation for services rendered during the Employment Period a salary of not less than \$300,000 per year (the "Salary"). The Salary shall be paid in semi-monthly installments of \$12,500, subject to withholding of taxes and other deductions required by law. Notwithstanding anything to the contrary contained herein, the Salary payable for services rendered during the first twelve months of the Employment Period shall be paid by the Company to the Executive in any event.

(c) In addition to the Salary, the Company shall pay the Executive a cash bonus (each, a "Bonus") as follow:

(i) if the price per share of the Common Stock reaches \$26 or more (determined in accordance with clause (f) below) on the last trading day of a calendar year or for any period of 5 consecutive trading days in the month of December in such year (the "First Threshold Pricing Period") during the Employment Period, then the Company shall pay to the Executive a Bonus of \$300,000 in January next following such year; and

(ii) if the price per share of the Common Stock reaches \$30 or more (determined in accordance with clause (f) below) on the last trading day of a calendar year or for any period of 5 consecutive trading days in the month of December in such year (the "Second Threshold Pricing Period") during the Employment Period, then the Company shall pay to the Executive an additional Bonus of \$300,000 (for a total of \$600,000 payable under clauses (i) and (ii) of this subsection (c) as Bonuses), in January next following such calendar year; and

(iii) in the event of a Change of Control during the Employment Period or within 180 days thereafter in a transaction initiated during the Employment Period, if the average sale price per share of Common Stock related to the Change of Control is \$30 or more, then the Company shall pay to the Executive at the initial closing of the Change of Control, a Bonus of \$600,000. "Change of Control" means any transaction or any event as a result of which (A) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or its Subsidiaries or a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportion as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing [50%] or more of the combined voting power of the Company's then-outstanding securities; or (B) during any period of two consecutive years (not including any period prior to the execution of this Employment Agreement), individuals who at the beginning of such period constitute the Board and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in clauses (A) or (C) of this subsection) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or (C) the shareholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least 80% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after

such merger or consolidation (either alone or in combination with new or additional voting securities held by management of the Company and its Subsidiaries and any trustee or other fiduciary holding securities under an employee benefit plan of the Company and its subsidiaries); or (D) the shareholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all the Company's assets.

(d) In addition to the Bonuses that may be awarded pursuant to Sections 5(c)(i), (ii) or (iii) above, the Board may, on its own initiative and in its sole discretion, award cash or other bonuses to the Executive, whether or not any of the performance thresholds in Section 5(c)(i), (ii) or (iii) are achieved by the Company.

(e) In the event of a Change of Control, the Company shall pay to the Executive, immediately upon the initial closing of the Change of Control, any unpaid portion of the Salary in respect of the year in which the Change of Control occurs and any bonus earned or awarded pursuant to this Employment Agreement or otherwise awarded by the Board

(f) The price for each share shall be the Fair Value of each share. As used herein, "Fair Value" means (i) if the Common Stock is traded on the New York Stock Exchange or another public exchange, the average price at which the Common Stock traded during the 10 trading days immediately prior to the event for which Fair Value is to be calculated; (ii) if the Common Stock is available only "over-the-counter," the average price at which the Common Stock was sold during the 10 business days immediately prior to the event for which Fair Value is to be calculated; or (iii) if the Common Stock is not actively traded, its value as determined in good faith by the Board; provided, however, that if within 10 days of the determination thereof, the Executive shall object to such fair market value determination, the Fair Value shall be finally determined by an independent investment banking firm mutually selected by the Company and the Executive (or if such selection cannot be made within 10 days after one party proposes such a firm to the other, by the American Arbitration Association in accordance with its rules).

SECTION 6. BUSINESS EXPENSES; BENEFITS.

(a) The Company shall pay for or reimburse the Executive (at the Executive's option), in accordance with its practice for executive officers of the Company, all reasonable and necessary expenses and other disbursements incurred by the Executive for or on behalf of the Company in the performance of his duties hereunder, including, without limitation, first-class travel (including, but not limited to, airfare) to and from the Company's office or offices on behalf of or in connection with his services for the Company, and food and first-class lodging expenses while the Executive is away from home performing services for the Company. The Executive shall provide such appropriate documentation of expenses and disbursements as may from time to time be reasonably requested by the Company.

(b) The Executive (and his family) shall be covered under all of the Company's group health, dental and disability plans, or, at the Company's option, the Company shall reimburse Executive the cost of obtaining similar coverage. (c) The Company shall lease, at its expense, an automobile exclusively for the Executive's use. (d) The Executive shall receive any and all other benefits accorded by the Company to executive officers of the Company. (e) The Company shall pay for any and all attorneys' fees and related expenses incurred by the Executive with respect to the formulation, negotiation and finalizing of this Employment Agreement.

SECTION 7. TERMINATION FOR CAUSE.

(a) The Company may terminate the employment of the Executive hereunder at any time for Cause (as hereinafter defined) (such termination being referred to herein as a "Termination For Cause") by giving the Executive written notice of such termination, with such termination to take effect upon the receipt of such notice. "Cause" means (A) the Executive's conviction of a crime constituting a felony or (B) any of the following performed or caused by the Executive which

may reasonably be anticipated to have a Material Adverse Effect and which, if curable, remains uncured for a period of fifteen (15) days after written notice thereof is delivered from the Company to the Executive: (i) the willful and continued failure to substantially perform the duties described in Section 3 (other than any failure resulting from an illness or other similar incapacity or disability), (ii) misappropriation of funds, properties or assets of the Company or any of its subsidiaries, (iii) commission of a material tort relating to the Executive's employment with the Company and (iv) breach of any fiduciary duty owed to the Company or its subsidiaries. "Material Adverse Effect" means a material adverse effect on the business, operations, financial condition, results of operations, properties, assets or liabilities of the Company and its Subsidiaries taken as a whole.

(b) Notwithstanding any provisions contained herein to the contrary, in no event shall the Company cause a Termination for Cause without a prior hearing or at least 45 days' notice to the Executive and approval of such Termination for Cause by the entire Board.

SECTION 8. EFFECT OF TERMINATION FOR CAUSE.

Upon the termination of the Executive's retention hereunder due to (a) a Termination for Cause or (b) the Executive's incapacity or disability due to accident, sickness or otherwise so as to render him mentally or physically incapable of performing the services required to be performed by him for the Company for a period of four consecutive months, or for 6 months during any twelve-month period, neither the Executive nor his beneficiary or estate shall have any further rights or claims against the Company under this Employment Agreement, except to receive (i) the unpaid portion, if any, of the Salary or bonuses provided for in Section 5, computed on a pro rata basis to the Termination Date (based on the actual number of days elapsed over a year of 365 or 366 days, as applicable), (ii) reimbursement for any expenses for which the Executive shall not have been reimbursed as provided in Section 6, and (iii) rights to the Options (as defined below) as provided in Section 11 hereof.

SECTION 9. OPTIONS TO PURCHASE COMMON STOCK OF THE COMPANY

The Company hereby confirms that effective as of November 18, 1998 (the "Grant Date") it, acting through its Board of Directors (the "Executive Option"), (i) has granted to the Executive, options to purchase up to 250,000 shares of Common Stock, pursuant to a Stock Option Agreement (the "Executive Option Agreement") dated November 18, 1998 between the Executive and the Company, and (ii) has granted to Janine Larkin options (the "Larkin Option") to purchase up to 7,500 shares of Common Stock, pursuant to a Stock Option Agreement (together with the Executive Option Agreement, the "Option Agreements"), on the terms and subject to the conditions set forth in Sections 10 through 13 hereof. Shares reserved under the Executive Option and the Larkin Option are called "Reserved Shares." The price for the Options per share is equal to \$20.5625, except for 4,812 shares granted as incentive stock options under the Executive Option Agreement which are issued at \$20.7813 per share.

SECTION 10. TERM.

The term of each Option commenced on the Grant Date and shall expire on the seventh anniversary of the date hereof, unless such Option shall theretofore have been terminated in accordance with the terms of its respective Option Agreement.

SECTION 11. TIME OF EXERCISE.

(a) Unless accelerated as provided herein, the Executive Option shall become exercisable on each date set forth below (each, a "Vesting Date") as to that number of Reserved Option Shares set forth opposite such Vesting Date:

Vesting Date	No. of Reserved Option Shares
Grant Date	66,110
May 18, 1999	149,564
November 18, 2000	34,326

(b) The Larkin Option shall be immediately exercisable as of the Grant Date (a "Vesting Date").

(c) Reserved Option Shares which vest under this Section 11 may be purchased upon exercise of an Option and are called "Vested Option Shares" hereunder.

(d) The unvested portion of the Executive Option (i.e., that portion which does not constitute Vested Option Shares) shall terminate or accelerate upon a termination of the Executive's employment with the Company as follows:

(i) in the event (A) that the Executive voluntarily terminates his employment with the Company other than a termination by the Executive under Section 3(b) of this Employment Agreement or under circumstances where the Company has not breached or potentially breached a provision of this Employment Agreement, or (B) of a Termination for Cause, the unvested portion of the Executive Option shall terminate effective immediately.

(ii) in the event (A) that the Executive's employment with the Company is terminated by the Company without Cause or (B) the Executive dies or is incapacitated, then the unvested portion of the Option shall vest immediately; and

(iii) in the event of a Change of Control of the Company in connection with which the Executive's employment with the Company is terminated by the Company for any reason within the twelve-month period immediately following such Change of Control, any unvested portion of the Option shall accelerate and vest in full effective as of such termination date.

SECTION 12. EXECUTIVE'S EMPLOYMENT.

The Option shall not be affected by any change of duties or position of the Executive.

SECTION 13. NOTICES.

All notices, claims, certificates, requests, demands and other communications relating hereto shall be in writing and shall be deemed to have been duly given and delivered if personally delivered or if sent by nationally-recognized overnight courier guaranteeing next business day delivery, by telecopy, or by registered or certified mail, return receipt requested and postage prepaid, addressed as follows:

(a) if to the Company, to:

Mastec, Inc.
3155 N.W. 77th Avenue
Miami, FL 33122-1205
Telephone: 305-599-1800
Telecopy: 305-406-1818
Attention: Jorge Mas; and

(b) if to the Executive, to:

Joel T. Citron
660 Madison Avenue, 22nd FL
New York, New York
Telephone: 212-688-7070
Telecopy: 212-688-3009

or to such other address as the party to whom notice is to be given may have furnished to the other party in writing in accordance herewith. Any such notice or communication shall be deemed to have been received (i) in the case of personal delivery, on the date of such delivery (or if not delivered during regular business hours on such day, on the next business day after the date sent), (ii) in the case of nationally-recognized overnight courier, on the next business day after the date sent, (iii) in the case of telecopy transmission, when received (or if not received during regular business hours on such day, on the next business day after the date sent), and (iv) in the case of mailing, on

the third business day following that on which the piece of mail containing such communication is posted.

SECTION 14. ENFORCEMENT; SEVERABILITY; ETC.

It is the desire and intent of the parties that the provisions of this Employment Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Employment Agreement shall be adjudicated to be invalid or unenforceable, such provision shall be deemed amended to delete therefrom the portion thus adjudicated to be invalid or unenforceable, such deletion to apply only with respect to the operation of such provision in the particular jurisdiction in which such adjudication is made.

SECTION 15. BINDING AGREEMENT; BENEFIT.

The provisions of this Employment Agreement will be binding upon, and will inure to the benefit of, the respective heirs, legal representatives, successors and assigns of the parties.

SECTION 16. WAIVER OF BREACH.

The waiver by either party of a breach of any provision of this Employment Agreement must be in writing and shall not operate or be construed as a waiver of any other breach.

SECTION 17. ENTIRE AGREEMENT; AMENDMENTS.

This Employment Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements or understandings between the parties with respect thereto. This Employment Agreement may be amended only by an agreement in writing signed by the parties.

SECTION 18. HEADINGS.

The section headings contained in this Employment Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Employment Agreement.

SECTION 19. ASSIGNMENT.

This Employment Agreement is personal in its nature and the parties shall not, without the consent of the other, assign or transfer this Employment Agreement or any rights or obligations hereunder; provided, however, that the Company may assign this Employment Agreement to any of its affiliates and the provisions of this Employment Agreement shall inure to the benefit of, and be binding upon, each successor of the Company, whether by merger, consolidation, transfer of all or substantially all of its assets, or otherwise.

SECTION 20. COUNTERPARTS.

This Employment Agreement may be executed in counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement.

Joel T. Citron

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement effective as of the date first above written.

MASTEC, INC.

By: /s/ Jorge Mas

Name: Jorge Mas

Title: President and Chief Executive Officer

By: /s/ Joel-Tomas Citron

Joel-Tomas Citron

Exhibit 10.9

SHARES PURCHASE AND SALE WITH REFERRED PAYMENT AND DELIVERY AGREEMENT,
SHARES PUT OPTION, PROMISE OF SHARES PLEDGE, SHAREHOLDERS AGREEMENT AND OTHERS

With the intervention of Mr. Pedro de Elizalde y Aymerich, Official Stockbroker duly authorised to act in Madrid, ascribed to the Official Stockbrokers College of Madrid.

In Madrid, December 30, 1998

GATHERED

ON THE ONE SIDE

Mr. Jose Miguel Sariego, married, American lawyer, domiciled in 3155 North West, 77 Avenue Miami, Florida, holder of passport number 044707068 of the United States of America.

AND ON THE OTHER SIDE

Mr. Francisco Javier Martinez de Lahidalga Gonzalez, of Spanish nationality, of full age, domiciled in Madrid, calle Espalter 6 and with DNI number 13637114.

Mr. Juan Antonio Casanova de San Simon, of Spanish nationality, of full age, domiciled in Madrid, calle del Arte 21 and with DNI number 41428116.

Mr. Ricardo Campos Dufaut, of Spanish nationality, of full age, domiciled in Madrid, Paseo de la Habana 20, and with Passport number 05206867.

Mr. Alfredo Florez Plaza, of Spanish nationality, of full age, domiciled in Madrid, calle Ibiza 41, and with DNI number 00618808.

Mr. Serafin Gonzalez Morcillo, of Spanish nationality, of full age, domiciled in Madrid, calle General Arrando 11, and with DNI number 40251250 and Mr. Carlos Tejera Osuna of Spanish nationality, of full age, domiciled in Madrid, calle General Arrando 11 and with DNI number 2192396.

INTERVENE

Mr. Jose Miguel Sariego, in the name and on behalf of , as attorney and Vicepresident of MasTec Inc. (hereinafter referred to as "MasTec") company validly incorporated and in force according to the laws of the State of Florida of the United States of America, domiciled in 3155 North West, 77 Avenue, Miami Florida, he acts by virtue of the power of attorney granted in his favour on December 29, 1998 before the Notary Public of the State of Florida (United States) Ms. Patricia Pizzuto, duly apostilled on the same date by the Secretary of the State of Florida in Tallahassee, Florida under number 1998-16739.

Mr. Francisco Javier Martinez de Lahidalga Gonzalez, as verbal mandatory, representing the company LAMEGO Holdings Corp., duly incorporated and registered in the British Virgin Islands.

Mr. Juan Antonio Casanova de San Simon, as verbal mandatory, representing the company Fawn Creek, Ltd, duly incorporated and registered in the British Virgin Islands.

Mr. Ricardo Campos Default, as verbal mandatory, representing the company Bending Oak, Ltd, duly incorporated and registered in the British Virgin Islands.

Mr. Alfredo Florez Plaza, as verbal mandatory, representing the company TILPA Trading Limited, duly incorporated and registered in the British Virgin Islands and as attorney of Sintel International Corp. BVI, company domiciled in Omar Hodge Building, Wickham's Cay, Road Town, Tortola, British Virgin Islands validly incorporated and in force according the laws of the British Virgin

Islands.

Mr. Serafin Gonzalez Morcillo and Mr. Carlos Tejera Osuna, in the name and on behalf of, as joint directors of the company F.G NEWCO, S.L. of Spanish nationality, domiciled in Madrid, calle General Arrando 11 - 4(0), with NIF number B-81516296 and registered with the Mercantile Registry of Madrid under Volume 11482, Folio 106, Page number M-1802289.

The companies LAMEGO Holdings Corp., Fawn Creek Ltd, Bending Oak, Ltd, TILPA Trading Limited and F.G. NEWCO S.L, will be jointly referred hereinafter as "the Purchaser".

Except for Sintel International Corp. BVI, F.G. NEWCO S.L and MasTec Inc which are acting with the corresponding legal capacity, the remaining parties will have to ratify this agreement in the shortest term with retroactive effects as from the date hereof, and

WHEREAS

I. MasTec is the legal owner of 1000 shares of 1 cent US dollar par value each, representing the total share capital of MasTec International Inc. company with corporate domicile in Florida, 77 Avenue, Miami 3155 NW, validly incorporated and existing under the laws of the State of Delaware.

TITLE OF OWNERSHIP: deed of incorporation of the company.

LIENS AND ENCUMBRANCES: the shares are pledged to the benefit of Bank Boston NA as agent and a syndicate of other banks as security for a credit facility.

II. A call option agreement (over the shares of MasTec International Inc.) was executed on October 15, 1998 as amended on December 24, 1998, in which the parties to this agreement (other than Sintel International Corp. BVI) have subrogated.

The original holder of the call option referred to in the above paragraph has waived the same, as states the Purchaser and he accredits by means of the Waiver Document attached hereto as Annex No. 3 of this agreement.

III. MasTec International Inc., Telefonica, S.A. and Sistemas de Instalaciones de Telecomunicacion, S.A. (Sintel) have executed prior to this agreement, a document of debt acknowledgement and payment commitment a copy of which is attached hereto as Annex No. 1.

IV. Sintel International Corp. BVI, holds the shares or participations representing the share capital of the entities Proyco Ltda, a Colombian company and Artcom Services, S.A., a company from Puerto Rico.

V. The Purchaser shall incorporate the vehicle or vehicles through which it will complete the transactions included herein in the terms and conditions contained herein.

VI. The parties to this agreement wish to implement the terms agreed herein in accordance with the following

CLAUSES

FIRST.- PURCHASE AND SALE OF SHARES

MasTec transfers to the Purchaser who acquires, 870 shares representing 87% of the share capital of MasTec International Inc., referred to under recital I of this document which will be represented by means of the stock certificates No. 2 to 6 both inclusive which will be delivered as follows:

Stock certificate no. 2 representing 250 shares to the company LAMEGO Holdings Corp. who acquires the same.

Stock certificate no. 3 representing 150 shares to the company Fawn Creek, Ltd who acquires the same.

Stock certificate no. 4 representing 200 shares to the company Bending Oak, Ltd who acquires the same.

Stock certificate no. 5 representing 70 shares to the company TILPA Trading Limited who acquires the same.

Stock certificate no. 6 representing 200 shares to the company FG NEWCO, S.L. who acquires the same.

SECOND.- PRICE AND DELIVERY OF THE SHARES

2.1 The total price for the shares transferred amounts to 3,869,821,052 pesetas distributed as follows:

Payment of 1,112,017,544 pesetas corresponds to LAMEGO Holdings Corp. for the purchase of 25% of the share capital of MasTec International Inc.

Payment of 667,210,526 pesetas corresponds to Fawn Creek Ltd. for the purchase of 15% of the share capital of MasTec International Inc.

Payment of 889,614,035 pesetas corresponds to Bending Oak Ltd. for the purchase of 20% of the share capital of MasTec International Inc.

Payment of 311,364,912 pesetas corresponds to TILPA Trading Limited for the purchase of 7% of the share capital of MasTec International Inc.

Payment of 889,614,035 pesetas corresponds to F.G. NEWCO, S.L. for the purchase of 20% of the share capital of MasTec International Inc.

2.2 Delivery of the shares shall be effected on January 31, 1999 in the event the conditions referred to under clause fourth of this agreement are met; in case such conditions were not met, delivery of the shares shall be effected once they are accomplished on February 28, 1999; if they were not accomplished in said date delivery will be effected on March 31, 1999 or April 30, 1999, as long as the abovementioned conditions have been fulfilled.

THIRD.- PAYMENT OF THE PRICE

Payment of the purchase price will be made as follows:

3.1 The Purchaser pay upon the execution of this agreement, on account of the payment of the price, the amount of 130,500,000 pesetas which will be deposited in the current account number 252529001-24 opened with the bank BNP located in c/ Bolivia 28, Madrid.

The above payment on account is distributed among the companies forming the Purchaser as follows:

Payment of 37,500,000 pesetas corresponds to LAMEGO Holdings Corp. for the purchase of 25% of the share capital of MasTec International Inc.

Payment of 22,500,000 pesetas corresponds to Fawn Creek Ltd. for the purchase of 15% of the share capital of MasTec International Inc.

Payment of 30,000,000 pesetas corresponds to Bending Oak Ltd. for the purchase of 20% of the share capital of MasTec International Inc.

Payment of 10,500,000 pesetas corresponds to TILPA Trading Limited for the purchase of 7% of the share capital of MasTec International Inc.

Payment of 30,000,000 pesetas corresponds to F.G. NEWCO, S.L. for the purchase of 20% of the share capital of MasTec International Inc.

3.2 Deferred price will be payable in four equal instalments (that is of

934,830,263 pesetas each) on the following dates: January 31, February 28, March 31 and April 30, 1999, free of interest. In case the conditions of the following clause fourth (4.1, 4.2 and 4.3) were not fulfilled on January 31, 1999, said payments will be postponed without interest until the date of delivery of the shares according to the second clause (2.2) above. In this case payments will be made as follows: (i) if delivery of the shares takes place between March 31 and April 30 1999, payment will be effected within the 10 business days following delivery of the shares except for the instalment due on April 30, 1999, which will be paid on such date; (ii) if delivery of the shares takes place between February 28 and March 31 1999, payment will be effected within the 10 business days following delivery of the shares except for the instalment due on March 31 and April 30, 1999, which will be paid on such dates; (iii) if delivery of the shares takes place between January 31 and February 28, payment of the instalment due on January 31 will be effected within the 10 business days following delivery of the shares and the remaining instalments on its respective maturities.

Once the conditions of the fourth bellow have been fulfilled, the delay in payment of the deferred amounts will accrue an annual interest of 9% as from the last business day of payment until its complete settlement.

Deferred amounts will be secured by means of a pledge of shares of MasTec International Inc., being the promise of pledge regulated under the ninth clause of this agreement. Additionally, each of the companies forming the so called Purchaser guarantees joint and severally with the vehicle company to which this agreement may be assigned, the deferred part of the price corresponding to each of them.

- 3.3 The total or partial unpayment at the maturity dates established in this third clause (3.2) will enable MasTec to call as due and payable the remaining instalments payable by the defaulting company forming the Purchaser, who will be obliged to settle the total pending amount of payment.

FOURTH.- SUSPENSIVE CONDITIONS AND TERM

The effectiveness of this purchase and sale is conditioned by the fulfilment by MasTec, the Purchaser and Sintel International Corp. BVI of the following transactions within the term established hereinafter:

- 4.1 MasTec is obliged to release the shares of MasTec International Inc. pledged in favour of Bank Boston, N.A. as agent and other syndicated banks, leaving them free of liens and encumbrances, restrictions or third parties rights for delivery to the Purchaser before April 30, 1999.
- 4.2 Mastec by itself and in the name and on behalf of Mastec International Inc. is obliged to release 4,026,000 shares representing the 66% of the share capital of the company Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel), domiciled in Madrid, c/ Arte n(0) 21, incorporated by means of the public deed granted on February 8, 1950 by Mr. Jose Luis Diez Pastor and subsequently amended by others, having duly adapted its bylaws by means of the public deed dated July 4, 1991, before the Notary Public of Madrid, Mr. Rafael Vallejo Zapatero, under number 3212 of his protocol, registered with the Mercantile Registry of Madrid, volume 1764, folio 79, page number M-31898, entry 250, with CIF number A-28/048502, whose pledge deed was granted on August 29, 1997 before the Public Notary of Madrid, Mr. Emilio Villalobos Bernal, under number 2323 of his protocol, ratified by another one granted before the same Notary Public on September 17 of the same year, under number 2448 of his protocol, leaving them free of charges, restrictions and third parties rights on the date in which MasTec delivers the shares of MasTec International Inc to the Purchaser before April 30, 1999.
- 4.3 MasTec is obliged to perform the necessary transactions so that the balance sheet of MasTec International Inc.'s as of the date in which the shares are delivered as established under clause second (2.2), exclusively shows in its assets side the investment in Sistemas e

Instalaciones de Telecomunicacion, S.A. (Sintel) (the ownership of the 100% of Sintel) and in liabilities side the share capital and the debt owed to Telefonica, S.A. in the corresponding amount according to Annex No. 1, before April 30, 1999. To these effects, the Purchaser authorises MasTec to dispose of any assets of the company MasTec International Inc. other than the shares of Sistemas e Instalaciones de Telecomunicacion, S.A (Sintel) obtaining a balance formed by the stake in Sintel in the assets side and ten American dollars (10US\$) of share capital and the debt owed Telefonica, S.A. of Annex n(0) 1 in the liabilities side.

4.4 The Purchaser is obliged to incorporate the companies, to be used as vehicles for this investment as soon as possible, and guarantees that the competent authority bodies of the same will ratify this agreement in all its terms, before delivery of the shares, transferred hereby, and in any case, not later than April 30, 1999.

4.5 Sintel International Corp. BVI will join as subsidiary 100% to MasTec International Inc. for the amount of one peseta or will transfer its participations in the companies mentioned in recital IV at a price equal to their acquisition cost to MasTec International Inc. immediately after delivery of the shares transferred hereby, in such way that they will not appear in the balance sheet of MasTec International Inc.'s which MasTec will deliver to the Purchaser simultaneously with the shares. MasTec does not assume any responsibility whatsoever in relation to this transaction.

In the event the above transactions were not accomplished and duly executed by April 30, 1999, the purchase and sale and remaining commitments of this agreement will remain without effect and force and MasTec will be obliged to return the amount of 130,500,000 pesetas received from the Purchaser on the immediately following day. None of the parties will be entitled to claim from the others damages or losses for breach of the abovementioned transactions, except for the breach or non compliance of any of the abovementioned transactions due to malice or negligence on the exclusive part of the party concerned with its fulfilment, whether by action or omission. To such purposes, the parties commit themselves to develop the most strict diligence. Notwithstanding the above, were the transactions referred to under clause four (4.1 and 4.2) of this agreement not carried out by April 30, 1999, the Purchaser may opt for the abovementioned termination or for the purchase of 34% of the shares of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) which are not pledged, for the proportional corresponding price in relation with the purchase price established in this agreement for the shares of MasTec International Inc. remaining the clauses of this document in force whose terms and conditions will be duly adapted by the parties to the new situation if necessary.

All the parties as owners of 100% of the share capital of MasTec International Inc will execute the necessary agreements to implement this call option.

FIFTH.- OTHER OBLIGATIONS OF MASTEC

MasTec is obliged to deliver together with the titles of the shares of MasTec International Inc. a balance sheet of the latter that will be attached hereto as Annex No. 2 of, whose asset side will exclusively consist of the 100% of the share capital of Sintel and whose liability side will exclusively consist of its share capital of ten (10US\$) American dollars and the owed to Telefonica, S.A. as per Annex No. 1. Likewise, MasTec is obliged to deliver to the Purchaser a "Compilation" prepared by Price Waterhouse Coopers, Auditors of MasTec, carried out according to the GAAP of the United States of America, and as long as this documents has not been delivered to the Purchaser, he will be entitled to retain the last instalment of the owed deferred price according to the third clause (3.2) of this document.

MasTec represents and warrants not having notice of other liabilities, provisioned or not, and that such balance will clearly and faithfully show the economic situation of MasTec International Inc. according to GAAP of the United States of America.

MasTec represents and warrants that the balance sheet of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) as of December 31, 1997, audited by Arthur Andersen, clearly and faithfully shows the economic and financial situation of this company and its consolidated group as of such date. MasTec represents that, as far as it is concerned, the management of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) during the financial year of 1998 has been carried out in accordance with continuance and consistency criteria as regards the financial year of exercise 1997 and precedents and within the ordinary course of business and, therefore, MasTec does not know of the existence of any liabilities which are not going to be adequately and sufficiently accounted or provisioned in the balance sheet closed as of December 31, 1998, that may cause a patrimonial damage to Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel); nevertheless, MasTec does not guarantee the non-existence of said liabilities.

Mr. Juan Antonio Casanova de San Simon, represents and expressly admits to have had access to all legal, commercial, economic and financial information of Sintel and furthermore represents that he has a personal and direct knowledge of the situation of its situation.

MasTec represents and warrants to the Purchaser that: (i) MasTec International Inc. is validly incorporated in force according to the laws of the State of Delaware; (ii) the shares of MasTec International Inc and the shares of Sintel, will be the exclusive property of MasTec International Inc. respectively on the day of delivery of the shares according to the second clause (2.2); (iii) the transfer of ownership of the shares of MasTec International Inc, and accordingly the shares of Sintel are not subject to any restriction except for the content of Annex No. 1; (iv) MasTec International Inc is currently up to date as regards the fulfilment of its tax obligations and the payment of the same, having duly made the necessary provisions according to the GAAP of the United States of America until December 31, 1998, and Sintel is also up to date as regards its tax obligations and payment thereof, having made the necessary legal provisions in accordance with GAAP of the Kingdom of Spain and the tax regulating in force until December 31, 1997; v) there are no third party claims apart from that of Telefonica, S.A. referred to in Annex No. 1, against MasTec International Inc, for which provision has not been made, or of which the Purchaser has no knowledge of, nor against Sintel for which provision had not been made as of December 31, 1997; vi) neither is MasTec aware of possible third party claims against MasTec International Inc which might be formulated at a future date in respect of events previous to December 31, 1998, nor against Sintel by events previous to December 31, 1997; vii) neither do tax liabilities exist in MasTec International Inc., either in respect of Social Security payments or pensions which have not been duly accounted for or provisioned in the balance sheet which will be delivered together with the shares, nor do tax liabilities exist in respect of Social Security payments or pensions in Sintel which have not been duly accounted or provisioned in the balance sheet as of December 31, 1997.

MasTec declares that it does not guarantee to the Purchaser for any economic deficit or liabilities derived or consequence of the application by the Purchaser of different accounting criteria or principles which have been applied by Arthur Andersen, Auditors of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) up to the December 31, 1997 and which are included in their auditing report corresponding to the accounts of such financial year.

SIXTH.- RESPONSIBILITY OF MASTEC

MasTec is obliged to pay to MasTec International Inc., as the case may be, the effective net damage multiplied by 0.87, which is directly derived from an omission or inaccuracy in its balance sheet at the date of delivery of the shares as a consequence of events or businesses prior to December 31, 1998 or in the balance sheet of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) as of December 31, 1997 as a consequence of events or businesses prior to such date, which were not duly accounted for or were not known by the Purchaser up to a limit equal to eighty per cent (80 %) of the sale price obtained by MasTec.

Effective damage is deemed to be the net amount (after deduction of tax) multiplied by 0.87 of the economic deficit which should have been legally

accounted according to US GAAP if it concerns the MasTec International Inc. balance sheet or according to the Spanish GAAP if it concerns the balance sheet of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) and in both cases above the threshold agreed upon in the following paragraph.

MasTec will benefit from a threshold of up to forty million (40.000.000) pesetas for this concept. Therefore, there will be no indemnity at all as long as MasTecs liability does not exceed such figure, when it does exceed said figure, MasTec will only pay the excess.

Such liability will last for one year to be counted as from December 31, 1998, except for the tax liabilities or Social Security payments liabilities which will be extended until their legal prescription and except for the liabilities resulting from claims or processes in progress as of December 31, 1998 or as of December 31, 1997 in the case of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel), in which case the liability for such claims or processes in progress will be extended until their definitive resolution, except, in this last case, the Telefonica claim referred to in Annex No. 1 for which MasTec will not be liable whatsoever.

In order for MasTec to be bound to the compensation agreed upon hereby it will be necessary that the following steps and requirements are fulfilled: i) the Purchaser must notify MasTec of the deficit by means of a writ accompanied by the necessary documentation so that MasTec may decide how to proceed; ii) if MasTec accepts the claim, it will immediately proceed to pay it, but if it rejects it, it will be entitled to oppose the third party claim bearing the legal defence and representation expenses, including those of the guarantee if necessary, the Purchaser having to collaborate in said defence, providing the necessary information and elements of conviction; MasTec undertakes to rely on the active collaboration of the Purchasers legal advisors; iii) if the claim follows a judicial, extrajudicial or administrative procedure, the Purchaser undertakes to grant the necessary powers of attorney in order to defend the interests of MasTec in favour of the persons which the latter designates.

MasTec is exonerated of all liability for compensation if the Purchaser does not duly notify the claim or does not fulfil the obligation of providing the defence and procedural representation therewith; said notification will be deemed to be correctly given if it is done in an authoritative manner at the location indicated in the thirteenth clause. It will also be exonerated in case the Purchaser waives or accepts a claim or if it compromises in another manner or extrajudicially resolves it without the previous written consent of MasTec.

SEVENTH.- COMMITMENTS OF THE PURCHASER

7.1 Shareholders Agreement in MasTec International Inc.

The Purchaser and MasTec hereby agree that the latter will have, in addition to the legal protection, a veto right on resolutions relating to transactions involving extraordinary indebtedness, spin off, dissolution, liquidation, sale or encumbrance of the assets of the company MasTec International Inc. Notwithstanding the aforementioned, the consent of MasTec will not be necessary as regards acts of disposition or encumbrance of assets of MasTec International Inc. whose value or amount does not exceed the figure ten million (10.000.000) U.S. dollars, provided always that MasTec International Inc.'s net assets is not reduced or prejudiced.

The Purchaser and MasTec furthermore agree that the latter will be informed and will have the right to, of his own choice, subscribe to any shareholders agreement that the Purchaser has intention to subscribe regarding the company MasTec International, Inc.

7.2 "Tag-along":

The Purchaser grants MasTec the right to participate in a percentage of 13 % in the event of sale of all or part of the shares of MasTec International Inc. or of its assets, that is to say, its participation in Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) to a third party, in the same terms and

conditions of the other sellers. If the sale or transfer was that of the company Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel), the Purchaser grants MasTec the right to receive for its participation of 13% in MasTec International Inc., a price or compensation of the 13% of the value or sale price received by MasTec International Inc. for the sale of the company Sistemas e Instalaciones de Telecomunicacion, S.A., either through the amortisation of its shares or through the purchase of the same by MasTec International Inc. with the proportional part of the sale price.

7.3 Positions as Directors:

Mr. Jorge Mas, American citizen holding Passport number 044886171 will be entitled to be appointed Director of MasTec International Inc. and Chairman of the Board of Directors of Sintel until December 31, 2000, or until the put option is exercised, as the case may be, referred to in the eighth clause below. In such case, Mr. Jorge Mas will enjoy the insurances and coverages corresponding to the responsibilities of a Director which the remaining independent directors of said companies enjoy.

EIGHTH.- PUT OPTION

MasTec is obliged to use its best efforts in order to transfer the total or part of its share holding in MasTec International Inc (13% of its share capital) in favour of the Mas family, subject to the legal requirements applicable at any time and to the acceptance of said family.

If in spite of the fact that MasTec has used its best efforts to carry out the abovementioned transfer, it could not be effected, a put option right will arise offered from the Purchaser to MasTec, who accepts, over 130 shares of MasTec International Inc, by representing 13% of its share capital, represented by the "Stock Certificate No. 7" by virtue of which the Purchaser is obliged to buy said shares under request of MasTec, who will be able to exercise said put option right on December 31, 1999 or on December 31, 2000. The sale price will be of 578,249,123 pesetas plus 7.5% annual interest as from January 1, 1999 to December 31, 1999 or 15% annual interest if the put option is exercised on December 31, 2000, calculated as from January 1, 1999 to December 31, 2000, in this last case, depending on the exercise put option. If MasTec decides to exercise the put option on the agreed date, the Purchaser will receive an authentic notification, appointing a public fedatary for the formalisation of the purchase and sale with advance notice of 15 days. If the Purchaser totally or partially sells to a third party the shares of MasTec International or the shares of Sintel before those dates, MasTec will be able to exercise in advance its put option right.

The put option right referred to in the above paragraph of this eighth clause will be proportionally cancelled in relation to the number of shares transferred to the Mas family in accordance with the first paragraph of this clause.

If the Purchaser transferred by means of a public or private tender offer in an organised market or out of it all or part of its shares in MasTec International Inc. or in Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel), MasTec will have the right to demand the inclusion of its 13% shareholding or the proportional part thereof in case the public or private tender offer were partial.

NINTH.- PROMISE OF SHARES PLEDGE

The Purchaser promises to create a pledge over 870 shares of MasTec International Inc in favour of MasTec, who will accept such pledge as a guarantee of the deferred payment of the sale price referred to under the third clause (3.2) of this agreement. The pledge will be formalised in a public instrument which will have to be simultaneously granted with the delivery of the shares as established under the second clause (2.2) in accordance with the following principles:

The Purchaser will deliver as deposit to MasTec the "Stock Certificates" numbers 2 to 6, inclusive, issued in favour of the Purchaser, representing 870 pledged shares. The Purchaser will expressly undertake to immediately obtain the pledge

registration in the share registry book of MasTec International Inc. MasTec will receive in escrow the "Stock Certificates" numbers 2 to 6 inclusive representing the pledged shares and will cooperate in all that is necessary so that the Purchaser may exercise the corresponding politic rights.

The Pledge will be extended to all rights (excluding politic and economic ones) that may correspond to the pledged shares and, in case there is a delay in payment of the Purchaser and while the pledge subsists it will be automatically extendible to the corporate profits and other economic rights and to the voting rights, to which purpose the Purchaser will notify MasTec in writing well before the holding of the General Shareholders Meetings (and informing of the Agenda) granting special power to the benefit of MasTec so that it may attend such meeting in its name and representation, except for the written waiver of MasTec to this purposes or authorisation from MasTec to allow the dilatory debtor to attend the meeting having his vote to be agreed upon by MasTec.

The pledge will be indivisible. Consequently, each of the shares will secure the complete fulfilment of the guaranteed obligation. The Purchaser will only be able to request the extinction of the pledge and further devolution of the holding of the pledged shares when the deferred payment secured has been duly settled. MasTec will reduce the pledge after having received the complete deferred sale price referred to under the third clause (3.2) of this document in the following way: (i) after the first deferred payment instalment, to shares representing 63%; (ii) after the second deferred payment instalment, to shares representing 42%; (iii) after the third deferred payment instalment, to shares representing 21% of the share capital of MasTec International Inc.

The pledge will be made effective by means of an auction of all or part of the pledged shares before the Notary Public of Madrid appointed by MasTec. The Public Notary will order the valuation of the shares to one of the auditing companies of international well known prestige established in Spain. The Notary Public will proceed in the following manner: (i) he will request the Purchaser the payment giving him a term of 15 days; (ii) if payment is not effected in the above term, he will proceed to the abovementioned valuation; (iii) the Notary Public will notify MasTec of the number of shares to be auctioned and the value corresponding to such shares, as well as the minimum price of the bidding, place, date and hour of the auction; and (iv) he will order the publishing of the same information in the BOE (Boletín Oficial del Estado) and in two newspapers of wide circulation in Madrid at least 10 days in advance. The price in the first auction will be at least the minimum bidding price or valuation; in the second auction the minimum price of the bidding will be equal to 25% of the first auction price; no minimum price will be established for the third auction. Anyone wishing to participate in the auction will have to deposit before the Notary Public 20% of the minimum value of the bidding for the first auction. These amounts will be reimbursed to the persons who have not been awarded the shares when the auction is finished. The auction will take place by bids. The bidder will pay the difference up to the final price at the moment of the assignation. If the highest bidder does not pay the price, the auction will be reinitiated. Once the shares are assigned to the highest bidder, MasTec will receive payment for its debts credit and after the expenses of the auction have been liquidated the remaining amount, if any, will be paid to the Purchaser. The purchase and sale deed in favour of the highest bidder will be granted before the same Notary Public on behalf of the Purchaser. In the event the shares were not sold in the first auction, a second auction will be called and likewise a further third auction. Each calling will be done as stated beforehand. In case the balance obtained during the auction was insufficient to cover the secured debt, each of the purchasers forming the Purchaser will be liable with their patrimony of the difference corresponding to them.

TENTH.-

ASSIGNMENT OF THE AGREEMENT

MasTec and the Purchaser may assign their respective contractual positions to a third party with the prior written consent from the other party, who may not unreasonably withheld it in accordance with the ordinary business practice. The Purchaser acquires for itself or on behalf of a corporate entity or entities owned by itself which will be designated with such prior consent, so that there will only be one transfer of the ownership of the shares transmitted which will be effected directly from MasTec to the entity or entities finally designated by

the Purchaser.

ELEVENTH.-

MANAGEMENT OF MASTEC INTERNATIONAL INC AND SINTEL

MasTec undertakes to abstain from intervening in the management of MasTec International Inc. and Sintel, entrusting the latter to the Managing Director of Sintel, Mr. Juan Antonio Casanova de San Simon, who will carry it out according to the instructions of the Purchaser, who will always take into account the temporary nature of the situation, until the fulfilment of the transactions referred to under the fourth clause of this document and therefore abstaining from performing transactions outside the ordinary course of business.

TWELFTH.-

DEBT OWED TO TELEFONICA

The debt of MasTec International Inc. to Telefonica, S.A. for the purchase and sale of the shares of Sistemas e Instalaciones de Telecomunicacion, S.A. (Sintel) documented in the Public Deed, granted before the Notary Public of Madrid Mr. Jose Luis Figuerola Cerdan, on April 30, 1996, under number 1107 of this protocol, whose amount and details appear in the novation agreement which is attached as Annex No.1 to this agreement, will be satisfied in accordance with its own terms.

THIRTEENTH.-

NOTIFICATIONS

Any notification will be made in writing, by registered mail will acknowledgement of receipt to the following addresses:

MasTec
MasTec Inc
3155 N.W. 77 Avenue
Miami Florida 33122
Attention: Mr Jorge Mas

Copy to:
MasTec Inc
3155 N.W. 77 Avenue
Miami Florida 33122
Attention: Mr Jose Sariego
Legal Department

The Purchaser
Sintel c/Arte n(0) 21
MADRID
Attention: Mr Juan Antonio Casanova de San Simon

The parties are able to change address by giving prior notification to the other party.

FOURTEENTH.-

TAX AND EXPENSES

The Purchaser and MasTec will each bear half of all expenses and taxes incurred in the granting and fulfilment of this agreement.

FIFTEENTH.-

LAW AND JURISDICTION

This agreement will be governed and construed in accordance to Spanish Law.

The parties submit themselves to the jurisdiction of the Courts of Madrid and expressly renounce to any other jurisdiction which may correspond to them, as regards any matter relating to this agreement.

MERCANTILE POLICY

This agreement and the eventual amendments thereto, will be formalised as a Policy intervened by Public Fedatary (Fedatario Publico) with the aim that all due amounts due under the same are qualified as a Public Deed Debt to all

effects foreseen in Article 1429,6(0) of the Civil Procedure Law (Ley de Enjuiciamiento Civil) and Articles 913.4(0) and 914.2(0) of the Commercial Code (Codigo de Comercio) in relation to Article 916.2 of the same Code and other applicable legal provisions.

This agreement is formalised as a Policy formed of a principal body of [] pages and 3 Annexes of [] pages in 7 original documents.

THE PARTIES WHILE EXECUTING THE LAST PAGE MANIFEST THEIR FULL AGREEMENT WITH THE ENTIRE CONTENT OF THIS DOCUMENT, for the acknowledgement of which the Public Fedatary intervenes, attesting to the identity and capacity of the Parties, to the legitimacy of their signatures and to all that is agreed in the agreement and having made the legal observations, particularly, the need to ratify the intervention of the verbal mandatories, seals and signs all the pages, giving to all the counterparts an original value and full Mercantile and Procedural effects.

- -----
Signed Mr Jose Miguel Sariego
MASTEC INC.

- -----
Signed Mr Francisco Javier Martinez de
Lahidalga Gonzalez
LAMEGO HOLDINGS CORP.

- -----
Signed Mr Juan Antonio Casanova
de San Simon
FAWN CREEK, LTD.

- -----
Signed Mr Ricardo Campos Dufaut
BENDING OAK, LTD.

- -----
Signed Mr Alfredo Florez Plaza
TILPA TRADING LTD

- -----
Signed Mr Serafin Gonzalez Morcillo
Signed Mr Carlos Tejera Osuna
F.G. NEWCO, S.L.

- -----
Signed Mr Alfredo Florez Plaza
SINTEL INTERNATIONAL CORP. BVI

Intervening Public Fedatary
With my intervention, Mr Pedro de Elizalde y Aymerich

ANNEX 1

ACKNOWLEDGEMENT OF DEBT AND
PAYMENT UNDERTAKING AGREEMENT

ANNEX 2

BALANCE SHEET OF MASTEC INTERNATIONAL INC.

ANNEX 3

WAIVER OF CALL OPTION RIGHT

Exhibit 21.1

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

MasTec North America, Inc.

MasTec Latin America, Inc.

MasTec Inepar S/A Sistemas de Telecomunicacoes

LatLink Corporation

Exhibit 23.1

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference to the registration statements of MasTec, Inc. (the "Company") on Post-Effective Amendment No. 1 to Form S-3 (File Nos. 333-11013 and 333-46067), Post-Effective Amendment No. 1 to Form S-4 File No. 333-30645, and Post-Effective Amendment No. 1 to Form S-8 (File Nos. 033-55327, 333-30647, 333-47003 and 333-22465) of our report dated March 31, 1999, on our audits of the consolidated financial statements of Sintel, S.A. and subsidiaries as of December 31, 1997 and 1998 and for each of the two years in the period ended December 31, 1998, which report is included in this Annual Report on Form 10-K.

/s/ ARTHUR ANDERSEN LLP

- - - - -

ARTHUR ANDERSEN LLP
Madrid, Spain
March 31, 1999

Exhibit 23.2

CONSENT OF INDEPENDENT ACCOUNTANTS

We consent to the incorporation by reference to the registration statements of MasTec, Inc. (the "Company") on Post-Effective Amendment No. 1 to Form S-3 (File Nos. 333-11013 and 333-46067), Post-Effective Amendment No. 1 to Form S-4 File No. 333-30645, and Post-Effective Amendment No. 1 to Form S-8 (File Nos. 033-55327, 333-30647, 333-47003 and 333-22465) of our report dated February 10, 1999, on our audits of the consolidated financial statements of the Company as of December 31, 1997 and 1998 and for each of the three years in the period ended December 31, 1998, which report is included in this Annual Report on Form 10-K.

/s/ PRICEWATERHOUSECOOPERS LLP

PRICEWATERHOUSECOOPERS LLP
Miami, Florida
March 31, 1999

<ARTICLE> 5

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH ANNUAL REPORT ON FORM 10-K.

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EXHIBIT 99.1

CAUTIONARY STATEMENTS REGARDING SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

The Company is filing this cautionary statement identifying important factors that could cause the Company's actual results to differ materially from those projected in forward looking statements of the Company made by, or on behalf of, the Company.

Dependence on Key Customers and the Telecommunications Industry

The Company derives a substantial portion of its revenue from customers in the telecommunications industry, particularly BellSouth. The Company anticipates that it will continue to derive a significant portion of its revenue from services performed for customers in the telecommunications industry and specifically BellSouth. The loss of BellSouth as a customer or a significant reduction in the aggregate amount of business generated by these customers could have a material adverse effect on the Company's results of operations.

In addition, there are a number of factors that could adversely affect these and the Company's other customers and their ability or willingness to fund capital expenditures in the future, which in turn could have a material adverse effect on the Company's results of operations. These factors include the potential adverse nature of, or the uncertainty caused by, changes in governmental regulation, technological changes, increased competition, adverse financing conditions for the industry and economic conditions generally. Further, the volume of work awarded under contracts with the Company's public utility customers is subject to periodic appropriations during the term of the contract, and a failure by the customer to receive sufficient appropriations could result in a reduction in the volume of work under these contracts or a delay in payments, which in turn could negatively affect the Company.

Risks Inherent in Growth Strategy

The Company has grown rapidly through the acquisition of other companies and its growth strategy is dependent in part on additional acquisitions. The Company anticipates that it will make additional acquisitions and is actively seeking and evaluating new acquisition candidates. There can be no assurance that the Company will be able to continue to identify and acquire appropriate businesses or obtain financing for acquisitions on satisfactory terms or that acquired companies will perform as expected. The Company's growth strategy presents the risks inherent in assessing the value, strengths and weaknesses of growth opportunities, in evaluating the costs and uncertain returns of expanding the operations of the Company and in integrating existing operations with new acquisitions. Future competition for acquisition candidates could raise prices for these targets and lengthen the time period required to recoup the Company's investment. The Company's growth strategy also assumes there will be a significant increase in demand for telecommunications and other infrastructure services, which may not materialize. The Company's anticipated growth may place significant demands on the Company's management and its operational, financial and marketing resources. The Company's operating results could be adversely affected if it is unable to integrate and manage acquired companies successfully. Future acquisitions by the Company could also result in the incurrence of additional debt and contingent liabilities, and amortization expenses related to goodwill and other intangible assets, which could materially adversely affect the Company's financial condition and results of operations.

Risks of Foreign Operations

Some of the countries in which the Company conducts business are experiencing or have experienced political, economic or social instability, including expropriations, currency devaluations, hyper-inflation, confiscatory taxation or other adverse regulatory or legislative developments, or have

limited the repatriation of investment income, capital and other assets. There can be no assurance that some of these circumstances will not occur in the future or that, if they occur, they will not have a material adverse effect on the Company's financial condition and results of operations.

The Company conducts business in several foreign currencies that are subject to fluctuations in the exchange rate relative to the U.S. dollar. The Company's results of operations from foreign activities are translated into U.S. dollars at the average prevailing rates of exchange during the period reported, which average rates may differ from the actual rates of exchange in effect at the time of actual conversion into U.S. dollars. The Company monitors its currency exchange risk but currently does not hedge against this risk. There can be no assurance that currency exchange fluctuations will not adversely affect the Company's financial condition or results of operations.

Dependence on Labor Force

The Company's business is labor intensive with high employee turnover in many operations. The low unemployment rate in the United States has made it more difficult to find qualified personnel at low cost in some areas where the Company operates. Shortages of labor or increased labor costs could have a material adverse effect on the Company's operations. There can be no assurance that the Company will be able to continue to hire and retain a sufficient labor force of qualified persons.

Dependence on Management

The Company's businesses are managed by a small number of key executive and operational officers, including Jorge Mas, the Company's Chairman, President and Chief Executive Officer, Joel-Tomas Citron, the Company's Vice Chairman, and the Company's service line presidents. The loss of services of certain of these executives and managers could have a material adverse effect on the Company. The Company's growth strategy also is dependent on its ability to hire and retain additional qualified management personnel. There can be no assurance that the Company will be able to hire and retain such personnel.

Technological Changes

The telecommunications industry is subject to rapid changes in technology. Wireline systems used for the transmission of video, voice and data face potential displacement by various technologies, including wireless technologies such as direct broadcast satellite television and cellular telephony. An increase in the use of such technologies could, over the long term, have an adverse effect on the Company's wireline operations.

Seasonality; Variability of Quarterly Results

The Company's external network services business is subject to seasonality, with the Company experiencing a reduction in revenue during the first and fourth quarters relative to other quarters. This reduction is due, in large part, to reduced expenditures and work order requests of the Company's telecommunications and other utility customers, particularly the ILEC's, at the end of their budgetary years, which typically end in December. The onset of winter also affects the Company's ability to render external networks in certain regions of the United States.

The Company may experience variances in quarterly results as a consequence of winning major contracts, which typically require significant start-up costs in one period and realization of the benefit of contractual revenue in subsequent periods, or as a result of the completion of major contracts. In addition, the amount and type of work performed at any given time and the general mix of customers for which work is being performed can vary significantly from quarter to quarter, which also may affect quarterly results.

Short-Term Nature of Contracts; Failure to Renew or Win Bids

A significant portion of the Company's services are provided on a non-recurring, project by project basis under contracts of relatively short

duration, typically less than one year. Many of the Company's contracts with its customers, including most of its master contracts and contracts with its public utility customers, are subject to cancellation by the customer without notice or on relatively short notice, typically 90 to 180 days, even if the Company is not in default under the contract. Many of the Company's contracts, including master contracts, also are opened to public bid at the expiration of the contract term, and there can be no assurance that the Company will be the successful bidder on existing contracts that come up for bid. Cancellation of a significant number of contracts by the Company's customers or the failure of the Company to win a significant number of existing contracts upon re-bid could have a material adverse effect on the Company.

Disposal of Non-Core Assets

The Company currently has investments in a number of non-core assets, including non-operating real estate, an interest in an Argentine cable television operator, an interest in an Ecuadorian cellular telephone company, and a voice and data teleport facility. The Company is exploring strategic alternatives to maximize the value of these assets. There can be no assurance that the Company will be successful in achieving any proposed alternatives or that the achievement of any proposed alternatives would not result in a charge, loss or tax liability.

Controlling Shareholders

Jorge Mas, the Company's Chairman, President and Chief Executive Officer, and other family members beneficially own more than 50% of the outstanding shares of Common Stock of the Company. Accordingly, they have the power to control the affairs of the Company.

Restrictions Imposed By Credit Facility and Senior Notes

The Credit Facility and the Senior Notes contain customary events of default and covenants which prohibit the Company, among other things, making investments in excess of specified amounts, incurring additional indebtedness in excess of a specified amount, paying dividends in excess of a specified amount, making capital expenditures in excess of a specified amount, creating liens, prepaying other indebtedness, including the Senior Notes and engaging in certain margins or combinations without the prior written consent of the lenders. The Credit Facility also provides that the Company must maintain certain financial ratio coverage, requiring, among other things, minimum ratios at the end of each fiscal quarter of debt to earnings and earnings to interest expense. The ability of the Company to comply with such provisions may be affected by events that are beyond the Company's control. The breach of any of these covenants could result in a default under the Credit Facility and the Senior Notes indenture and a subsequent acceleration of such indebtedness. In addition, as a result of these covenants, the ability of the Company to respond to changing business and economic conditions and to secure additional financing, if needed, may be restricted significantly, and the Company may be prevented from engaging in transactions that might otherwise be considered beneficial to the Company.