EXHIBIT 10.31  
  
 PLEDGE AGREEMENT  
   
   
 THIS PLEDGE AGREEMENT (the "Agreement"), dated November 10, 1997, is  
made and entered into by and between PORTACOM WIRELESS, INC., a Delaware  
corporation (the "Debtor") and VDC CORPORATION LTD., (the "Secured Party") under  
that certain Loan Agreement dated of even date herewith (as it may hereafter  
from time to time be restated, amended, modified or supplemented, the "Loan  
Agreement") by and between the Debtor and the Secured Party.  
  
 WHEREAS, pursuant to the Loan Agreement, the Secured Party agreed to  
provide certain loans to Debtor; and  
  
 WHEREAS, as security for such loans, and as required by the Loan  
Agreement, all of the warrants (whether now existing or hereafter acquired) held  
by Debtor to purchase common stock of Metromedia Asia Corporation ("MAC") shall  
be pledged to the Secured Party in accordance herewith.  
  
 NOW, THEREFORE, intending to be legally bound hereby, the parties  
hereto agree as follows:  
  
 1. Defined Terms.  
 -------------   
  
 (a) Except as otherwise expressly provided herein, capitalized  
terms used in this Agreement shall have the respective meanings assigned to them  
in the Loan Agreement. Where applicable and except as otherwise expressly  
provided herein, terms used herein (whether or not capitalized) shall have the  
respective meanings assigned to them in the Uniform Commercial Code as enacted  
in each applicable jurisdiction and as may be amended from time to time (the  
"Code").  
  
 (b) "Pledged Collateral" shall mean and include the following:  
(i) the securities listed on Schedule A attached hereto and made a part hereof,  
 ----------  
and all rights and privileges pertaining thereto, including, without limitation,  
all securities and additional securities receivable in respect of or in exchange  
for such securities, all rights to subscribe for securities incident to or  
arising from ownership of such securities, all cash, interest, stock and other  
dividends or distributions paid or payable on such securities, and all books and  
records pertaining to the foregoing, including, without limitation, all stock  
record and transfer books, (ii) any and all other securities hereafter pledged  
to the Secured Party to secure the Secured Obligations (as hereinafter defined)  
of Debtor, and all rights and privileges pertaining thereto, including, without  
limitation, all securities and additional securities receivable in respect of or  
in exchange for such securities, all rights to subscribe for securities incident  
to or arising from ownership of such securities, all cash, interest, stock and  
other dividends or distributions paid or payable on such securities, and all  
books and records pertaining to the foregoing, including, without limitation,  
all stock record and stock transfer books and (iii) whatever is received when  
any of the foregoing is   
  
 -1-  
  
   
sold, exchanged or otherwise disposed of, including any proceeds as such term is  
defined in the Code.  
  
 2. Grant of Security Interests.  
 ---------------------------   
  
 (a) Debtor, to secure on a first priority basis, the payment and  
performance of all of its indebtedness and other obligations of every nature it  
owes under the Loan Agreement, any and all Notes and all of the Other Documents  
(the "Secured Obligations"), hereby grants to the Secured Party a security  
interest in all of Debtor's now existing and hereafter acquired and/or arising  
right, title and interest in, to and under the Pledged Collateral, whether now  
or hereafter existing and wherever located.  
  
 (b) Upon the execution and delivery of this Agreement, Debtor has  
delivered to and deposited with the Secured Party in pledge, stock and/or  
warrant certificates and any other instruments evidencing the Pledged  
Collateral, together with undated stock powers signed in blank by Debtor.  
  
 3. Further Assurances.  
 ------------------   
  
 Prior to or concurrently with the execution of this Agreement, and  
thereafter at any time and from time to time upon reasonable request of the  
Secured Party, Debtor shall execute and deliver to the Secured Party all  
financing statements, continuation financing statements, termination statements,  
assignments, certificates and documents of title, affidavits, reports, notices,  
schedules of account, letters of authority, further pledges, powers of attorney  
and all other documents (collectively, the "Security Documents") which the  
Secured Party may reasonably request, in form reasonably satisfactory to the  
Secured Party, and take such other action which the Secured Party may request,  
to perfect and continue perfected and to create and maintain the first priority  
status of the Secured Party's security interest in (subject only to Permitted  
Liens) the Pledged Collateral and to fully consummate the transactions  
contemplated under the Loan Agreement, any and all Notes and this Agreement.  
Debtor hereby irrevocably makes, constitutes and appoints the Secured Party (and  
any of the Secured Party's officers or employees or agents designated by the  
Secured Party) as Debtor's true and lawful attorney with power to sign the name  
of Debtor on all or any of the Security Documents which the Secured Party  
reasonably determines must be executed, filed, recorded or sent in order to  
perfect or continue perfected the Secured Party's security interest in the  
Pledged Collateral in the event Debtor fails to so execute such documents upon  
Secured Party's request. Such power, being coupled with an interest, is  
irrevocable until all of the Secured Obligations have been indefeasibly paid in  
full and have terminated.  
  
 4. Representations and Warranties.  
 ------------------------------   
  
 In addition to the representations and warranties of Debtor set  
forth in the Loan Agreement which are incorporated herein by reference, Debtor  
hereby represents and warrants to the Secured Party as follows:  
  
 -2-  
  
   
 (a) Debtor has, and will continue to have (or, in the case of  
after-acquired Pledged Collateral, at the time Debtor acquires rights in such  
Pledged Collateral, will have), title to the Pledged Collateral, free and clear  
of all Liens.  
  
 (b) Debtor owns warrants or other ownership interests of MAC as  
set forth in Schedule A hereto.  
  
 (c) The warrants to purchase shares of common stock constituting  
the Pledged Collateral have been duly authorized and validly issued to Debtor  
(as set forth on Schedule A hereto), and constitute all of the warrants to  
 ----------  
purchase common stock of MAC owned by Debtor.  
  
 (d) The security interests in the Pledged Collateral granted  
hereunder are valid, perfected and of first priority.  
  
 (e) There are no restrictions upon the transfer of the Pledged  
Collateral and Debtor has the power and authority and right to transfer the  
Pledged Collateral free of any encumbrances and without obtaining the consent of  
any other person. It is acknowledged that a transfer of the Pledged Collateral  
by Secured Party following a foreclosure may require compliance with federal and  
state securities laws.  
  
 (f) Debtor has all necessary power to execute, deliver and  
perform this Agreement and all necessary action to authorize the execution,  
delivery and performance of this Agreement has been properly taken.  
  
 (g) There are no actions, suits, or proceedings pending or, to  
Debtor's best knowledge after due inquiry, threatened against or affecting  
Debtor with respect to the Pledged Collateral, at law or in equity or before or  
by any commission, board, bureau, agency, department or instrumentality, and  
Debtor is not in default with respect to any judgment, writ, injunction, decree,  
rule or regulation which would adversely affect Debtor's performance hereunder.  
  
 (h) This Agreement has been duly executed and delivered and  
constitutes the valid and legally binding obligation of Debtor, enforceable in  
accordance with its terms, except to the extent that enforceability of this  
Agreement may be limited by applicable bankruptcy, insolvency, reorganization,  
moratorium or other similar laws affecting the enforceability of creditors'  
rights generally or limiting the right of specific performance or by general  
equitable principles.  
  
 (i) Neither the execution and delivery by Debtor of this  
Agreement, nor the compliance with the terms and provisions hereof, will violate  
any provision of the articles or certificates of incorporation or similar  
organizational documents, bylaws or partnership agreement of Debtor or any law  
or conflict with or result in a breach of any of the terms, conditions or  
provisions of any judgment, order, injunction, decree or ruling of any court or  
arbitration tribunal or any governmental authority to which Debtor is subject or  
any provision of   
  
 -3-  
  
   
any material agreement, understanding or arrangement to which Debtor is a party  
or by which Debtor is bound.  
  
 (j) Debtor's principal place of business and chief executive  
office is as set forth on the signature page hereto.  
  
 5. General Covenants.  
 -----------------   
  
 In addition to any covenants and agreements of Debtor set forth in  
the Loan Agreement, the Notes and Other Documents, which are incorporated herein  
by this reference, Debtor hereby covenants and agrees as follows:  
  
 (a) Debtor shall do all reasonable acts that may be necessary and  
appropriate to maintain, preserve and protect the Pledged Collateral; Debtor  
shall be responsible for the risk of loss of, damage to, or destruction of the  
Pledged Collateral owned by Debtor, unless such loss is the result of the gross  
negligence or willful misconduct of the Secured Party. Debtor shall notify the  
Secured Party in writing ten (10) days prior to any change in either the address  
and location of Debtor's chief executive office or the address and location of  
Debtor's principal place of business.  
  
 (b) Debtor shall pay promptly when due all taxes, assessments,  
charges and obligations secured by encumbrances and liens now or hereafter  
imposed upon or affecting any of the Pledged Collateral, except as otherwise  
expressly permitted under the Loan Agreement.  
  
 (c) Debtor shall appear in and defend any action or proceeding of  
which Debtor is aware which could reasonably be expected to affect Debtor's  
title to, or the Secured Party's interest in, the Pledged Collateral owned by  
Debtor and the proceeds thereof; provided, however, that Debtor may settle such  
 -------- -------  
actions or proceedings with respect to the Pledged Collateral Debtor owns with  
the consent of the Secured Party, which consent shall not be unreasonably  
withheld or delayed.  
  
 (d) Debtor shall keep separate, accurate and complete records of  
the Pledged Collateral owned by Debtor, disclosing the Secured Party's security  
interest hereunder.  
  
 (e) Debtor shall permit the Secured Party, its officers,  
employees and agents at reasonable times and on reasonable prior notice to  
inspect all books and records related to the Pledged Collateral.  
  
 (f) During the term of this Agreement, Debtor shall not sell,  
assign, transfer, pledge, grant a security interest, place a lien on or  
otherwise dispose of the Pledged Collateral except as permitted under the Loan  
Agreement.  
  
 -4-  
  
   
 6. Other Rights With Respect to Pledged Collateral.  
 -----------------------------------------------   
  
 In addition to the other rights with respect to the Pledged  
Collateral granted to the Secured Party hereunder, at any time and from time to  
time, after and during the continuation of an Event of Default, the Secured  
Party at its option and at the expense of Debtor, may (a) transfer into its own  
name, or into the name of its nominee, all or any part of the Pledged  
Collateral, thereafter receiving all dividends, income or other distributions  
upon the Pledged Collateral; (b) take control of and manage all or any of the  
Pledged Collateral; (c) apply to the payment of any of the Secured Obligations,  
whether any be due and payable or not, any moneys, including cash dividends and  
income from any Pledged Collateral, now or hereafter in the hands of the Secured  
Party or any Affiliate of the Secured Party, on deposit or otherwise, belonging  
to Debtor, as the Secured Party, in its sole discretion, shall determine; and  
(d) do anything which Debtor is required but fails to do hereunder. The proceeds  
of any collection, sale or other disposition of the Pledged Collateral of  
Debtor, or any part thereof, shall, after the Secured Party has made all  
deductions of expenses, including but not limited to reasonable attorneys' fees  
and other expenses incurred in connection with repossession, collection, sale or  
disposition of such Pledged Collateral or in connection with the enforcement of  
the Secured Party's rights with respect to the Pledged Collateral in any  
insolvency, bankruptcy or reorganization proceedings, be applied against the  
Secured Obligations, whether or not all the same be then due and payable, in  
such manner and order as set forth in the Loan Agreement.  
  
 7. Additional Remedies Upon Event of Default.  
 -----------------------------------------   
  
 Upon the occurrence of any Event of Default and while such Event of  
Default shall be continuing, the Secured Party shall have, in addition to all  
rights and remedies of a secured party under the Code or other applicable Law,  
and in addition to its rights under Section 6 above and under the Loan  
Agreement, the Notes and the Other Documents, the following rights and remedies:  
  
 (a) The Secured Party may, after ten (10) days' advance notice to  
Debtor, sell, assign, give an option or options to purchase or otherwise dispose  
of the Pledged Collateral or any part thereof at public or private sale, at any  
of the Secured Party's offices or elsewhere, for cash, on credit or for future  
delivery, and upon such other terms as the Secured Party may deem commercially  
reasonable. Debtor agrees that ten (10) days' advance notice of the time and  
place of any public sale or the time after which any private sale is to be made  
shall constitute reasonable notification. The Secured Party shall not be  
obligated to make any sale of Pledged Collateral regardless of notice of sale  
having been given. The Secured Party may adjourn any public or private sale from  
time to time by announcement at the time and place fixed therefor, and such sale  
may, without further notice, be made at the time and place to which it was so  
adjourned. Debtor recognizes that the Secured Party may be compelled to resort  
to one or more private sales of the Pledged Collateral to a restricted group of  
purchasers who will be obliged to agree, among other things, to acquire such  
securities for its own account for investment and not with a view to the  
distribution or resale thereof. Debtor acknowledges and agrees that any such  
private sale may result in prices and other terms less favorable than if such  
sale were a public sale and, notwithstanding such circumstances, agrees that any  
such private sale   
  
 -5-  
  
   
shall be deemed to have been made in a commercially reasonable manner. The  
Secured Party shall be under no obligation to delay sale of any of the Pledged  
Collateral for the period of time necessary to permit Debtor to register such  
securities for public sale under the Securities Act of 1933, as amended, or  
under applicable state securities laws, even if Debtor would agree to do so.  
  
 (b) The proceeds of any collection, sale or other disposition of  
the Pledged Collateral of Debtor, or any part thereof, shall, after the Secured  
Party has made all deductions of expenses, including but not limited to  
reasonable attorneys' fees and other expenses incurred in connection with  
repossession, collection, sale or disposition of such Pledged Collateral or in  
connection with the enforcement of the Secured Party's rights with respect to  
the Pledged Collateral in any insolvency, bankruptcy or reorganization  
proceedings, be applied against the Secured Obligations, whether or not all the  
same be then due and payable, in such manner and order as set forth in the Loan  
Agreement.  
  
 8. Secured Party's Duties.  
 ----------------------   
  
 The powers conferred on the Secured Party hereunder are solely to  
protect its interest in the Pledged Collateral and shall not impose any duty  
upon it to exercise any such powers. Except for the safe custody of any Pledged  
Collateral in its possession and the accounting for moneys actually received by  
it hereunder, the Secured Party shall have no duty as to any Pledged Collateral  
or as to the taking of any necessary steps to preserve rights against prior  
parties or any other rights pertaining to any Pledged Collateral.  
  
 9. No Waiver; Cumulative Remedies.  
 ------------------------------   
  
 No failure to exercise, and no delay in exercising, on the part of  
the Secured Party, any right, power or privilege hereunder shall operate as a  
waiver thereof; nor shall any single or partial exercise of any right, power or  
privilege hereunder preclude any further exercise thereof or the exercise of any  
other right, power or privilege. The remedies herein provided are cumulative and  
not exclusive of any remedies provided under the Loan Agreement, the Note, and  
the Other Documents or by Law. Debtor waives any right to require the Secured  
Party to proceed against any other person or to exhaust any of the Pledged  
Collateral or other security for the Secured Obligations or to pursue any remedy  
in the Secured Party's power.  
  
 10. Assignment.  
 ----------   
  
 All rights of the Secured Party under this Agreement shall inure to  
the benefit of its successors and assigns. All obligations of Debtor shall bind  
its successors and assigns; provided, however, Debtor may not assign or transfer  
 -------- -------   
any of its rights and obligations hereunder or any interest herein.  
  
 11. Severability.  
 ------------   
 Any provision of this Agreement which shall be held invalid or  
unenforceable shall be ineffective without invalidating the remaining provisions  
hereof.  
  
 -6-  
  
   
 12. Governing Law and Jurisdiction.  
 ------------------------------   
  
 This Agreement shall be construed in accordance with and governed  
by the internal laws of the State of Delaware without regard to its conflicts of  
law principles, except to the extent the validity or perfection of the security  
interests or the remedies hereunder in respect of any Pledged Collateral are  
governed by the law of a jurisdiction other than the State of Delaware. The  
Debtor hereby irrevocably consents to the exclusive jurisdiction of the courts  
of the Commonwealth of Pennsylvania located within Philadelphia County or the  
United States District Court for the Eastern District of Pennsylvania for the  
resolution of all claims, disputes and controversies arising hereunder.  
  
 13. Notices.  
 -------   
  
 Debtor agrees that all notices, statements, requests, demands and  
other communications under this Agreement shall be given to each of the parties  
at the address set forth below their names and the manner provided in Section 7  
of the Loan Agreement.  
  
 14. Specific Performance.  
 --------------------   
  
 Debtor acknowledges and agrees that, in addition to the other  
rights of the Secured Party hereunder and under the other Loan Documents,  
because the Secured Party's remedies at law for failure of Debtor to comply with  
the provisions hereof relating to the Secured Party's rights (i) to inspect the  
books and records related to the Pledged Collateral, (ii) to receive the various  
notifications Debtor is required to deliver hereunder, (iii) to obtain copies of  
agreements and documents as provided herein with respect to the Pledged  
Collateral, (iv) to enforce the provisions hereof pursuant to which Debtor has  
appointed the Secured Party its attorney-in-fact, and (v) to enforce the Secured  
Party's remedies hereunder, would be inadequate and that any such failure would  
not be adequately compensable in damages, Debtor agrees that each such provision  
hereof may be specifically enforced.  
  
 15. Dividends; Voting Rights in Respect of the Pledged Collateral.  
 -------------------------------------------------------------   
  
 So long as no Event of Default shall occur and be continuing under  
the Loan Agreement, Debtor may exercise any and all voting and other consensual  
rights pertaining to the Pledged Collateral or any part thereof for any purpose  
not inconsistent with the terms of this Agreement, the Loan Agreement, the Notes  
or Other Documents; provided, however, that Debtor will not exercise or will  
 -------- -------  
refrain from exercising any such right, as the case may be, if such action would  
be inconsistent with the covenants and obligations of Debtor under the Loan  
Agreement and the Other Documents or would have a material adverse effect on the  
value of any Pledged Collateral. So long as no Event of Default has occurred and  
is continuing, any lawful dividends paid in cash to Debtor in respect of the  
Pledged Collateral may be used or applied by Debtor for any purpose permitted by  
the Loan Agreement.  
  
 16. Entire Agreement; Amendments.  
 ----------------------------   
  
 This Agreement constitutes the entire agreement between the parties  
with respect to the subject matter hereof and supersedes all prior agreements  
relating to a grant of a   
  
 -7-  
  
   
security interest in the Pledged Collateral by Debtor. This Agreement may not be  
amended or supplemented except by a writing signed by the Secured Party and  
Debtor.  
  
  
 17. Counterparts.  
 ------------   
  
 This Agreement may be executed in any number of counterparts, and  
by different parties hereto in separate counterparts, each of which when so  
executed shall be deemed an original and all of which taken together shall  
constitute but one and the same agreement.  
  
 18. Descriptive Headings.  
 --------------------   
 The descriptive headings which are used in this Agreement are for  
the convenience of the parties only and shall not affect the meaning of any  
provision of this Agreement.  
  
 IN WITNESS WHEREOF, the parties hereto have caused this Agreement to  
be duly executed as of the date first above written.  
  
  
 SECURED PARTY:  
  
 VDC CORPORATION LTD.  
  
 BY: /s/ Xxxxxx Xxxxxxxx Xxxxx  
 -------------------------  
 Xxxxxx Xxxxxxxx Lacey, President  
  
 DEBTOR:  
  
 PORTACOM WIRELESS, INC.  
  
 BY: /s/ Xxxxxxx X. XxxXxxxxx  
 ------------------------  
 Xxxxxxx X. XxxXxxxxx,  
 President and Chief Executive Officer  
  
  
  
[SEAL]  
 Principal Place of Business:  
  
 00000 Xxxxxxx Xxxxxx - Xxxxx 000  
 Xxxxxxxx Xxxxxx, XX 00000  
  
 Chief Executive Office:  
  
 00000 Xxxxxxx Xxxxxx - Xxxxx 000  
 Xxxxxxxx Xxxxxx, XX 00000  
  
 -8-  
  
   
 SCHEDULE A  
   
 TO  
  
 PLEDGE AGREEMENT  
  
 Description of Pledged Collateral  
 ---------------------------------  
  
  
 Type and  
Debtor Amount of Ownership  
------ -------------------  
  
PORTACOM WIRELESS, INC. 4,000,000 Warrants to Purchase Common  
 Stock of Metromedia Asia Corporation  
  
 -9-