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COMPANIES FORM No. 466(Scot)

466

Particulars of an instrument of alteration to a floating charge created by a company registered in Scotland

CHFP025

Please do not
write in this
margin

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 410 and 466 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

1 1 2

SC178677

Please complete
legibly, preferably
in black type, or
bold block lettering

Name of company

* NEXUS PRECISION ENGINEERING LIMITED (the "COMPANY")

* insert full name
of Company

Date of creation of the charge (note 1)

3 JUNE 2009

Description of the instrument creating or evidencing the charge or of any ancillary document which has been altered (note 1)

FLOATING CHARGE (the "CHARGE")

Names of the persons entitled to charge

CLYDESDALE BANK PLC

Short particulars of all the property charged

The whole of the property which is, or may from time to time while the Charge is in force, comprised in the Company's property and undertaking, including the Company's uncalled capital for the time being.

Presentor's name address and
reference (if any):
DLA Piper Scotland LLP
Rutland Square
EDINBURGH
EH1 2AA

DX: ED271 Edinburgh

For official use (06/2005)

Charges Section

Post room

WEDNESDAY



S57838YX

SCT

18/05/2016

#22

COMPANIES HOUSE

Names, and addresses of the persons who have executed the instrument of alteration (note 2)

See Paper Apart for details of the persons who have executed the instrument of alteration.

*Please do not
write in
this margin*

***Please complete
legibly, preferably
in black type, or
bold block lettering***

Date(s) of execution of the instrument of alteration

6 May 2016

A statement of the provisions, if any, imposed by the instrument of alteration prohibiting or restricting the creation by the company of any fixed security or any other floating charge having, priority over, or ranking pari passu with the floating charge

N/A

Short particulars of any property released from the floating charge

N/A

The amount, if any, by which the amount secured by the floating charge has been increased

N/A

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write in
this margin

Please complete
legibly, preferably
in black type or
bold block lettering

A statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

Ranking of Debt

The Debt will rank for all purposes and at all times in the following order:

- (a) *first*, the Bank Debt and the First Ranking Debt shall rank *pari passu* and (without prejudice to the Bank's rights in clauses 5 to 10, 11, 12(g), 13, 14, 16, 17, 18 and 20 of the instrument of alteration) without any preference between them;
- (b) *second*, the Second Ranking Debt;
- (c) *third*, the Third Ranking Debt; and
- (d) *fourth*, the Fourth Ranking Debt.

Ranking of security

The Security Documents will rank and secure the following Debt (but only to the extent that such Security Document is expressed to secure that Debt) in the following order:

- (a) *first*, the Bank Debt and the First Ranking Debt *pari passu* and (without prejudice to the Bank's rights in clauses 5 to 10, 11, 12(g), 13, 14, 16, 17, 18 and 20 of the instrument of alteration) without any preference between them; and
- (b) *second*, the Second Ranking Debt.

Subordinated Debt

Each of the Parties agree that, except for the First Ranking Debt which shall be secured by the First Ranking Security and the Second Ranking Debt which shall be secured by the Second Ranking Security, the Subordinated Debt shall be unsecured.

See attached certified copy of the instrument of alteration for Definitions and further provisions varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to the other floating charges.

Continuation of the statement of the provisions, if any, imposed by the instrument of alteration varying or otherwise regulating the order of the ranking of the floating charge in relation to fixed securities or to other floating charges

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

Signed David E. Hodge for ALA Pipe Scotland LLP Date 18/5/16
On behalf of [company] (chargee) †

A fee is payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

Notes

1. A description of the instrument e.g. "Instrument of Charge" "Debenture" etc, as the case may be, should be given. For the date of creation of a charge see section 410(5) of the Companies Act.
2. In accordance with section 466(1) the instrument of alteration should be executed by the company, the holder of the charge and the holder of any other charge (including a fixed security) which would be adversely affected by the alteration.
3. A certified copy of the instrument of alteration, together with this form with the prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of execution of that instrument.
4. A certified copy must be signed by or on behalf of the person giving the certification and where this is a body corporate it must be signed by an officer of that body.
5. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is: Companies House, 139 Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP - 4 Edinburgh 2

† delete as
appropriate



FILE COPY

**CERTIFICATE OF THE REGISTRATION
OF AN ALTERATION TO A FLOATING CHARGE**

COMPANY NO. 178677

CHARGE NO. 2

I HEREBY CERTIFY THAT PARTICULARS OF AN INSTRUMENT
OF ALTERATION DATED 6 MAY 2016 WERE DELIVERED
PURSUANT TO SECTION 410 OF THE COMPANIES ACT 1985
ON 18 MAY 2016

THE INSTRUMENT RELATES TO A CHARGE CREATED ON 3
JUNE 2009

BY NEXUS PRECISION ENGINEERING LIMITED

IN FAVOUR OF
CLYDESDALE BANK PLC

FOR SECURING ALL SUMS DUE OR TO BECOME DUE

GIVEN AT COMPANIES HOUSE, EDINBURGH 27 MAY 2016



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Companies House

Scottish Mortgage
Companies House
4th Floor Edinburgh Quay 2
139 Fountainbridge
Edinburgh
EH3 9FF

T +44(0) 303 1234 500
E enquiries@companieshouse.gov.uk
Twitter @CompaniesHouse

www.companieshouse.gov.uk

DX 235 Edinburgh 1

DLA PIPER SCOTLAND LLP
DX ED271
EDINBURGH

Your Ref AN/AN/312794/756UKM
Date 27/05/2016

Dear Sir/Madam

Company number: 178677
Company name: NEXUS PRECISION ENGINEERING LIMITED

Please find enclosed the certificate(s) of registration relating to your charge(s). For charges created on or after 6th April 2013, certificates include a unique charge code allocated to the charge. You must use this code in any subsequent filings such as satisfaction documentation or in any correspondence with Companies House concerning this charge.

You may be interested to know that you can file most charge documents online via our WebFiling service or via a suitable software package. These services offer improvements over the paper service by providing in-built checks on the data submitted and by enabling a faster, more reliable registration process. Given the 21-day time limit for registering charges, the benefits of the online services will be particularly relevant to presenters of charge documents.

For more information, please visit our website: www.companieshouse.gov.uk.

Yours faithfully

Companies House

**NAMES AND ADDRESSES OF PERSONS WHO HAVE EXECUTED THE INSTRUMENT
OF ALTERATION**

The Bank

Name	Company number	Registered office
Clydesdale Bank PLC (Trading as Yorkshire Bank)	SC001111	30 St Vincent Place, Glasgow, G1 2HL

The Borrower

Name	Company number	Registered office
Gabbro Precision Holdings Limited	06451211	Victoria Works, 31 Catley Road, Darnall, Sheffield, South Yorkshire, S9 5JF

The Managers

Name	Address
Keith Parry	70 Hilltop Road, Dronfield, S18 1UL
David Barrass	43 Birkett Way, Chalfont St Giles, Buckinghamshire HP8 4BJ
Phillip Barker	7 Brecks Garden, Kippax, Leeds LS25 7LP

The Investors

Name	Company number	Registered office
Baird Capital Partners Europe Fund L.P.	LP009876	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
The Growth Fund LP	LP007252	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

Name	Company number	Registered office
Baird Capital Partners Europe Fund B LP	LP010782	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

The Midland Vendors

Name	Address
Deane Wakeling	Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ
James Hurn	Meadow View, Broughton Astley, Leicester LE9 6PQ

The Obligors

Name	Company number	Registered office
Ancon Special Alloy Steels Limited	01350389	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Engineering Special Steels Limited	02760491	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Sheffield Deep Bore Limited	02348148	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Gabbro Precision Limited	05744593	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Nexus Precision Engineering Limited	SC178677	78 Carlton Place, Glasgow G5 5TH
Midland Precision Limited	2864637	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Gabbro Precision Holdings Limited	06451211	Victoria Works, 31 Catley Road, Darnall, Sheffield, S9 5JF

The Investor Agent

Name	Company number	Registered office
Baird Capital Partners Europe Limited	3024884	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

The First Ranking Creditors' Agent

Name	Company number	Registered office
Baird Capital Partners Europe Limited	3024884	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

The Second Ranking Creditors' Agent

Name	Company number	Registered office
Baird Capital Partners Europe Limited	3024884	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

The Managers' Agent

Name	Address
Phillip Barker	7 Brecks Garden, Kippax, Leeds LS25 7LP

The Midland Vendors' Agent

Name	Address
Deane Wakeling	Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ



We certify this document is a true copy of the original

Eversheds LLP

Date: *17 May 2016*
EVERSHEDS LLP

DATED

6 May

2016

**(1) GABBRO PRECISION HOLDINGS LIMITED
(PREVIOUSLY KNOWN AS GABBRO PRECISION LIMITED)
as Borrower**

- and -

**(2) YORKSHIRE BANK
(a trading name of Clydesdale Bank PLC) as Bank**

- and -

**(3) THE COMPANIES NAMED IN PART 1 OF SCHEDULE 1
as Investors**

- and -

**(4) THE INDIVIDUALS NAMED IN PART 2 OF SCHEDULE 1
as Managers**

- and -

**(5) THE INDIVIDUALS NAMED IN PART 3 OF SCHEDULE 1
as Third Ranking Creditors**

- and -

**(6) THE COMPANIES NAMED IN PART 4 OF SCHEDULE 1
as Obligors**

- and -

(7) THE AGENTS LISTED IN THE SIGNING PAGES HERETO

**AMENDMENT AND
RESTATEMENT DEED**

relating to
an Intercreditor Agreement dated 3 June 2009 as
amended and restated on 1 April 2010 and 6
February 2012 and as further amended and restated
on 30 June 2015

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THIS AMENDMENT AND RESTATEMENT DEED is made on

6 May

2016

BETWEEN

- (1) **GABBRO PRECISION HOLDINGS LIMITED** (previously known as Gabbro Precision Limited) a company registered in England and Wales with company number 06451211 whose registered office is at Victoria Works, 31 Catley Road, Darnall, Sheffield, South Yorkshire, S9 5JF ("Borrower");
- (2) **YORKSHIRE BANK** (a trading name of Clydesdale Bank PLC (a company incorporated in Scotland with company number SC001111)) ("Bank");
- (3) **THE COMPANIES NAMED IN PART 1 OF SCHEDULE 1** (as "Investors");
- (4) **THE INDIVIDUALS NAMED IN PART 2 OF SCHEDULE 1** (as "Managers");
- (5) **THE INDIVIDUALS NAMED IN PART 3 OF SCHEDULE 1** (as "Third Ranking Creditors");
- (6) **THE COMPANIES NAMED IN PART 4 OF SCHEDULE 1** (as "Obligors"); and
- (7) **THE AGENTS LISTED IN THE SIGNING PAGES HERETO.**

WHEREAS:

- A By and subject to the terms of an intercreditor agreement dated 3 June 2009 made between the (1) Borrower, (2) the Obligors, (3) the Bank, (4) the Investors and (5) the Managers as amended and restated on 1 April 2010, 6 February 2012 and 30 June 2015, the Bank, the Investors and the Managers agreed to regulate the priority of debt due to them from the Obligors and their respective enforcement rights (the "Intercreditor Agreement").
- B The Borrower, the Bank, the Investors, the Managers, the Third Ranking Creditors and the Obligors have agreed to be party to and continue to be bound by the Intercreditor Agreement as amended by this Deed.
- C It has been agreed between the parties to this Deed that certain amendments shall be made to the Intercreditor Agreement subject to and on the terms as set out in this Deed. This Deed is supplemental to and amends the Intercreditor Agreement.

IT IS AGREED AS FOLLOWS:

1. INTERPRETATION

- 1.1 In this Deed (including the recitals) words and expressions defined in the Intercreditor Agreement shall have the same meanings when used in this Deed; and

"A Loan Note (Series 5) Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 5) dated on or about the Eighth Amendment Date;

"A Loan Note (Series 5) Security Documents" means (a) the guarantee granted by the Obligors in favour of the Second Ranking Creditors on or about the Seventh Amendment Date, (b) the composite debenture granted by the Obligors in favour of the Second Ranking Creditors' Agent on or about the Seventh Amendment Date and (c) the security trust deed entered into by the Obligors, the Second Ranking Creditors' Agent and the Second Ranking

Creditors on or about the Seventh Amendment Date, in each case in connection with the A Loan Notes (Series 5);

"Effective Date" means the date upon which the Bank has received (or has waived its requirement to receive) all of the documents and/or evidence and/or payments set out in schedule 2 (Conditions Precedent) to the Eighth Amendment Agreement. The Bank shall notify the Borrower promptly upon being satisfied that it has received the same;

"Eighth Amendment Agreement" means the amendment agreement to the Facility Agreement dated on or about the date of this Deed and made between (1) the Borrower and (2) the Bank;

"Eighth Amendment Date" means the date of this Deed;

"Second Ranking Creditors" means the Investors to the extent of any Second Ranking Debt which they may be owed from time to time;

"Second Ranking Creditors' Agent" means BCPE;

"Second Ranking Debt" means the aggregate amount from time to time outstanding of:

- (a) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Second Ranking Creditors in respect of the A Loan Notes (Series 5) under or pursuant to the A Loan Note Documents (Series 5); and
- (b) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Second Ranking Creditors in respect of the A Loan Notes (Series 2) Tranche 2 under or pursuant to the A Loan Note Documents (Series 2) Tranche 2; and

"Seventh Amendment Date" means 30 June 2015.

- 1.2 References in the Intercreditor Agreement to "this Agreement" shall, with effect from the Effective Date and unless the context otherwise requires, be references to the Intercreditor Agreement as amended and restated by this Deed and words such as "herein", "hereof", "hereunder", "hereafter", "hereby" and "hereto", where they appear in the Intercreditor Agreement, shall be construed accordingly.
- 1.3 The provisions of clause 1.2 (*Interpretation*) of the Intercreditor Agreement shall be deemed to apply to this Deed as if they were set out herein in full.

2. AMENDMENTS

With effect from the Effective Date the parties to this Deed agree that the Intercreditor Agreement shall be amended and restated so that the Intercreditor Agreement shall be read and construed for all purposes as set out in schedule 2 (*Amended and Restated Intercreditor Agreement*). Such amendment and restatement shall not operate as a waiver of any right, obligation or remedy accrued prior to the Effective Date in favour of the Bank.

3. STATUS OF DOCUMENTS

Except as varied by the terms of this Deed, the Intercreditor Agreement (as amended) will remain in full force and effect and any reference in the Intercreditor Agreement to the

Intercreditor Agreement or to any provision of the Intercreditor Agreement will be construed as a reference to the Intercreditor Agreement, or that provision, as amended by this Deed.

4. FEES AND EXPENSES

- 4.1 The Borrower will pay to the Bank on demand, the amount of all reasonable costs and expenses (including legal fees and other out-of-pocket expenses (provided that such legal fees and expenses have been agreed to by the Borrower before they were incurred) and any value added tax or other similar tax thereon) properly incurred by the Bank in connection with the negotiation, preparation, execution and completion of this Deed and all documents, matters and things referred to in, or incidental to, this Deed.
- 4.2 The Borrower authorises the Bank to effect payment of any fees referred to in this clause 4 out of and by deducting from any account held by the Borrower with the Bank.

5. REPRESENTATIONS AND WARRANTIES

On the Effective Date, each Investor, each Manager, each Third Ranking Creditor and each Obligor which is a party to this Deed shall make the representations and warranties set out in clause 15 (*Representations and Warranties*) of the Intercreditor Agreement to and for the benefit of the Bank and acknowledges that the Bank has entered into this Deed and has agreed to the amendments effected by this Deed in full reliance of such representations and warranties.

6. CONFIRMATION

- 6.1 Each Obligor reaffirms that the Transaction Security constituted by the Transaction Security Documents executed by it shall:
- (a) continue in full force and effect and extend to, and in the case of the Transaction Security shall continue to secure, the obligations of the Obligors under the Facility Agreement and the other Finance Documents, as amended or restated from time to time including as varied, amended, supplemented or extended by this Deed, notwithstanding any term or provision of this Deed; and
 - (b) not be released, reduced or impaired by (i) the execution, delivery and performance of this Deed or any other document or agreement entered into pursuant to or contemplated by this Deed; or (ii) any other party not being bound by this Deed for any reason or by any Transaction Security provided to the Bank by any Obligor being avoided or released or not being effective Transaction Security or such Transaction Security being limited or restricted in any way.
- 6.2 Each Obligor reaffirms that the guarantees and Security constituted by the A Loan Notes (Series 5) Security Documents executed by it shall:
- (a) continue in full force and effect and extend to, and in the case of the Security shall continue to secure, the obligations of the Obligors under the A Loan Note Documents (Series 5), as amended or restated from time to time including (without limitation) as varied, amended, supplemented or extended by the A Loan Note (Series 5) Deed of Amendment; and
 - (b) not be released, reduced or impaired by (i) the execution, delivery and performance of this Deed or any other document or agreement entered into pursuant to or contemplated by this Deed; or (ii) any other party not being bound by this Deed for

any reason or by any Security provided to the Second Ranking Creditors' Agent by any Obligor being avoided or released or not being effective Security or such Security being limited or restricted in any way.

7. MISCELLANEOUS

7.1 Invalidity of any Provision

If any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

7.2 Counterparts

This Deed may be executed in any number of counterparts and all of those counterparts taken together will be deemed to constitute one and the same instrument.

7.3 Third Party Rights

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Deed and no person other than the parties to this Deed shall have any rights under it.

7.4 Notices

The provisions of clause 22 (*Notices*) of the Intercreditor Agreement shall be deemed to apply to this Deed as if they were set out herein in full.

7.5 Finance Document

This Deed constitutes a Finance Document.

8. GOVERNING LAW AND JURISDICTION

8.1 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

8.2 Jurisdiction of English courts

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no such party will argue to the contrary.

- (c) This clause 8.2 is for the benefit of the Bank only. As a result, the Bank shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bank may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Deed has been duly executed as a deed on the date first above written.

SCHEDULE 1:**Part 1: Investors**

Name	Company number	Registered office
Baird Capital Partners Europe Fund L.P. (formerly Granville Baird Capital Partners Fund VII LP)	LP009876	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
The Growth Fund LP	LP007252	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
Baird Capital Partners Europe Fund B L.P. (formerly GBCP Fund VII B LP)	LP010782	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
Baird Capital Partners Europe Limited (as Investors Agent)	03024884	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

Part 2: Managers

Name	Address
Keith Parry	70 Hilltop Road, Dronfield, S18 1UL
David Barrass	43 Birkett Way, Chalfont St Giles, Buckinghamshire HP8 4BJ
Phillip Barker	7 Brecks Garden, Kippax, Leeds LS25 7LP

Part 3: The Third Ranking Creditors

Name	Address
Deane Wakeling	Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ
James Hurn	Meadow View, Broughton Astley, Leicester LE9 6PQ

Part 4: Obligor

Name	Company number	Registered office
Engineering Special Steels Limited	02760491	Victoria Works 31 Catley Road Darnall Sheffield S9 5JF
Ancon Special Alloy Steels Limited	01350389	Victoria Works 31 Catley Road Darnall Sheffield S9 5JF
Gabbro Precision Limited (formerly known as ESS Steels Holdings Limited)	05744593	Victoria Works 31 Catley Road Darnall Sheffield S9 5JF
Sheffield Deep Bore Limited	02348148	Victoria Works 31 Catley Road Darnall Sheffield S9 5JF
Nexus Precision Engineering Limited	SC178677	78 Carlton Place, Glasgow G5 5TH
Midland Precision Limited	02864637	Victoria Works, 31 Catley Road, Darnall, Sheffield, S9 5JF
Gabbro Precision Holdings Limited (previously known as Gabbro Precision Limited)	06451211	Victoria Works, 31 Catley Road, Darnall, Sheffield, S9 5JF

SCHEDULE 2: AMENDED AND RESTATED INTERCREDITOR AGREEMENT

DATED 3 June 2009

**(1) YORKSHIRE BANK (A TRADING NAME OF CLYDESDALE BANK PLC)
as Bank**

- and -

**(2) THE COMPANIES NAMED IN PART 1 OF SCHEDULE 1
as Investors**

- and -

**(3) GABBRO PRECISION HOLDINGS LIMITED (PREVIOUSLY KNOWN AS GABBRO
PRECISION LIMITED)
as Borrower**

- and -

**(4) THE INDIVIDUALS NAMED IN PART 2 OF SCHEDULE 1
as Managers**

- and -

**(5) THE INDIVIDUALS NAMED IN PART 3 OF SCHEDULE 1
as Third Ranking Creditors**

-and-

**(6) THE COMPANIES NAMED IN PART 4 OF SCHEDULE 1
as Original Obligors**

-and-

(7) THE AGENTS LISTED IN THE SIGNING PAGES HERETO

**INTERCREDITOR
AGREEMENT**

as amended and restated on 1 April 2010,
6 February 2012 and 30 June 2015 and as
further amended and restated on *6 May* 2016

THIS INTERCREDITOR AGREEMENT is made on 3 June 2009 as amended and restated on 1 April 2010, 6 February 2012 and 30 June 2015 and as further amended and restated on *6 May 2016*

BETWEEN

- (1) **YORKSHIRE BANK** (a trading name of Clydesdale Bank PLC) (as "Bank");
- (2) **THE COMPANIES NAMED IN PART 1 OF SCHEDULE 1** (as "Investors");
- (3) **GABBRO PRECISION HOLDINGS LIMITED (PREVIOUSLY KNOWN AS GABBRO PRECISION LIMITED)** a company incorporated and registered in England with number 6451211 (as "Borrower");
- (4) **THE INDIVIDUALS NAMED IN PART 2 OF SCHEDULE 1** (as "Managers");
- (5) **THE INDIVIDUALS NAMED IN PART 3 OF SCHEDULE 1** (as "Third Ranking Creditors");
- (6) **THE COMPANIES NAMED IN PART 4 OF SCHEDULE 1** (as "Original Obligors") and
- (7) **THE AGENTS LISTED IN THE SIGNING PAGES HERETO.**

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Notwithstanding the occurrence of the Bank Discharge Date, in this Intercreditor Agreement:

- (a) terms defined in, or construed for the purposes of, the Facility Agreement have the same meanings when used in this Intercreditor Agreement (unless the same are otherwise defined in this Intercreditor Agreement); and
- (b) the following terms have the following meanings:

"Additional Obligor" means any body corporate which may from time to time after the date hereof become a party to the Finance Documents or the Subordinated Documents or which grants any Security Document in respect thereof;

"A Loan Note Deed of Amendment" means the deed of amendment to the A Loan Note Instrument dated on or about the Seventh Amendment Date;

"A Loan Note Documents" means the A Loan Notes, the A Loan Note Instrument, the A Loan Note Deed of Amendment, the A Loan Note Second Deed of Amendment, the A Loan Note Security Documents and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 2)" means the A Loan Note Documents (Series 2) Tranche 1, the A Loan Note Documents (Series 2) Tranche 2 and the A Loan Note Documents (Series 2) Tranche 3;

"A Loan Note Documents (Series 2) Tranche 1" means the A Loan Notes (Series 2) Tranche 1, the A Loan Note Instrument (Series 2), the A Loan Note (Series 2) Deed of Amendment, the A Loan Note (Series 2) Second Deed of Amendment, the A Loan Note (Series 2) Security Documents Tranche 1 and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 2) Tranche 2" means the A Loan Notes (Series 2) Tranche 2, the A Loan Note Instrument (Series 2), the A Loan Note (Series 2) Deed of Amendment, the A Loan Note (Series 2) Second Deed of Amendment, the A Loan Note (Series 2) Security Documents Tranche 2 and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 2) Tranche 3" means the A Loan Notes (Series 2) Tranche 3, the A Loan Note Instrument (Series 2), the A Loan Note (Series 2) Deed of Amendment, the A Loan Note (Series 2) Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 3)" means the A Loan Notes (Series 3), the A Loan Note Instrument (Series 3), the A Loan Note (Series 3) Deed of Amendment, the A Loan Note (Series 3) Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 4)" means the A Loan Notes (Series 4), the A Loan Note Instrument (Series 4), the A Loan Note (Series 4) Deed of Amendment, the A Loan Note (Series 4) Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 5)" means the A Loan Notes (Series 5), the A Loan Note Instrument (Series 5), the A Loan Note (Series 5) Deed of Amendment, the A Loan Note (Series 5) Security Documents and any other documents entered into pursuant to, or in connection with, any of them;

"A Loan Note Documents (Series 6)" means the A Loan Notes (Series 6), the A Loan Note Instrument (Series 6), the A Loan Note (Series 6) Security Documents and any other documents entered into pursuant to, or in connection with any of them;

"A Loan Note Documents (Series 7)" means the A Loan Notes (Series 7), the A Loan Note Instrument (Series 7) and any other documents entered into pursuant to, or in connection with either of them;

"A Loan Note Instrument" means the instrument dated 18 December 2007 pursuant to which the A Loan Notes are, or are to be constituted (as amended from time to time);

"A Loan Note Instrument (Series 2)" means the instrument dated 3 June 2009 pursuant to which the A Loan Notes (Series 2) Tranche 1, the A Loan Notes (Series 2) Tranche 2 and the A Loan Notes (Series 2) Tranche 3 are, or are to be constituted (as amended from time to time);

"A Loan Note Instrument (Series 3)" means the instrument dated 1 April 2010 pursuant to which the A Loan Notes (Series 3) are, or are to be constituted (as amended from time to time);

"A Loan Note Instrument (Series 4)" means the instrument dated on or about the Fourth Amendment Date pursuant to which the A Loan Notes (Series 4) are, or are to be constituted (as amended from time to time);

"A Loan Note Instrument (Series 5)" means the instrument dated on or about the Seventh Amendment Date pursuant to which the A Loan Notes (Series 5) are, or are to be constituted (as amended from time to time);

"A Loan Note Instrument (Series 6)" means the instrument dated on or about the Eighth Amendment Date pursuant to which the A Loan Notes (Series 6) are, or are to be, constituted (as amended from time to time);

"A Loan Note Instrument (Series 7)" means the instrument dated on or about the Eighth Amendment Date pursuant to which the A Loan Notes (Series 7) are, or are to be, constituted (as amended from time to time);

"A Loan Note Second Deed of Amendment" means the deed of amendment to the A Loan Note Instrument dated on or about the Eighth Amendment Date;

"A Loan Note Security Documents" means (a) the guarantee granted by the Obligors in favour of the First Ranking Creditors on or about the Eighth Amendment Date, (b) the composite debenture granted by the Obligors in favour of the First Ranking Creditors' Agent on or about the Eighth Amendment Date and (c) the security trust deed entered into by the Obligors, the First Ranking Creditors' Agent and the First Ranking Creditors on or about the Eighth Amendment Date, in each case in connection with the A Loan Notes;

"A Loan Note (Series 2) Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 2) dated on or about the Seventh Amendment Date;

"A Loan Note (Series 3) Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 3) dated on or about the Seventh Amendment Date;

"A Loan Note (Series 4) Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 4) dated on or about the Seventh Amendment Date;

"A Loan Note (Series 5) Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 5) dated on or about the Eighth Amendment Date;

"A Loan Note (Series 2) Second Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 2) dated on or about the Eighth Amendment Date;

"A Loan Note (Series 3) Second Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 3) dated on or about the Eighth Amendment Date;

"A Loan Note (Series 4) Second Deed of Amendment" means the deed of amendment to the A Loan Note Instrument (Series 4) dated on or about the Eighth Amendment Date;

"A Loan Note (Series 2) Security Documents Tranche 1" means (a) the guarantee granted by the Obligors in favour of the First Ranking Creditors on or about the Eighth Amendment Date, (b) the composite debenture granted by the Obligors in favour of the First Ranking Creditors' Agent on or about the Eighth Amendment Date and (c) the security trust deed entered into by the Obligors, the First Ranking Creditors' Agent and the First Ranking Creditors on or about the Eighth Amendment Date, in each case in connection with the A Loan Notes (Series 2) Tranche 1;

"A Loan Note (Series 2) Security Documents Tranche 2" means (a) the guarantee granted by the Obligors in favour of the Second Ranking Creditors on or about the Eighth Amendment Date, (b) the composite debenture granted by the Obligors in favour of the Second Ranking Creditors' Agent on or about the Eighth Amendment Date and (c) the security trust deed entered into by the Obligors, the Second Ranking Creditors' Agent and the Second Ranking Creditors on or about the Eighth Amendment Date, in each case in connection with the A Loan Notes (Series 2) Tranche 2;

"A Loan Note (Series 5) Security Documents" means (a) the guarantee granted by the Obligors in favour of the Second Ranking Creditors on or about the Seventh Amendment Date, (b) the composite debenture granted by the Obligors in favour of the Second Ranking Creditors' Agent on or about the Seventh Amendment Date and (c) the security trust deed entered into by the Obligors, the Second Ranking Creditors' Agent and the Second Ranking Creditors on or about the Seventh Amendment Date, in each case in connection with the A Loan Notes (Series 5);

"A Loan Note (Series 6) Security Documents" means (a) the guarantee granted by the Obligors in favour of the First Ranking Creditors on or about the Eighth Amendment Date, (b) the composite debenture granted by the Obligors in favour of the First Ranking Creditors' Agent on or about the Eighth Amendment Date and (c) the security trust deed entered into by the Obligors, the First Ranking Creditors' Agent and the First Ranking Creditors on or about the Eighth Amendment Date, in each case in connection with the A Loan Notes (Series 6);

"A Loan Notes" means the £10,957,000 0% secured subordinated loan notes due 2019 of the Borrower;

"A Loan Notes (Series 2) Tranche 1" means the Tranche 1 A Loan Notes (Series 2) (as defined in the A Loan Note Instrument (Series 2));

"A Loan Notes (Series 2) Tranche 2" means the Tranche 2 A Loan Notes (Series 2) (as defined in the A Loan Note Instrument (Series 2));

"A Loan Notes (Series 2) Tranche 3" means the Tranche 3 A Loan Notes (Series 3) (as defined in the A Loan Note Instrument (Series 2));

"A Loan Notes (Series 3)" means the £1,330,750 0% unsecured subordinated loan notes due 2019 of the Borrower;

"A Loan Notes (Series 4)" means the £966,340 0% unsecured subordinated loan notes due 2019 of the Borrower;

"A Loan Notes (Series 5)" means the £3,000,000 0% secured subordinated loan notes due 2019 of the Borrower;

"A Loan Notes (Series 6)" means the £4,000,000 8% secured subordinated loan notes due 2019 of the Borrower;

"A Loan Notes (Series 7)" means the £1,235,830 0% unsecured subordinated loan notes due 2019 of the Borrower;

"Assignment" means an assignment by way of security dated on or around 3 June 2009 entered into by GBCP Fund (an Investor) and KfW;

"Baird Affiliate" means any fund managed by Robert W Baird Co Incorporated and its subsidiaries and associated companies (a company registered under the laws of Milwaukee with registered address at 777 East Wisconsin Avenue, P O Box 0672, Milwaukee WI53201-0672);

"Bank Debt" means the aggregate amount from time to time outstanding of all monies, obligations and liabilities, whether actual or contingent, due, owing or incurred by any Obligor to the Bank including for the avoidance of doubt the Bank ID Debt;

"Bank Discharge Date" means the date on which all Bank Debt has been fully and irrevocably paid or discharged (or otherwise fully cash collateralised to the satisfaction of the Bank (acting reasonably)), whether or not as the result of an enforcement of security, and the Bank is under no obligation (either actual or contingent) under the Finance Documents;

"Bank ID Debt" means the aggregate amount from time to time outstanding of all monies, obligations and liabilities, whether actual or contingent, due, owing or incurred by any Obligor to the Bank pursuant to the Invoice Discounting Documents;

"Bank Security" means all fixed and floating charges and other guarantee or security documents which are from time to time entered into by any Obligor in favour of the Bank as security for, or guaranteeing, any or all monies and liabilities due, owing or incurred by any Obligor to the Bank;

"Bank Security Documents" means the documents evidencing the Bank Security;

"BCPE" means Baird Capital Partners Europe Limited, a company registered under the laws of England and Wales with registered number 3024884 ;

"B Loan Note Deed of Amendment" means the deed of amendment to the B Loan Note Instrument dated on or about the Seventh Amendment Date;

"B Loan Note Documents" means the B Loan Notes, the B Loan Note Instrument, the B Loan Note Deed of Amendment, the B Loan Note Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"B Loan Note Documents (Series 2)" means the B Loan Notes (Series 2), the B Loan Note Instrument (Series 2), the B Loan Note (Series 2) Deed of Amendment, the B Loan Note (Series 2) Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"B Loan Note Documents (Series 3)" means the B Loan Notes (Series 3) and the B Loan Note Instrument (Series 3), the B Loan Note (Series 3) Deed of Amendment, the B Loan Note (Series 3) Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"B Loan Note Instrument" means the instrument dated 18 December 2007 pursuant to which the B Loan Notes are, or are to be, constituted (as amended from time to time);

"B Loan Note Instrument (Series 2)" means the instrument dated 3 June 2009 pursuant to which the B Loan Notes (Series 2) are, or are to be, constituted (as amended from time to time);

"B Loan Note Instrument (Series 3)" means the instrument dated on or about the Fourth Amendment Date pursuant to which the B Loan Notes (Series 3) are, or are to be, constituted (as amended from time to time);

"B Loan Note Second Deed of Amendment" means the deed of amendment to the B Loan Note instrument dated on or about the Eighth Amendment Date;

"B Loan Note (Series 2) Deed of Amendment" means the deed of amendment to the B Loan Note Instrument (Series 2) dated on or about the Seventh Amendment Date;

"B Loan Note (Series 3) Deed of Amendment" means the deed of amendment to the B Loan Note Instrument (Series 3) dated on or about the Seventh Amendment Date;

"B Loan Note (Series 2) Second Deed of Amendment" means the deed of amendment to the B Loan Note Instrument (Series 2) dated on or about the Eighth Amendment Date;

"B Loan Note (Series 3) Second Deed of Amendment" means the deed of amendment to the B Loan Note Instrument (Series 3) dated on or about the Eighth Amendment Date;

"B Loan Notes" means the £8,693,000 0% unsecured subordinated loan notes due 2019 of the Borrower;

"B Loan Notes (Series 2)" means the £19,250 11% unsecured subordinated loan notes due 2019 of the Borrower;

"B Loan Notes (Series 3)" means the £78,660 11% unsecured subordinated loan notes due 2019 of the Borrower;

"Charged Property" means all of the assets which from time to time, are or are expressed to be, the subject of the Security Documents;

"Creditors" means the Bank and the Subordinated Creditors (each a "Creditor");

"Debt" means the Bank Debt and the Subordinated Debt;

"Deed of Accession" means a deed of accession, substantially in the form set out in schedule 2, pursuant to which a person accedes to the provisions of this Intercreditor Agreement;

"Enforcement Action" means, in relation to any Debt, any action whatsoever to:

- (a) demand payment, declare prematurely due and payable or otherwise seek to accelerate payment of or place on demand all or any part of the Debt; or
- (b) recover all or any part of the Debt (including by exercising any right of set-off or combination of accounts); or
- (c) exercise or enforce directly or indirectly any right against sureties or any other rights under any other document or agreement in relation to, or given in support of, all or any part of the Debt (including under the Security Documents); or

(d) petition or apply for, vote in favour of, or take any other steps or action which may lead to, an Insolvency Event in relation to any Group Company; or

(e) commence legal proceedings against any Group Company;

"Facility Agreement" means the facility agreement originally dated 18 December 2007 as amended, restated, supplemented or replaced from time to time and more particularly as amended on 10 July 2008, as amended and restated on 3 June 2009, as amended and restated on 1 April 2010, as amended and restated on 6 February 2012, as amended on 23 December 2013, as amended and restated on 1 April 2014, as amended on 22 December 2014, 30 March 2015, 30 April 2015, 27 May 2015, as amended and restated on 30 June 2015 and as further amended and restated on or about the Eighth Amendment Date between (1) the Borrower and (2) the Bank;

"Fifth Supplemental Investment Agreement" means the supplemental investment agreement dated on or around the Eighth Amendment Date and entered into by inter alia, the Borrower, the Manager and the Investors;

"First Ranking Creditors" means the Investors to the extent of any First Ranking Debt which they may be owed from time to time;

"First Ranking Creditors' Agent" means BCPE;

"First Ranking Debt" means the aggregate amount from time to time outstanding of:

- (a) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the First Ranking Creditors under or pursuant to the A Loan Note Documents (Series 6);
- (b) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the First Ranking Creditors under or pursuant to the A Loan Note Documents; and
- (c) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the First Ranking Creditors in respect of the A Loan Notes (Series 2) Tranche 1 under or pursuant to the A Loan Note Documents (Series 2) Tranche 1;

"First Ranking Debt Discharge Date" means the date on which all First Ranking Debt has been fully and irrevocably paid or discharged (or otherwise fully cash collateralised to the satisfaction of the First Ranking Creditors (acting reasonably)), and the First Ranking Creditors are under no obligation (either actual or contingent) under the First Ranking Documents;

"First Ranking Documents" means together the A Loan Note Documents (Series 6), the A Loan Note Documents and the A Loan Note Documents (Series 2) Tranche 1;

"First Ranking Security" means the guarantees and security constituted by the A Loan Note (Series 6) Security Documents, the A Loan Note Security Documents and the A Loan Note (Series 2) Security Documents Tranche 1;

"Fourth Intercreditor Amendment Agreement" means the amendment and restatement agreement to this Intercreditor Agreement dated on or about the Eighth Amendment Date;

"Fourth Ranking Creditors" means the Investors and the Managers to the extent of any Fourth Ranking Debt which they may be owed from time to time;

"Fourth Ranking Debt" means the aggregate amount from time to time outstanding of:

- (a) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors in respect of the A Loan Notes (Series 2) Tranche 3 under or pursuant to the A Loan Note Documents (Series 2) Tranche 3;
- (b) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors under or pursuant to the A Loan Note Documents (Series 3);
- (c) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors under or pursuant to the A Loan Note Documents (Series 4);
- (d) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors under or pursuant to the A Loan Note Documents (Series 7);
- (e) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors under or pursuant to the B Loan Note Documents;
- (f) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors under or pursuant to the B Loan Note Documents (Series 2); and
- (g) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Fourth Ranking Creditors under or pursuant to the B Loan Note Documents (Series 3);

"Fourth Ranking Debt Discharge Date" means the date on which all Fourth Ranking Debt has been fully and irrevocably paid or discharged (or otherwise fully cash collateralised to the satisfaction of the Fourth Ranking Creditors (acting reasonably)), and the Fourth Ranking Creditors are under no obligation (either actual or contingent) under the Fourth Ranking Documents;

"Fourth Ranking Documents" means together the A Loan Note Documents (Series 2) Tranche 3, the A Loan Note Documents (Series 3), the A Loan Note Documents (Series 4), the A Loan Note Documents (Series 7), the B Loan Note Documents, the B Loan Note Documents (Series 2) and the B Loan Note Documents (Series 3);

"Fourth Supplemental Investment Agreement" means the supplemental investment agreement dated on or around the Seventh Amendment Date and entered into by inter alia, the Borrower, the Manager and the Investors;

"ID Debts" shall have the same meaning as "Receivables" in the Invoice Discounting Documents;

"Initial Supplemental Investment Agreement" means the supplemental investment agreement entered into on 3 June 2009 between (1) the Borrower, (2) the Investors, (3) Duncan Milner and others and (4) Alex Miller;

"Insolvency Event" means:

- (a) any resolution is passed or order made for the winding up, liquidation, dissolution, administration or reorganisation of any Obligor (save in connection with an amalgamation or reconstruction previously approved in writing by the Bank); or
- (b) any Obligor becomes subject to any insolvency, bankruptcy, administration, reorganisation, receivership, liquidation, dissolution or other similar proceedings, whether voluntary or involuntary (and whether or not involving insolvency) (save in connection with an amalgamation or reconstruction previously approved in writing by the Bank); or
- (c) any Obligor assigns its assets (other than pursuant to the Finance Documents or with the prior written consent of the Bank), or enters into any arrangement, for the benefit of its creditors generally (other than a solvent reorganisation previously approved by the Bank); or
- (d) any Obligor becomes subject to any distribution of its assets, or if any analogous event occurs in any jurisdiction; or
- (e) the directors of any Obligor take any formal step in relation to obtaining a moratorium or making a proposal for a voluntary arrangement under Part 1 of the Insolvency Act 1986 or any other suspension of payments with its creditors;

"Investor Agent" means BCPE;

"Loan Note Documents" means together the A Loan Note Documents, the A Loan Note Documents (Series 2), the A Loan Note Documents (Series 3), the A Loan Note Documents (Series 4), the A Loan Note Documents (Series 5), the A Loan Note Documents (Series 6), the A Loan Note Documents (Series 7), the B Loan Note Documents, the B Loan Note Documents (Series 2), the B Loan Note Documents (Series 3) and the Third Ranking Documents and any other documents entered into pursuant to or in connection with any of them (and each being a "Loan Note Document");

"Loan Note Instruments" means together the A Loan Note Instrument, the A Loan Note Instrument (Series 2), the A Loan Note Instrument (Series 3), the A Loan Note Instrument (Series 4), the A Loan Note Instrument (Series 5), the A Loan Note Instrument (Series 6), the A Loan Note Instrument (Series 7), the B Loan Note Instrument, the B Loan Note Instrument (Series 2), the B Loan Note Instrument (Series 3), the Midland Vendor Loan Note Instrument and the Midland Vendor Loan Note Instrument (Series 2);

"Managers' Agent" means Phillip Barker;

"Midland Vendor Loan Note Deed of Amendment" means the deed of amendment to the Midland Vendor Loan Note Instrument dated on or about the Seventh Amendment Date;

"Midland Vendor Loan Note Instrument" means the instrument dated on or around the Fourth Amendment Date pursuant to which the Midland Vendor Loan Notes are, or are to be constituted (as amended from time to time);

"Midland Vendor Loan Note Instrument (Series 2)" means the instrument dated on or around the Eighth Amendment Date pursuant to which the Midland Vendor Loan Notes (Series 2) are, or are to be constituted (as amended from time to time);

"Midland Vendor Loan Note Second Deed of Amendment" means the deed of amendment to the Midland Vendor Loan Note Instrument dated on or about the Eighth Amendment Date;

"Midland Vendor Loan Notes" means the £3,000,000 7% unsecured subordinated loan notes due 2019 of the Borrower;

"Midland Vendor Loan Notes (Series 2)" means the £124,350 7% unsecured accrued interest loan notes due 2019 of the Borrower;

"Non-vesting Debts" means any ID Debts purchased or purported to be purchased by the Bank pursuant to the Invoice Discounting Documents which fail to vest absolutely in the Bank;

"Obligor" means the Borrower, any Original Obligor or any Additional Obligor;

"Payment" means, in respect of any Subordinated Debt (or other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of that Subordinated Debt (or other liabilities or obligations);

"Permitted Enforcement Action" means enforcement action permitted under clause 7.3 (*Permitted enforcement*);

"Permitted Payments" means the payments permitted under clause 7.2 (*Permitted Payments*);

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property;

"Report Provider" means any party who has prepared and delivered a **"Report"** (as defined in the Facility Agreement) to any of the Creditors;

"Requisite Majority" means, in relation to any First Ranking Debt, Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt, more than 50 per cent. of such First Ranking Debt, Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt (as applicable);

"Second Intercreditor Amendment Agreement" means the amendment and restatement agreement to this Intercreditor Agreement dated on or around the Fourth Amendment Date;

"Second Ranking Creditors" means the Investors to the extent of any Second Ranking Debt which they may be owed from time to time;

"Second Ranking Creditors' Agent" means BCPE;

"Second Ranking Debt" means the aggregate amount from time to time outstanding of:

- (a) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Second Ranking Creditors in respect of the A Loan Notes (Series 5) under or pursuant to the A Loan Note Documents (Series 5); and

- (b) all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Second Ranking Creditors in respect of the A Loan Notes (Series 2) Tranche 2 under or pursuant to the A Loan Note Documents (Series 2) Tranche 2;

"Second Ranking Debt Discharge Date" means the date after the Bank Discharge Date and the First Ranking Debt Discharge Date on which all Second Ranking Debt has been fully and irrevocably paid or discharged (or otherwise fully cash collateralised to the satisfaction of the Second Ranking Creditors (acting reasonably)), and the Second Ranking Creditors are under no obligation (either actual or contingent) under the Second Ranking Documents;

"Second Ranking Documents" means together the A Loan Note Documents (Series 5) and the A Loan Note Documents (Series 2) Tranche 2;

"Second Ranking Security" means the guarantees and security constituted by the A Loan Note (Series 2) Security Documents Tranche 2 and the A Loan Note (Series 5) Security Documents;

"Security Documents" means the Bank Security Documents and the Subordinated Security Documents;

"Subordinated Creditors" means together the Investors, the Managers and the Third Ranking Creditors;

"Subordinated Debt" means together the First Ranking Debt, the Second Ranking Debt, the Third Ranking Debt and the Fourth Ranking Debt;

"Subordinated Documents" means together the Loan Note Documents, the Investment Agreement, the Initial Supplemental Investment Agreement, the Minority Investment Agreement, the Supplemental Investment Agreement, the Third Supplemental Investment Agreement, the Fourth Supplemental Investment Agreement, the Fifth Supplemental Investment Agreement, the Assignment and the Subordinated Security Documents (and each being a "Subordinated Document");

"Subordinated Security" means together the First Ranking Security and the Second Ranking Security;

"Subordinated Security Documents" means the A Loan Note Security Documents, the A Loan Note (Series 2) Security Documents Tranche 1, the A Loan Note (Series 2) Security Documents Tranche 2, the A Loan Note (Series 5) Security Documents and the A Loan Note (Series 6) Security Documents;

"Supplemental Investment Agreement" means the supplemental investment agreement dated 1 April 2010 and entered into by, inter alia, the Borrower, the Managers and the Investors;

"Third Intercreditor Amendment Agreement" means the amendment and restatement agreement to this Intercreditor Agreement dated on or around the Seventh Amendment Date;

"Third Ranking Creditors' Agent" means Deane Wakeling;

"Third Ranking Debt" means the aggregate amount from time to time outstanding of all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the Third Ranking Creditors under or pursuant to the Third Ranking Documents;

"Third Ranking Debt Discharge Date" means the date after the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date on which all Third Ranking Debt has been fully and irrevocably paid or discharged (or otherwise fully cash collateralised to the satisfaction of the Third Ranking Creditors (acting reasonably)), and the Third Ranking Creditors are under no obligation (either actual or contingent) under the Third Ranking Documents;

"Third Ranking Documents" means the Midland Vendor Loan Notes, the Midland Vendor Loan Notes (Series 2), the Midland Vendor Loan Note Instrument, the Midland Vendor Loan Note Instrument (Series 2), the Midland Vendor Loan Note Deed of Amendment, the Midland Vendor Loan Note Second Deed of Amendment and any other documents entered into pursuant to, or in connection with, any of them;

"Third Supplemental Investment Agreement" means the supplemental investment agreement dated on or around the Fourth Amendment Date and entered into by, inter alia, the Borrower, the Managers and the Investors.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Intercreditor Agreement to:
 - (i) defined parties in this Intercreditor Agreement shall be construed (subject to the provisions of clause 18.3 (*Assignment by Creditors*)) (so as to include their respective successors in title, permitted transferees and permitted assigns (whether immediate or derivative);
 - (ii) to "this Agreement" or "this Intercreditor Agreement" includes any document expressed to be supplemental to this Intercreditor Agreement or expressed to be collateral with it or which is entered into pursuant to or in accordance with the provisions of this Intercreditor Agreement;
 - (iii) any other documents referred to in this Intercreditor Agreement shall be references to such documents as amended and/or restated from time to time and be deemed to include any instruments amending, varying, supplementing, novating or replacing the terms thereof from time to time (in each case where any necessary consents or waivers have been obtained pursuant to the terms of the Facility Agreement or this Intercreditor Agreement);
 - (iv) any statute or statutes or section or sections of any statute shall be deemed to be a reference to legislation of the United Kingdom or any statutory modification, re-enactment or replacement of it for the time being in force; and
 - (v) the singular includes the plural and vice versa.
- (b) References to schedules and clauses are to the schedules and clauses of this Intercreditor Agreement.
- (c) Clause and schedule headings are for convenience only and shall not affect the construction of this Intercreditor Agreement.
- (d) Each reference in this Intercreditor Agreement to any provision of, or any term which is defined in, the Facility Agreement shall continue notwithstanding the occurrence of the Bank Discharge Date.

1.3 Conflict

In the event of any conflict or inconsistency arising between any of the provisions of this Intercreditor Agreement and all or any of the provisions of the Finance Documents and the Subordinated Documents, the provisions of this Intercreditor Agreement shall prevail.

2. PURPOSE OF THIS INTERCREDITOR AGREEMENT

2.1 Agreement to regulate claims

Each of the Creditors agrees to regulate any claim it may now or hereafter have against the Obligors (or any of them) in the manner set out in this Intercreditor Agreement.

2.2 Purpose

Each of the Obligors:

- (a) enters into this Intercreditor Agreement for the purpose of acknowledging the arrangements between the Creditors and regulating their respective claims against the Obligors; and
- (b) in furtherance thereof irrevocably waives any rights which it may now or in the future have to challenge or have set aside any arrangement agreed between the Creditors (or any of them).

2.3 Obligors not beneficiaries of Creditor undertakings

None of the undertakings in this Intercreditor Agreement on the part of any Creditor is given to or for the benefit of the Obligors or shall be enforceable by any of the Obligors.

2.4 Obligor undertaking

Each of the Obligors undertakes to each of the Creditors to observe the provisions of this Intercreditor Agreement at all times and not in any way to prejudice or affect the enforcement of such provisions or the subordinations contemplated by this Intercreditor Agreement or to do or suffer anything to be done which would be a breach of the terms of this Intercreditor Agreement.

3. RANKING AND PRIORITY

3.1 Ranking of Debt

The Debt will rank for all purposes and at all times in the following order:

- (a) *first*, the Bank Debt and the First Ranking Debt shall rank *pari passu* and (without prejudice to the Bank's rights in clauses 5 to 10, 11, 12(g), 13, 14, 16, 17, 18 and 20 of this Intercreditor Agreement) without any preference between them;
- (b) *second*, the Second Ranking Debt;
- (c) *third*, the Third Ranking Debt; and
- (d) *fourth*, the Fourth Ranking Debt.

3.2 Ranking of security

The Security Documents will rank and secure the following Debt (but only to the extent that such Security Document is expressed to secure that Debt) in the following order:

- (a) *first*, the Bank Debt and the First Ranking Debt *pari passu* and (without prejudice to the Bank's rights in clauses 5 to 10, 11, 12(g), 13, 14, 16, 17, 18 and 20 of this Intercreditor Agreement) without any preference between them ; and
- (b) *second*, the Second Ranking Debt.

3.3 Subordinated Debt

Each of the Parties agree that, except for the First Ranking Debt which shall be secured by the First Ranking Security and the Second Ranking Debt which shall be secured by the Second Ranking Security, the Subordinated Debt shall be unsecured.

4. CONTINUATION

The ranking and priority provided for in clause 3 shall apply regardless of:

- (a) the date upon which any Debt arose;
- (b) whether a person is obliged to advance any such Debt;
- (c) the date or order of execution, registration, filing or giving of notice of any document; or
- (d) any fluctuations in the amount of, or any intermediate discharge in whole or in part of, any Debt.

5. UNDERTAKINGS OF OBLIGORS

5.1 Prior to the Bank Discharge Date, no Obligor will, and will procure that no other Group Company will, (and the Subordinated Creditors will not require any Obligor or other Group Company to) unless otherwise agreed in writing by the Bank:

- (a) secure or grant any guarantee in respect of all or part of the Subordinated Debt other than by the original form of the Subordinated Security; or
- (b) pay, prepay, redeem, purchase or otherwise discharge or release any of the Subordinated Debt, other than in respect of Permitted Payments; or
- (c) amend any of the terms attaching to the Subordinated Debt or the Subordinated Security if such amendment:
 - (i) would make such terms more onerous to any Obligor; or
 - (ii) could reasonably be expected to materially and adversely affect the Bank; or
 - (iii) changes the date, amount or method of payment of interest or principal due on the Subordinated Documents.

5.2 Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, no Obligor will, and will procure that no other Group Company will, (and the Second Ranking Creditors, Third Ranking Creditors and the Fourth Ranking Creditors will not require any Obligor or other Group Company to) unless otherwise agreed in writing by the First Ranking Creditors' Agent:

- (a) secure or grant any guarantee in respect of all or part of the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt; or
- (b) pay, prepay, redeem, purchase or otherwise discharge or release any of the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt, other than in respect of Permitted Payments; or
- (c) amend any of the terms attaching to the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt if such amendment:
 - (i) would make such terms more onerous to any Obligor; or
 - (ii) could reasonably be expected to materially and adversely affect the First Ranking Creditors; or
 - (iii) changes the date, amount or method of payment of interest or principal due on the Second Ranking Documents, Third Ranking Documents or Fourth Ranking Documents.

5.3 Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, no Obligor will, and will procure that no other Group Company will, (and the Third Ranking Creditors and the Fourth Ranking Creditors will not require any Obligor or other Group Company to) unless otherwise agreed in writing by the Second Ranking Creditors' Agent:

- (a) secure or grant any guarantee in respect of all or part of the Third Ranking Debt or the Fourth Ranking Debt; or
- (b) pay, prepay, redeem, purchase or otherwise discharge or release any of the Third Ranking Debt or the Fourth Ranking Debt, other than in respect of Permitted Payments; or
- (c) amend any of the terms attaching to the Third Ranking Debt or the Fourth Ranking Debt if such amendment:
 - (i) would make such terms more onerous to any Obligor; or
 - (ii) could reasonably be expected to materially and adversely affect the Second Ranking Creditors; or
 - (iii) changes the date, amount or method of payment of interest or principal due on the Third Ranking Documents or the Fourth Ranking Documents.

5.4 Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, no Obligor will, and will procure that no other Group Company will, (and the Fourth Ranking Creditors will not require any Obligor or other Group Company to) unless otherwise agreed in writing by the Third Ranking Creditors' Agent:

- (a) secure or grant any guarantee in respect of all or part of the Fourth Ranking Debt; or
- (b) pay, prepay, redeem, purchase or otherwise discharge or release any of the Fourth Ranking Debt, other than in respect of Permitted Payments; or
- (c) amend any of the terms attaching to the Fourth Ranking Debt if such amendment:
 - (i) would make such terms more onerous to any Obligor; or
 - (ii) could reasonably be expected to materially and adversely affect the Third Ranking Creditors; or
 - (iii) changes the date, amount or method of payment of interest or principal due on the Fourth Ranking Documents.

5.5 Following the Bank Discharge Date, First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, no Obligor will, and will procure that no other Group Company will, (and the Fourth Ranking Creditors will not require any Obligor or other Group Company to) unless otherwise agreed in writing by the Investor Agent:

- (a) secure or grant any guarantee in respect of all or part of the Fourth Ranking Debt; or
- (b) pay, prepay, redeem, purchase or otherwise discharge or release any of the Fourth Ranking Debt, other than in respect of Permitted Payments; or
- (c) amend any of the terms attaching to the Fourth Ranking Debt if such amendment:
 - (i) would make such terms more onerous to any Obligor; or
 - (ii) could reasonably be expected to materially and adversely affect the Fourth Ranking Creditors; or
 - (iii) changes the date, amount or method of payment of interest or principal due on the Fourth Ranking Documents.

6. UNDERTAKINGS OF SUBORDINATED CREDITORS

6.1 Restrictions on enforcement

- (a) Prior to the Bank Discharge Date, except as permitted by clause 7 (*Enforcement action and permitted payments*) no Subordinated Creditor, nor any agent or trustee for them (or any of them), will:
 - (i) take or receive from any Obligor, by cash receipt, set-off or otherwise, the whole or any part of the Subordinated Debt; and/or
 - (ii) take any Enforcement Action in relation to any Subordinated Debt,

without the prior written consent of the Bank (other than Permitted Enforcement Action).

- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, except as permitted by clause 7 (*Enforcement action and permitted payments*) none of the Second Ranking Creditors, Third Ranking Creditors or Fourth Ranking Creditors or any agent or trustee for them will:

- (i) take or receive from any Obligor, by cash receipt, set-off or otherwise, the whole or any part of the Second Ranking Debt, the Third Ranking Debt or the Fourth Ranking Debt; and/or
- (ii) take any Enforcement Action in relation to any Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt,

without the prior written consent of the First Ranking Creditors' Agent (other than Permitted Enforcement Action).

- (c) Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, except as permitted by clause 7 (*Enforcement action and permitted payments*) none of the Third Ranking Creditors or the Fourth Ranking Creditors nor any agent or trustee for them will:

- (i) take or receive from any Obligor, by cash receipt, set-off or otherwise, the whole or any part of the Third Ranking Debt or the Fourth Ranking Debt; and/or
- (ii) take any Enforcement Action in relation to any Third Ranking Debt or Fourth Ranking Debt,

without the prior written consent of the Second Ranking Creditors' Agent (other than Permitted Enforcement Action).

- (d) Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Creditors' Date but prior to the Third Ranking Debt Discharge Date, except as permitted by clause 7 (*Enforcement action and permitted payments*) none of the Fourth Ranking Creditors nor any agent or trustee for them will:

- (i) take or receive from any Obligor, by cash receipt, set-off or otherwise, the whole or any part of the Fourth Ranking Debt; and/or
- (ii) take any Enforcement Action in relation to any Fourth Ranking Debt,

without the prior written consent of the Third Ranking Creditors' Agent (other than Permitted Enforcement Action).

- (e) Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Creditors' Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, except as permitted by clause 7 (*Enforcement action and permitted payments*) none of the Fourth Ranking Creditors nor any agent or trustee for them will:

- (i) take or receive from any Obligor, by cash receipt, set-off or otherwise, the whole or any part of the Fourth Ranking Debt; and/or

- (ii) take any Enforcement Action in relation to any Fourth Ranking Debt, without the prior written consent of the Investor Agent (other than Permitted Enforcement Action).

6.2 No Security or amendment

- (a) Prior to the Bank Discharge Date, the Subordinated Creditors will not, unless otherwise agreed in writing by the Bank:
 - (i) seek to secure or obtain the benefit of any guarantee in respect of all or any part of the Subordinated Debt other than by the original form of the Subordinated Security Documents; or
 - (ii) amend any of the terms attaching to the Subordinated Debt and/or Subordinated Security if such amendment:
 - (A) would make such terms more onerous to any Obligor; or
 - (B) could reasonably be expected to materially and adversely affect the Bank; or
 - (C) changes the date, amount or method of payment of interest or principal due on the Subordinated Documents.
- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, the Second Ranking Creditors, the Third Ranking Creditors and the Fourth Ranking Creditors will not, unless otherwise agreed in writing by the First Ranking Creditors' Agent:
 - (i) seek to secure or obtain the benefit of any guarantee in respect of all or any part of the Second Ranking Debt, the Third Ranking Debt or the Fourth Ranking Debt; or
 - (ii) amend any of the terms attaching to the Second Ranking Debt, the Third Ranking Debt or the Fourth Ranking Debt if such amendment:
 - (A) would make such terms more onerous to any Obligor; or
 - (B) could reasonably be expected to materially and adversely affect the First Ranking Creditors; or
 - (C) changes the date, amount or method of payment of interest or principal due on the Second Ranking Documents, the Third Ranking Documents or the Fourth Ranking Documents.
- (c) Following the Bank Discharge Date and First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, the Third Ranking Creditors and the Fourth Ranking Creditors will not, unless otherwise agreed in writing by the Second Ranking Creditors' Agent:
 - (i) seek to secure or obtain the benefit of any guarantee in respect of all or any part of the Third Ranking Debt or the Fourth Ranking Debt; or

- (ii) amend any of the terms attaching to the Third Ranking Debt or the Fourth Ranking Debt if such amendment:
 - (A) would make such terms more onerous to any Obligor; or
 - (B) could reasonably be expected to materially and adversely affect the Second Ranking Creditors; or
 - (C) changes the date, amount or method of payment of interest or principal due on the Third Ranking Documents or the Fourth Ranking Documents.
- (d) Following the Bank Discharge Date, First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, the Fourth Ranking Creditors will not, unless otherwise agreed in writing by the Third Ranking Creditors' Agent:
 - (i) seek to secure or obtain the benefit of any guarantee in respect of all or any part of the Fourth Ranking Debt; or
 - (ii) amend any of the terms attaching to the Fourth Ranking Debt if such amendment:
 - (A) would make such terms more onerous to any Obligor; or
 - (B) could reasonably be expected to materially and adversely affect the Third Ranking Creditors; or
 - (C) changes the date, amount or method of payment of interest or principal due on the Fourth Ranking Documents.
- (e) Following the Bank Discharge Date, First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, the Fourth Ranking Creditors will not, unless otherwise agreed in writing by the Investor Agent:
 - (i) seek to secure or obtain the benefit of any guarantee in respect of all or any part of the Fourth Ranking Debt; or
 - (ii) amend any of the terms attaching to the Fourth Ranking Debt if such amendment:
 - (A) would make such terms more onerous to any Obligor; or
 - (B) could reasonably be expected to materially and adversely affect the Fourth Ranking Creditors; or
 - (C) changes the date, amount or method of payment of interest or principal due on the Fourth Ranking Documents.

7. ENFORCEMENT ACTION AND PERMITTED PAYMENTS

7.1 Enforcement by the Bank

- (a) The Bank may take any Enforcement Action at any time prior to the Bank Discharge Date without recourse to, the consent of, or notification of any other Creditor or the Obligors.
- (b) For the purpose of paragraphs 15(2) of Schedule B1 to the Insolvency Act 1986 ("Act") but not otherwise, the Bank, the First Ranking Creditors and the Second Ranking Creditors hereby agree that the floating charges contained in the Bank Security Documents have priority to the floating charges contained in the First Ranking Security Documents and the Second Ranking Security Documents and the First Ranking Creditors and the Second Ranking Creditors hereby agree that the Bank is not required to give notice to the First Ranking Creditors and the Second Ranking Creditors pursuant to paragraph 15(1) of Schedule B1 of the Act.
- (c) For the purpose of paragraphs 15(2) of Schedule B1 to the Act, the First Ranking Creditors and the Second Ranking Creditors hereby agree that the floating charges contained in the First Ranking Security Documents have priority to the floating charges contained in the Second Ranking Security Documents and the Second Ranking Creditors hereby agree that the First Ranking Creditors are not required to give notice to the Second Ranking Creditors pursuant to paragraph 15(1) of Schedule B1 of the Act.

7.2 Permitted Payments

- (a) Payments may only be made by the relevant Obligor to the Subordinated Creditors in respect of the Subordinated Debt until the Bank Discharge Date:
 - (i) to the extent that any such Payment is permitted to be made pursuant to clause 13.4 (*Distributions and other payments*) of the Facility Agreement; or
 - (ii) with the prior written consent of the Bank.
- (b) Following the Bank Discharge Date and prior to the First Ranking Debt Discharge Date, Payments may only be made in respect of the Second Ranking Debt, Third Ranking Debt and Fourth Ranking Debt with the prior written consent of the First Ranking Creditors' Agent.
- (c) Following the Bank Discharge Date and the First Ranking Debt Discharge Date and prior to the Second Ranking Debt Discharge Date, Payments in respect of the Third Ranking Debt and Fourth Ranking Debt may only be made with the prior written consent of the Second Ranking Creditors' Agent.
- (d) Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date and prior to the Third Ranking Debt Discharge Date, Payments may only be made in respect of the Fourth Ranking Debt with the prior written consent of the Third Ranking Creditors' Agent.
- (e) Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date and prior to the Fourth Ranking Debt Discharge Date, Payments may only be made in

respect of the Fourth Ranking Debt with the prior written consent of the Investor Agent.

7.3 Permitted enforcement

- (a) Subject to clauses 7.3(f), 7.3(g) and 7.3(h), prior to the Bank Discharge Date, no Subordinated Creditor shall be entitled to take any action envisaged by clause 6.1 (*Restrictions on enforcement*) unless the Bank has agreed in writing.
- (b) Subject to clauses 7.3(f), 7.3(g) and 7.3(h), following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, no Second Ranking Creditor, Third Ranking Creditor or Fourth Ranking Creditor shall be entitled to take any action envisaged by clause 6.1 (*Restrictions on enforcement*) unless the First Ranking Creditors' Agent has agreed in writing.
- (c) Subject to clauses 7.3(f), 7.3(g) and 7.3(h), following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, no Third Ranking Creditor or Fourth Ranking Creditor shall be entitled to take any action envisaged by clause 6.1 (*Restrictions on enforcement*) unless the Second Ranking Creditors' Agent has agreed in writing.
- (d) Subject to clauses 7.3(f), 7.3(g) and 7.3(h), following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, no Fourth Ranking Creditor shall be entitled to take any action envisaged by clause 6.1 (*Restrictions on enforcement*) unless the Third Ranking Creditors' Agent has agreed in writing.
- (e) Subject to clause 7.3(f), following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, no Fourth Ranking Creditor shall be entitled to take any action envisaged by clause 6.1 (*Restrictions on enforcement*) unless the Investor Agent has agreed in writing.
- (f) After the occurrence of an Insolvency Event in relation to any Obligor, each Subordinated Creditor may exercise any right it may otherwise have in respect of that Obligor to:
 - (i) accelerate any of that Obligor's Subordinated Debt or declare it prematurely due and payable or payable on demand;
 - (ii) make a demand under any guarantee, indemnity or other assurance against loss given by that Obligor in respect of any Subordinated Debt;
 - (iii) exercise any right of set-off or take or receive any Payment in respect of any Subordinated Debt of that Obligor; or
 - (iv) claim and prove in the liquidation of that Obligor for the Subordinated Debt owing to it.

- (g) If a payment that is certified by the Bank as being due to the Third Ranking Creditors in accordance with clause 13.4.3 (*Distributions and other payments*) of the Facility Agreement is not paid within 14 days of falling due, then the Third Ranking Creditors may make a demand on the Borrower in respect of such amount due under clause 13.4.3 (*Distributions and other payments*) of the Facility Agreement ("Third Ranking Creditors' Demand").
- (h) If the Third Ranking Creditors Demand is not paid the Third Ranking Creditors may then give further written notice to the Bank, the First Ranking Creditors and the Second Ranking Creditors and if the Third Ranking Creditors Demand is not paid within 60 days of such further notice the Third Ranking Creditors may:
 - (i) issue a claim against the Borrower for the monies due under the Third Ranking Creditors' Demand; and/or
 - (ii) file a petition for the winding up of the Borrower in respect only of the amounts due under the Third Ranking Creditors' Demand.

8. TURNOVER

8.1 Trust of receipts

- (a) If, prior to the Bank Discharge Date:
 - (i) any Subordinated Creditor receives from an Obligor (or any other source) a Payment or distribution in cash or in kind in respect of, or on account of, any of the Subordinated Debt which is not a Permitted Payment; or
 - (ii) any Obligor or any other Group Company makes any other Payment or distribution in cash or in kind on account of the purchase or other acquisition of any of the Subordinated Debt,

the recipient thereof will hold the same in trust for, and pay and distribute upon demand to, the Bank an amount equal to the lesser of:

 - (iii) the aggregate of the outstanding amount of the Bank Debt and the First Ranking Debt; and
 - (iv) the amount so received,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).
- (b) If, following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date:
 - (i) any Second Ranking Creditor, Third Ranking Creditor or Fourth Ranking Creditor receives from an Obligor (or any other source) a Payment or distribution in cash or in kind in respect of, or on account of, any of the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt which is not a Permitted Payment; or

- (ii) any Obligor or any other Group Company makes any other Payment or distribution in cash or in kind on account of the purchase or other acquisition of any of the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt,

the recipient thereof will hold the same in trust for, and pay and distribute upon demand to, the First Ranking Creditors' Agent an amount equal to the lesser of:

- (iii) the outstanding amount of the First Ranking Debt; and
- (iv) the amount so received,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

- (c) If, following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date:

- (i) any Third Ranking Creditor or Fourth Ranking Creditor receives from an Obligor (or any other source) a Payment or distribution in cash or in kind in respect of, or on account of, any of the Third Ranking Debt or Fourth Ranking Debt which is not a Permitted Payment; or
- (ii) any Obligor or any other Group Company makes any other Payment or distribution in cash or in kind on account of the purchase or other acquisition of any of the Third Ranking Debt or Fourth Ranking Debt,

the recipient thereof will hold the same in trust for, and pay and distribute upon demand to, the Second Ranking Creditors' Agent an amount equal to the lesser of:

- (iii) the outstanding amount of the Second Ranking Debt; and
- (iv) the amount so received,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

- (d) If, following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date:

- (i) any Fourth Ranking Creditor receives from an Obligor (or any other source) a Payment or distribution in cash or in kind in respect of, or on account of, any of the Fourth Ranking Debt which is not a Permitted Payment; or
- (ii) any Obligor or any other Group Company makes any other Payment or distribution in cash or in kind on account of the purchase or other acquisition of any of the Fourth Ranking Debt,

the recipient thereof will hold the same in trust for, and pay and distribute upon demand to, the Third Ranking Creditors' Agent an amount equal to the lesser of:

- (iii) the outstanding amount of the Third Ranking Debt; and

(iv) the amount so received,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

(e) If, following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date:

(i) any Fourth Ranking Creditor receives from an Obligor (or any other source) a Payment or distribution in cash or in kind in respect of, or on account of, any of the Fourth Ranking Debt which is not a Permitted Payment; or

(ii) any Obligor or any other Group Company makes any other Payment or distribution in cash or in kind on account of the purchase or other acquisition of any of the Fourth Ranking Debt,

the recipient thereof will hold the same in trust for, and pay and distribute upon demand to, the Investor Agent an amount equal to the lesser of:

(iii) the outstanding amount of the Fourth Ranking Debt; and

(iv) the amount so received,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

8.2 Discharge by set-off

(a) If, prior to the Bank Discharge Date, any Subordinated Debt is discharged by set-off or combination of accounts (otherwise than in respect of Permitted Payments) the relevant Subordinated Creditor will immediately pay to the Bank an amount equal to the lesser of:

(i) the aggregate of the outstanding amount of the Bank Debt and the First Ranking Debt; and

(ii) the amount so discharged,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

(b) If, following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date any Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt is discharged by set-off or combination of accounts (otherwise than in respect of Permitted Payments) the relevant Second Ranking Creditor, Third Ranking Creditor or Fourth Ranking Creditor will immediately pay to the First Ranking Creditors' Agent an amount equal to the lesser of:

(i) the outstanding amount of the First Ranking Debt; and

(ii) the amount so discharged,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

- (c) If, following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date any Third Ranking Debt or Fourth Ranking Debt is discharged by set-off or combination of accounts (otherwise than in respect of Permitted Payments) the relevant Third Ranking Creditor or Fourth Ranking Creditor will immediately pay to the Second Ranking Creditors' Agent an amount equal to the lesser of:

- (i) the outstanding amount of the Second Ranking Debt; and
- (ii) the amount so discharged,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

- (d) If, following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date any Fourth Ranking Debt is discharged by set-off or combination of accounts (otherwise than in respect of Permitted Payments) the relevant Fourth Ranking Creditor will immediately pay to the Third Ranking Creditors' Agent an amount equal to the lesser of:

- (i) the outstanding amount of the Third Ranking Debt; and
- (ii) the amount so discharged,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

- (e) If, following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date any Fourth Ranking Debt is discharged by set-off or combination of accounts (otherwise than in respect of Permitted Payments) the relevant Fourth Ranking Creditor will immediately pay to the Investor Agent an amount equal to the lesser of:

- (i) the outstanding amount of the Fourth Ranking Debt; and
- (ii) the amount so discharged,

such amount to be applied in accordance with clause 12 (*Application of Recoveries*).

9. SUBORDINATION ON INSOLVENCY

9.1 Subordination

If an Insolvency Event shall occur in relation to an Obligor:

- (a) the claims against such Obligor in relation to the Second Ranking Debt, the Third Ranking Debt and the Fourth Ranking Debt will be subordinate in right of payment to the claims against that Obligor in respect of the Bank Debt and the First Ranking Debt;
- (b) the claims against such Obligor in relation to the Third Ranking Debt and the Fourth Ranking Debt will be subordinate in right of payment to the claims against that Obligor in respect of the Second Ranking Debt; and

- (c) the claims against such Obligor in relation to the Third Ranking Debt will be subordinate in right of payment to the claims against that Obligor in respect of the Fourth Ranking Debt.

9.2 Rights of the Bank, the First Ranking Creditors' Agent, the Second Ranking Creditors' Agent, the Third Ranking Creditors' Agent and the Investor Agent

- (a) Prior to the Bank Discharge Date, following the occurrence of an Insolvency Event in relation to an Obligor:
 - (i) the Bank is irrevocably authorised by the Subordinated Creditors on their behalf to:
 - (A) demand, claim, enforce and prove for the Subordinated Debt due from that Obligor; and
 - (B) file claims and proofs, give receipts and take all such proceedings and do all such things as the Bank reasonably sees fit to recover the Subordinated Debt due from that Obligor; and
 - (C) receive distributions of any kind whatsoever in respect or on account of the Subordinated Debt due from that Obligor; and
 - (ii) the trustee in bankruptcy, liquidator, administrator, assignee or other person distributing the assets of that Obligor or their proceeds is directed by each of the Subordinated Creditors to pay distributions on the Subordinated Debt direct to the Bank for application in accordance with clause 12 (*Application of Recoveries*).
- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, following the occurrence of an Insolvency Event in relation to an Obligor:
 - (i) the First Ranking Creditors' Agent is irrevocably authorised by the Second Ranking Creditors, Third Ranking Creditors and the Fourth Ranking Creditors on their behalf to:
 - (A) demand, claim, enforce and prove for the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt due from that Obligor; and
 - (B) file claims and proofs, give receipts and take all such proceedings and do all such things as the First Ranking Creditors' Agent reasonably sees fit to recover the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt due from that Obligor; and
 - (C) receive distributions of any kind whatsoever in respect or on account of the Second Ranking Debt, Third Ranking Debt or Fourth Ranking Debt due from that Obligor; and
 - (ii) the trustee in bankruptcy, liquidator, administrator, assignee or other person distributing the assets of that Obligor or their proceeds is directed by each Second Ranking Creditor, Third Ranking Creditor and Fourth Ranking Creditor to pay distributions on the Second Ranking Debt, Third Ranking

Debt or Fourth Ranking Debt direct to the First Ranking Creditors' Agent for application in accordance with clause 12 (*Application of Recoveries*).

- (c) Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, following the occurrence of an Insolvency Event in relation to an Obligor:
 - (i) the Second Ranking Creditors' Agent is irrevocably authorised by the Third Ranking Creditors and the Fourth Ranking Creditors on their behalf to:
 - (A) demand, claim, enforce and prove for the Third Ranking Debt or Fourth Ranking Debt due from that Obligor; and
 - (B) file claims and proofs, give receipts and take all such proceedings and do all such things as the Second Ranking Creditors' Agent reasonably sees fit to recover the Third Ranking Debt or Fourth Ranking Debt due from that Obligor; and
 - (C) receive distributions of any kind whatsoever in respect or on account of the Third Ranking Debt or Fourth Ranking Debt due from that Obligor; and
 - (ii) the trustee in bankruptcy, liquidator, administrator, assignee or other person distributing the assets of that Obligor or their proceeds is directed by each Third Ranking Creditor and Fourth Ranking Creditor to pay distributions on Third Ranking Debt or Fourth Ranking Debt direct to the Second Ranking Creditors' Agent for application in accordance with clause 12 (*Application of Recoveries*).
- (d) Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, following the occurrence of an Insolvency Event in relation to an Obligor:
 - (i) the Third Ranking Creditors' Agent is irrevocably authorised by the Fourth Ranking Creditors on their behalf to:
 - (A) demand, claim, enforce and prove for the Fourth Ranking Debt due from that Obligor; and
 - (B) file claims and proofs, give receipts and take all such proceedings and do all such things as the Third Ranking Creditors' Agent reasonably sees fit to recover the Fourth Ranking Debt due from that Obligor; and
 - (C) receive distributions of any kind whatsoever in respect or on account of the Fourth Ranking Debt due from that Obligor; and
 - (ii) the trustee in bankruptcy, liquidator, administrator, assignee or other person distributing the assets of that Obligor or their proceeds is directed by each Fourth Ranking Creditor to pay distributions on Fourth Ranking Debt direct to the Third Ranking Creditors' Agent for application in accordance with clause 12 (*Application of Recoveries*).

- (e) Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, following the occurrence of an Insolvency Event in relation to an Obligor:
 - (i) the Investor Agent is irrevocably authorised by the Fourth Ranking Creditors on their behalf to:
 - (A) demand, claim, enforce and prove for the Fourth Ranking Debt due from that Obligor; and
 - (B) file claims and proofs, give receipts and take all such proceedings and do all such things as the Investor Agent reasonably sees fit to recover the Fourth Ranking Debt due from that Obligor; and
 - (C) receive distributions of any kind whatsoever in respect or on account of the Fourth Ranking Debt due from that Obligor; and
 - (ii) the trustee in bankruptcy, liquidator, administrator, assignee or other person distributing the assets of that Obligor or their proceeds is directed by each Fourth Ranking Creditor to pay distributions on Fourth Ranking Debt direct to the Investor Agent for application in accordance with clause 12 (*Application of Recoveries*).

9.3 Action by the Bank, the First Ranking Creditors' Agent, the Second Ranking Creditors' Agent, the Third Ranking Creditors' Agent and the Investor Agent

- (a) Prior to the Bank Discharge Date:
 - (i) following the occurrence of an Insolvency Event in relation to an Obligor, the Bank may, and is irrevocably authorised by the Subordinated Creditors on their behalf to, exercise all powers of convening meetings, voting and representation in respect of the Subordinated Debt, provided that nothing in this clause 9 shall entitle the Bank to exercise or require the Subordinated Creditors to exercise any such powers so as to waive or amend any of the provisions of the Subordinated Documents or waive, reduce, discharge or extend the due date for payment of any of the Subordinated Debt; and
 - (ii) each of the Subordinated Creditors will provide all forms of proxy and representation required by the Bank to effect the rights referred to in paragraph 9.3(a)(i) above.
- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date:
 - (i) following the occurrence of an Insolvency Event in relation to an Obligor, the First Ranking Creditors' Agent may, and is irrevocably authorised by the Second Ranking Creditors, the Third Ranking Creditors and the Fourth Ranking Creditors on their behalf to, exercise all powers of convening meetings, voting and representation in respect of the Second Ranking Debt, Third Ranking Debt and Fourth Ranking Debt provided that nothing in this clause 9 shall entitle the First Ranking Creditors' Agent to exercise or require the Second Ranking Creditors, the Third Ranking Creditors and the Fourth Ranking Creditors to exercise any such powers so as to waive or amend any

of the provisions of the Second Ranking Documents, Third Ranking Documents or Fourth Ranking Documents or waive, reduce, discharge or extend the due date for payment of any of the Second Ranking Debt, Third Ranking Debt and Fourth Ranking Debt; and

- (ii) each Second Ranking Creditor, Third Ranking Creditor and Fourth Ranking Creditor shall provide all forms of proxy and representation required by the First Ranking Creditors' Agent to effect the rights referred to in paragraph 9.3(b)(i) above.
- (c) Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date:
 - (i) following the occurrence of an Insolvency Event in relation to an Obligor, the Second Ranking Creditors' Agent may, and is irrevocably authorised by the Third Ranking Creditors and the Fourth Ranking Creditors on their behalf to, exercise all powers of convening meetings, voting and representation in respect of the Third Ranking Debt and Fourth Ranking Debt provided that nothing in this clause 9 shall entitle the Second Ranking Creditors' Agent to exercise or require the Third Ranking Creditors and the Fourth Ranking Creditors to exercise any such powers so as to waive or amend any of the provisions of the Third Ranking Documents or Fourth Ranking Documents or waive, reduce, discharge or extend the due date for payment of any of the Third Ranking Debt and Fourth Ranking Debt; and
 - (ii) each Third Ranking Creditor and Fourth Ranking Creditor shall provide all forms of proxy and representation required by the Second Ranking Creditors' Agent to effect the rights referred to in paragraph 9.3(c)(i) above.
- (d) Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date:
 - (i) following the occurrence of an Insolvency Event in relation to an Obligor, the Third Ranking Creditors' Agent may, and is irrevocably authorised by the Fourth Ranking Creditors on their behalf to, exercise all powers of convening meetings, voting and representation in respect of the Fourth Ranking Debt provided that nothing in this clause 9 shall entitle the Third Ranking Creditors' Agent to exercise or require the Fourth Ranking Creditors to exercise any such powers so as to waive or amend any of the provisions of the Fourth Ranking Documents or waive, reduce, discharge or extend the due date for payment of any of the Fourth Ranking Debt; and
 - (ii) each Fourth Ranking Creditor shall provide all forms of proxy and representation required by the Third Ranking Creditors' Agent to effect the rights referred to in paragraph 9.3(d)(i) above.
- (e) Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date:
 - (i) following the occurrence of an Insolvency Event in relation to an Obligor, the Investor Agent may, and is irrevocably authorised by the Fourth Ranking Creditors on their behalf to, exercise all powers of convening meetings,

voting and representation in respect of the Fourth Ranking Debt provided that nothing in this clause 9 shall entitle the Investor Agent to exercise or require the Fourth Ranking Creditors to exercise any such powers so as to waive or amend any of the provisions of the Fourth Ranking Documents or waive, reduce, discharge or extend the due date for payment of any of the Fourth Ranking Debt; and

- (ii) each Fourth Ranking Creditor shall provide all forms of proxy and representation required by the Investor Agent to effect the rights referred to in paragraph 9.3(e)(i) above.

9.4 Directions by the Bank, the First Ranking Creditors' Agent, the Second Ranking Creditors' Agent, the Third Ranking Creditors' Agent and the Investor Agent

- (a) Prior to the Bank Discharge Date, if the Bank is not, for any reason, entitled to take any such action or exercise any such powers in accordance with clauses 9.2 or 9.3, or, at its discretion, elects not to do so, the Subordinated Creditors undertake to take any action and exercise any powers which the Bank reasonably requires from time to time.
- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, if the First Ranking Creditors' Agent is not for any reason, entitled to take any such action or exercise any such powers in accordance with clauses 9.2 or 9.3 or, at its discretion, elects not to do so, the Second Ranking Creditors, Third Ranking Creditors and Fourth Ranking Creditors undertake to take any action and exercise any powers which the First Ranking Creditors' Agent reasonably requires from time to time.
- (c) Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, if the Second Ranking Creditors' Agent is not for any reason, entitled to take any such action or exercise any such powers in accordance with clauses 9.2 or 9.3 or, at its discretion, elects not to do so, the Third Ranking Creditors and Fourth Ranking Creditors undertake to take any action and exercise any powers which the Second Ranking Creditors' Agent reasonably requires from time to time.
- (d) Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, if the Third Ranking Creditors' Agent is not for any reason, entitled to take any such action or exercise any such powers in accordance with clauses 9.2 or 9.3 or, at its discretion, elects not to do so, the Fourth Ranking Creditors undertake to take any action and exercise any powers which the Third Ranking Creditors' Agent reasonably requires from time to time.
- (e) Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, if the Investor Agent is not for any reason, entitled to take any such action or exercise any such powers in accordance with clauses 9.2 or 9.3 or, at its discretion, elects not to do so, the Fourth Ranking Creditors undertake to take any action and exercise any powers which the Investor Agent reasonably requires from time to time.

10. ENFORCEMENT OF SECURITY

10.1 Waiver of rights

To the extent permitted under applicable law and subject to the provisions of clause 12(a) (*Application of Recoveries*), each of the First Ranking Creditors, the Second Ranking Creditors and the Obligors waives all rights it may otherwise have to require that the Subordinated Security Documents be enforced in any particular order or manner or at any particular time or that any sum received or recovered from any person, or by virtue of the enforcement of any of the Subordinated Security Documents or of any other security interest, which is capable of being applied in or towards discharge of any of the First Ranking Debt or Second Ranking Debt is so applied.

10.2 Duties owed

- (a) Each of the Subordinated Creditors and the Obligors acknowledges that, in the event that the Bank enforces the Bank Security prior to the Bank Discharge Date, the duties of the Bank and of any Receiver owed to the Subordinated Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Bank Security shall be no different to or greater than the duty that is owed by Bank or Receiver to the Obligors under general law.
- (b) Each of the Second Ranking Creditors, Third Ranking Creditors and Fourth Ranking Creditors and the Obligors acknowledges that, in the event that the First Ranking Creditors' Agent enforces the First Ranking Security prior to the First Ranking Debt Discharge Date, the duties of the First Ranking Creditors' Agent and of any Receiver owed to the Second Ranking Creditors, Third Ranking Creditors and Fourth Ranking Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that First Ranking Security shall be no different to or greater than the duty that is owed by the First Ranking Creditors' Agent or Receiver to the Obligors under general law.
- (c) Each of the Third Ranking Creditors and Fourth Ranking Creditors and the Obligors acknowledges that, in the event that the Second Ranking Creditors' Agent enforces the Second Ranking Security prior to the Second Ranking Debt Discharge Date, the duties of the Second Ranking Creditors' Agent and of any Receiver owed to the Third Ranking Creditors and Fourth Ranking Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Second Ranking Security shall be no different to or greater than the duty that is owed by the Second Ranking Creditors' Agent or Receiver to the Obligors under general law.

11. REPORT RECOVERIES

11.1 Proceedings

- (a) Until and including the Bank Discharge Date, no Party shall sue or bring or support proceedings against or make demand on any Report Provider in connection with the Reports unless:
 - (i) that Party has notified the Bank of its intention to bring proceedings against or make a demand on a Report Provider; and

- (ii) the relevant Party co-operates with the Bank in taking such action with regard to the efficient and effective conduct of such action.
- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, no Party shall sue or bring or support proceedings against or make demand on any Report Provider in connection with the Reports unless:
 - (i) that Party has notified the First Ranking Creditors' Agent of its intention to bring proceedings against or make a demand on a Report Provider; and
 - (ii) the relevant Party co-operates with the First Ranking Creditors' Agent in taking such action with regard to the efficient and effective conduct of such action.

11.2 Application of Report Recoveries

- (a)
 - (i) If payment is received on or prior to the Bank Discharge Date, the Bank will be entitled to full payment of their claims against a Report Provider in connection with any Report in priority to the claims of the Subordinated Creditors and the Obligors against that Report Provider.
 - (ii) Each Subordinated Creditor and each Obligor will immediately pay an amount equal to the amount of any realisations or recoveries received by it from such Report Provider to the Bank for application in accordance with clause 12 (*Application of Recoveries*).
- (b)
 - (i) If payment is received following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, the First Ranking Creditors will be entitled to full payment of their claims against a Report Provider in connection with any Report in priority to the claims of the Second Ranking Creditors, Third Ranking Creditors, Fourth Ranking Creditors and the Obligors against that Report Provider.
 - (ii) Each Second Ranking Creditor, Third Ranking Creditor and Fourth Ranking Creditor and each Obligor will immediately pay an amount equal to the amount of any realisations or recoveries received by it from such Report Provider to the First Ranking Creditors' Agent for application in accordance with clause 12 (*Application of recoveries*).
- (c)
 - (i) If payment is received following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, the Second Ranking Creditors will be entitled to full payment of their claims against a Report Provider in connection with any Report in priority to the claims of the Third Ranking Creditors, Fourth Ranking Creditors and the Obligors against that Report Provider.

- (ii) Each Third Ranking Creditor and Fourth Ranking Creditor and each Obligor will immediately pay an amount equal to the amount of any realisations or recoveries received by it from such Report Provider to the Second Ranking Creditors' Agent for application in accordance with clause 12 (*Application of recoveries*).
- (d)
 - (i) If payment is received following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, the Third Ranking Creditors will be entitled to full payment of their claims against a Report Provider in connection with any Report in priority to the claims of the Fourth Ranking Creditors and the Obligors against that Report Provider.
 - (ii) Each Fourth Ranking Creditor and each Obligor will immediately pay an amount equal to the amount of any realisations or recoveries received by it from such Report Provider to the Third Ranking Creditors' Agent for application in accordance with clause 12 (*Application of recoveries*).
- (e)
 - (i) If payment is received following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, the Fourth Ranking Creditors will be entitled to full payment of their claims against a Report Provider in connection with any Report in priority to the claims of the Obligors against that Report Provider.
 - (ii) Each Fourth Ranking Creditor and each Obligor will immediately pay an amount equal to the amount of any realisations or recoveries received by it from such Report Provider to the Investor Agent for application in accordance with clause 12 (*Application of recoveries*).

12. APPLICATION OF RECOVERIES

- (a) Subject to the rights of any prior or preferential encumbrancers or creditors, and save as provided by law, all recoveries pursuant to the Bank Security or the Subordinated Security (as applicable) and the net proceeds of enforcement of the security conferred by the Bank Security and the Subordinated Security shall be applied in the following order:
 - (i) firstly, in payment of all costs, charges and expenses incurred by or on behalf of the Bank, the First Ranking Creditors' Agent, the Second Ranking Creditors' Agent or any Receiver appointed under the Security Documents (or any part of them) and of the remuneration of the Receiver in connection with such enforcement;
 - (ii) secondly, in respect of realisations of Non-vesting Debts, to the Bank for applications towards discharge of the Bank ID Debt;
 - (iii) thirdly, in or towards payment, on a pro rata basis (subject always to clause 12(g)):

- (A) to the Bank for application towards discharge of the Bank Debt;
 - (B) to the First Ranking Creditors' Agent for application towards discharge of the First Ranking Debt on a pro rata basis between the First Ranking Debt of each First Ranking Creditor;
 - (iv) fourthly, in or towards payment of the Second Ranking Debt on a pro rata basis between the Second Ranking Debt of each Second Ranking Creditor; and
 - (v) lastly, in payment of the surplus (if any) to the Obligors concerned or other person entitled thereto.
- (b) Subject to the rights of any prior or preferential encumbrancers or creditors, and save as provided by law, all amounts payable to the Bank under this Intercreditor Agreement which are not referred to in clause 12(a) above shall be applied in the following order:
- (i) firstly, in respect of realisations of Non-vesting Debts, to the Bank for applications towards discharge of the Bank ID Debt;
 - (ii) secondly, in or towards payment, on a pro rata basis (subject always to clause 12(g)):
 - (A) to the Bank for application towards discharge of the Bank Debt;
 - (B) to the First Ranking Creditors' Agent for application towards discharge of the First Ranking Debt on a pro rata basis between the First Ranking Debt of each First Ranking Creditor;
 - (iii) thirdly, in payment to the Second Ranking Creditors for application towards discharge of the Second Ranking Debt on a pro rata basis between the Second Ranking Debt of each Second Ranking Creditor;
 - (iv) fourthly, in payment to the Third Ranking Creditors for application towards discharge of the Third Ranking Debt on a pro rata basis between the Third Ranking Debt of each Third Ranking Creditor;
 - (v) fifthly, in payment to the Fourth Ranking Creditors for application towards discharge of the Fourth Ranking Debt on a pro rata basis between the Fourth Ranking Debt of each Fourth Ranking Creditor; and
 - (vi) lastly, in payment of the surplus (if any) to the Obligors concerned or other person entitled thereto.
- (c) Subject to the rights of any prior or preferential encumbrancers or creditors, and save as provided by law, all amounts payable to the First Ranking Creditors' Agent under this Intercreditor Agreement following the Bank Discharge Date which are not referred to in clause 12(a) above shall be applied in the following order:
- (i) firstly, to the First Ranking Creditors for application towards discharge of the First Ranking Debt on a pro rata basis between the First Ranking Debt of each First Ranking Creditor;

- (ii) secondly, in payment to the Second Ranking Creditors for application towards discharge of the Second Ranking Debt on a pro rata basis between the Second Ranking Debt of each Second Ranking Creditor;
 - (iii) thirdly, in payment to the Third Ranking Creditors for application towards discharge of the Third Ranking Debt on a pro rata basis between the Third Ranking Debt of each Third Ranking Creditor;
 - (iv) fourthly, in payment to the Fourth Ranking Creditors for application towards discharge of the Fourth Ranking Debt on a pro rata basis between the Fourth Ranking Debt of each Fourth Ranking Creditor; and
 - (v) lastly, in payment of the surplus (if any) to the Obligors concerned or other person entitled thereto.
- (d) Subject to the rights of any prior or preferential encumbrances or creditors, and save as provided by law, all amounts paid to the Second Ranking Creditors' Agent under this Interc Creditor Agreement following the Bank Discharge Date and the First Ranking Debt Discharge Date shall be applied in the following order:
- (i) firstly, in payment to the Second Ranking Creditors for application towards discharge of the Second Ranking Debt on a pro rata basis between the Second Ranking Debt of each Second Ranking Creditor;
 - (ii) secondly, in payment to the Third Ranking Creditors for application towards discharge of the Third Ranking Debt on a pro rata basis between the Third Ranking Debt of each Third Ranking Creditor;
 - (iii) thirdly, in payment to the Fourth Ranking Creditors for application towards discharge of the Fourth Ranking Debt on a pro rata basis between the Fourth Ranking Debt of each Fourth Ranking Creditor; and
 - (iv) lastly, in payment of the surplus (if any) to the Obligors concerned or other person entitled thereto.
- (e) Subject to the rights of any prior or preferential encumbrances or creditors, and save as provided by law, all amounts paid to the Third Ranking Creditors' Agent under this Interc Creditor Agreement following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date shall be applied in the following order:
- (i) firstly, in payment to the Third Ranking Creditors for application towards discharge of the Third Ranking Debt on a pro rata basis between the Third Ranking Debt of each Third Ranking Creditor;
 - (ii) secondly, in payment to the Fourth Ranking Creditors for application towards discharge of the Fourth Ranking Debt on a pro rata basis between the Fourth Ranking Debt of each Fourth Ranking Creditor; and
 - (iii) lastly, in payment of the surplus (if any) to the Obligors concerned or other person entitled thereto.

- (f) Subject to the rights of any prior or preferential encumbrances or creditors, and save as provided by law, all amounts paid to the Investor Agent under this Intercreditor Agreement following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date shall be applied in the following order:
- (i) firstly, in payment to the Fourth Ranking Creditors for application towards discharge of the Fourth Ranking Debt on a pro rata basis between the Fourth Ranking Debt of each Fourth Ranking Creditor; and
 - (ii) lastly, in payment of the surplus (if any) to the Obligors concerned or other person entitled thereto.
- (g) The Bank, the First Ranking Creditors and the First Ranking Creditors' Agent each acknowledge and agree as follows:-
- (i) As at the Eighth Amendment Date, the First Ranking Creditors have subscribed for the A Loan Notes (Series 6) in the total aggregate amount of £2,000,000 and have undertaken to the Bank and the Borrower to invest a further £2,000,000 in cleared funds in the Borrower by way of subscribing for a further £2,000,000 A Loan Notes (Series 6) ("Further Investment").
 - (ii) Unless and until the First Ranking Creditors have made the Further Investment, the Bank and the First Ranking Creditors each agree that any amounts that would otherwise be due to be payable to the Bank and the First Ranking Creditors' Agent in accordance with clause 12(a)(iii) or clause 12(b)(ii) shall not be paid in accordance with those clauses but any such amounts shall instead be paid as follows:-
 - (A) firstly, in or towards payment, on a pro rata basis:
 - (1) to the Bank for application towards discharge of the Bank Debt; and
 - (2) to the First Ranking Creditors' Agent for application towards discharge of all monies, obligations and liabilities whether actual or contingent, due, owing or incurred by any Obligor to the First Ranking Creditors under or pursuant to the A Loan Note Documents (Series 6) only, on a pro rata basis; and
 - (B) secondly, in or towards payment to the First Ranking Creditors' Agent for application towards discharge of all other First Ranking Debt on a pro rata basis between the First Ranking Debt of each First Ranking Creditor.
 - (iii) In the event that, prior to the Further Investment having been made in cleared funds, any First Ranking Creditor receives any Payment in excess of the amount which is payable to it in accordance with sub-paragraph (ii) above, the recipient thereof will hold such Payment in trust for, and shall pay and distribute upon demand to the Bank the amount so received, for application in accordance with this clause 12(g).

- (h) Clause 12(g) above shall not in any way affect the order of payment to any Creditors other than the Bank and the First Ranking Creditors pursuant to this clause 12.

13. CONSENTS

13.1 Waivers

- (a) If, prior to the Bank Discharge Date, the Bank has given any consent, approval or waiver with or in connection with the Facility Agreement or the Bank Security, each Subordinated Creditor shall be deemed to have done the same and to have made an equivalent or equal amendment to the Subordinated Documents save where such deemed consent, approval or waiver would have the effect of reducing, discharging or extending the due date for payment of the Subordinated Debt.
- (b) If, following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, the First Ranking Creditors' Agent has given any consent, approval or waiver with or in connection with any Subordinated Document or the Subordinated Security, each other Subordinated Creditor shall be deemed to have done the same and to have made an equivalent or equal amendment to the Subordinated Documents save where such deemed consent, approval or waiver would have the effect of reducing, discharging or extending the due date for payment of the Subordinated Debt.
- (c) If, following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, the Second Ranking Creditors' Agent has given any consent, approval or waiver with or in connection with any Subordinated Document or the Subordinated Security, each other Subordinated Creditor shall be deemed to have done the same and to have made an equivalent or equal amendment to the Subordinated Documents save where such deemed consent, approval or waiver would have the effect of reducing, discharging or extending the due date for payment of the Subordinated Debt.
- (d) If, following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, the Third Ranking Creditors' Agent has given any consent, approval or waiver with or in connection with any Subordinated Document or the Subordinated Security, each other Subordinated Creditor shall be deemed to have done the same and to have made an equivalent or equal amendment to the Subordinated Documents save where such deemed consent, approval or waiver would have the effect of reducing, discharging or extending the due date for payment of the Subordinated Debt.
- (e) If, following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, the Investor Agent has given any consent, approval or waiver with or in connection with any Subordinated Document or the Subordinated Security, each other Subordinated Creditor shall be deemed to have done the same and to have made an equivalent or equal amendment to the Subordinated Documents save where such deemed consent, approval or waiver would have the effect of reducing, discharging or extending the due date for payment of the Subordinated Debt.
- (f) The Subordinated Creditors shall do such things and execute all such documents as:
- (i) the Bank may reasonably require to give effect to clause 13.1(a);

- (ii) the First Ranking Creditors' Agent may reasonably require to give effect to clause 13.1(b);
- (iii) the Second Ranking Creditors' Agent may reasonably require to give effect to clause 13.1(c);
- (iv) the Third Ranking Creditors' Agent may reasonably require to give effect to clause 13.1(d); and
- (v) the Investor Agent may reasonably require to give effect to clause 13.1(e).

13.2 Consent

Each of the Creditors hereby consent to the creation of the Bank Security and the Subordinated Security.

13.3 Further advances

It is agreed and acknowledged by all the parties to this Intercreditor Agreement that the Bank may make further monies available which shall, if so advanced, constitute Bank Debt.

13.4 Release of Security

- (a) If the Bank agrees to release the assets of any Obligor from the Security constituted by the Bank Security in connection with a transaction where the proceeds of disposal of such asset(s) will be applied towards prepayment of the Bank Debt:
 - (i) the First Ranking Creditors and the Second Ranking Creditors shall be deemed to have released such assets from any Security constituted by the Subordinated Security over those assets; and
 - (ii) the Bank is irrevocably authorised (at the cost of the relevant Obligor and without any consent, sanction, authority or further confirmation from any First Ranking Creditor, Second Ranking Creditor or Obligor), to release all Security constituted by the Subordinated Security over that asset and to execute and deliver or enter into any release of the Subordinated Security over that asset or issue any letter of non-crystallisation or any consent to dealing that may, in the discretion of the Bank, be considered necessary or desirable.
- (b) The First Ranking Creditors, the Second Ranking Creditors and each Obligor will:
 - (i) do all things that the Bank requests in order to give effect to this clause 13.4 (which shall include, without limitation, the execution of any assignments, transfers, releases or other documents that the Bank may consider to be necessary to give effect to the releases or disposals contemplated by this clause 13.4); and
 - (ii) if the Bank is not entitled to take any of the actions contemplated by this clause 13.4 or if the Bank requests that any First Ranking Creditor, Second Ranking Creditor or Obligor take such action, take that action itself in accordance with the instructions of the Bank.

14. PROTECTION OF SUBORDINATION

14.1 Continuing subordination

The subordination provisions in this Intercreditor Agreement constitute a continuing subordination and benefit the ultimate balance of the Bank Debt and the Subordinated Debt regardless of any intermediate payment or discharge of the Bank Debt or the Subordinated Debt in whole or in part, or the existence at any time of a credit balance on any current or other account held with or for the benefit of the Bank.

14.2 Waiver of defences

The subordination provisions in this Intercreditor Agreement and the obligations of the Creditors and the Obligors under this Intercreditor Agreement will not be affected by any act, omission, matter or thing which, but for this provision, would reduce, release or prejudice the subordination or any of those obligations in whole or in part, including, without limitation:

- (a) any time or waiver granted to, or composition with, an Obligor or other person; or
- (b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person under the Security Documents or otherwise or any non-presentment or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security; or
- (c) any unenforceability, illegality or invalidity of any obligation of an Obligor or any security under the Security Documents or any other document or security.

14.3 Immediate recourse

- (a) Each Subordinated Creditor waives any right it may have of first requiring the Bank to proceed against or enforce any other rights or security or claim payment from any person before claiming the benefit of this subordination, of the security conferred by the Bank Security, or of the obligations of the Subordinated Creditors under this Intercreditor Agreement. The Bank may refrain from applying or enforcing any money, rights or security as it deems appropriate.
- (b) Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, each Second Ranking Creditor, Third Ranking Creditor and Fourth Ranking Creditor waives any right it may have of first requiring the First Ranking Creditors to proceed against or enforce any other rights or security or claim payment from any person before claiming the benefit of this subordination or of the obligations of the other Subordinated Creditors under this Intercreditor Agreement. The First Ranking Creditors may refrain from applying or enforcing any money, rights or security as it deems appropriate.
- (c) Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, each Third Ranking Creditor and Fourth Ranking Creditor waives any right it may have of first requiring the Second Ranking Creditors to proceed against or enforce any other rights or security or claim payment from any person before claiming the benefit of this subordination or of the obligations of the other Subordinated Creditors under this Intercreditor Agreement. The Second Ranking Creditors may refrain from applying or enforcing any money, rights or security as it deems appropriate.

- (d) Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, each Fourth Ranking Creditor waives any right it may have of first requiring the Third Ranking Creditors to proceed against or enforce any other rights or security or claim payment from any person before claiming the benefit of this subordination or of the obligations of the other Subordinated Creditors under this Intercreditor Agreement. The Third Ranking Creditors may refrain from applying or enforcing any money, rights or security as it deems appropriate.

15. REPRESENTATIONS AND WARRANTIES

Each party to this Intercreditor Agreement represents and warrants to and for the benefit of each of the other parties to this Intercreditor Agreement that:

- (a) it is duly incorporated and validly existing under the laws of its place of incorporation and has the power to own its property and assets and carry on its business;
- (b) it has the power to enter into and comply with its obligations under this Intercreditor Agreement; and
- (c) it has taken all necessary action to authorise the entry into and compliance with its obligations under this Intercreditor Agreement and to ensure that its obligations under this Intercreditor Agreement are valid, binding and enforceable on it.

16. EFFECT OF THIS INTERCREDITOR AGREEMENT

16.1 Limitation

Nothing contained in this Intercreditor Agreement shall:

- (a) require any of the Creditors to make any advance or to provide any facility to any Obligor; or
- (b) as between the Obligors and any of the Creditors, affect or prejudice any rights or remedies of the Creditors under the Security Documents which shall remain in full force and effect according to their tenor as effective security for all monies, obligations and liabilities therein mentioned.

16.2 Protection of purchasers

No purchaser dealing with the Bank, the First Ranking Creditors' Agent, the Second Ranking Creditors' Agent or dealing with any receiver appointed by it shall be concerned in any way with the provisions of this Intercreditor Agreement, but shall assume that the Bank, the First Ranking Creditors' Agent, the Second Ranking Creditors' Agent or any such receiver is acting in accordance with the provisions of this Intercreditor Agreement.

16.3 Bank accounts of the Obligors

Nothing in this Intercreditor Agreement or in the Subordinated Security shall prevent the Bank from operating the bank accounts of the Obligors in the ordinary course of banking business.

16.4 Proceeds of ID Debts

Each of the parties to this deed agrees that the proceeds of any ID Debt whenever created constitute a realisation of an ID Debt payable to the Bank and such proceeds are not a realisation of any other asset of the Obligors.

16.5 Subordinated Security

The Subordinated Creditors agree that the ID Debts which vest in the Bank under the Invoice Discounting Documents are released from the Subordinated Security.

16.6 Effect of Intercreditor Agreement

The provisions of this Intercreditor Agreement shall regulate the rights and obligations of the parties under the Finance Documents and the Subordinated Documents which shall in all respects take effect and be subject to the provisions of this Intercreditor Agreement.

17. TRUST

17.1 Prior to the Bank Discharge Date, any payments made to and/or received and/or retained by any of the Subordinated Creditors in contravention of the terms of this Intercreditor Agreement shall be held on trust for the Bank and shall be paid to the Bank for application in accordance with clause 12 (*Application of Recoveries*).

17.2 Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, any payments made to and/or received and/or retained by any of the Subordinated Creditors in contravention of the terms of this Intercreditor Agreement shall be held on trust for the First Ranking Creditors and shall be paid to the First Ranking Creditors' Agent for application in accordance with clause 12 (*Application of Recoveries*).

17.3 Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, any payments made to and/or received and/or retained by any of the Subordinated Creditors in contravention of the terms of this Intercreditor Agreement shall be held on trust for the Second Ranking Creditors and shall be paid to the Second Ranking Creditors' Agent for application in accordance with clause 12 (*Application of Recoveries*).

17.4 Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, any payments made to and/or received and/or retained by any of the Subordinated Creditors in contravention of the terms of this Intercreditor Agreement shall be held on trust for the Third Ranking Creditors and shall be paid to the Third Ranking Creditors' Agent for application in accordance with clause 12 (*Application of Recoveries*).

17.5 Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, any payments made to and/or received and/or retained by any of the Subordinated Creditors in contravention of the terms of this Intercreditor Agreement shall be held on trust for the Fourth Ranking Creditors and shall be paid to the Investor Agent for application in accordance with clause 12 (*Application of Recoveries*).

18. CHANGES TO THE PARTIES

18.1 Successors and assignors

This Intercreditor Agreement shall be binding upon and enure to the benefit of each party hereto and each of their permitted successors and assigns.

18.2 No transfer by Obligors

None of the Obligors shall be entitled to assign or transfer all or any of its rights, benefits and obligations hereunder.

18.3 Assignment by Creditors

Subject to clause 18.4 (*Transfer of Subordinated Debt*) and the applicable provisions of the Finance Documents (including without limitation clause 19 of the Facility Agreement) and the Subordinated Documents, the Creditors may at any time assign all or any of their respective rights and benefits hereunder to any permitted assignee of the Debt to whom all or any part of the Debt is assigned.

18.4 Transfer of Subordinated Debt

The Subordinated Creditors shall not be permitted to transfer their rights, title and interest to any of the Subordinated Debt, save that the Investors shall be permitted to transfer its rights, title and interest to the Subordinated Debt provided that such transfer shall be (i) to a Baird Affiliate and (ii) on the terms that such transfer is conditional upon the transferee entering into a Deed of Accession so as to make such person a party to this Intercreditor Agreement as a Subordinated Creditor.

18.5 Additional Obligors

Contemporaneously with any Additional Obligor becoming a party to any Finance Document or Subordinated Document and/or the delivery of any security in respect thereof, the Borrower shall procure that such Additional Obligor executes and delivers to the Bank a Deed of Accession becoming party to the provisions of this Intercreditor Agreement as an Obligor.

18.6 Authority to the Bank

- (a) Prior to the Bank Discharge Date, each of the parties to this Intercreditor Agreement irrevocably authorises the Bank to execute as a deed any duly completed Deed of Accession on its behalf.
- (b) Following the Bank Discharge Date, each of the parties to this Intercreditor Agreement irrevocably authorises the Investor Agent to execute as a deed any duly completed Deed of Accession on its behalf.

19. INFORMATION

19.1 Disclosure

Each Obligor authorises each Creditor to disclose to each other Creditor all information relating to it or the Group as a whole coming into its possession in connection with any Finance Document or Subordinated Document.

19.2 Notification

Each Creditor agrees to notify each other Creditor promptly upon becoming aware of the same of the occurrence, waiver or remedy of any default under any Finance Document or Subordinated Document.

20. POWER OF ATTORNEY

- 20.1 Prior to the Bank Discharge Date, each Subordinated Creditor irrevocably appoints by way of security the Bank as its attorney (with full power of substitution and delegation) in its name and on its behalf to do anything which it has authorised the Bank to do under the terms of this Intercreditor Agreement and/or is required and legally able to do under this Intercreditor Agreement but has failed to do.
- 20.2 Following the Bank Discharge Date but prior to the First Ranking Debt Discharge Date, each Subordinated Creditor irrevocably appoints by way of security the First Ranking Creditors' Agent as its attorney (with full power of substitution and delegation) in its name and on its behalf to do anything which it has authorised the First Ranking Creditors' Agent to do under the terms of this Intercreditor Agreement and/or is required and legally able to do under this Intercreditor Agreement but has failed to do.
- 20.3 Following the Bank Discharge Date and the First Ranking Debt Discharge Date but prior to the Second Ranking Debt Discharge Date, each Subordinated Creditor irrevocably appoints by way of security the Second Ranking Creditors' Agent as its attorney (with full power of substitution and delegation) in its name and on its behalf to do anything which it has authorised the Second Ranking Creditors' Agent to do under the terms of this Intercreditor Agreement and/or is required and legally able to do under this Intercreditor Agreement but has failed to do.
- 20.4 Following the Bank Discharge Date, the First Ranking Debt Discharge Date and the Second Ranking Debt Discharge Date but prior to the Third Ranking Debt Discharge Date, each Subordinated Creditor irrevocably appoints by way of security the Third Ranking Creditors' Agent as its attorney (with full power of substitution and delegation) in its name and on its behalf to do anything which it has authorised the Third Ranking Creditors' Agent to do under the terms of this Intercreditor Agreement and/or is required and legally able to do under this Intercreditor Agreement but has failed to do.
- 20.5 Following the Bank Discharge Date, the First Ranking Debt Discharge Date, the Second Ranking Debt Discharge Date and the Third Ranking Debt Discharge Date but prior to the Fourth Ranking Debt Discharge Date, each Subordinated Creditor irrevocably appoints by way of security the Investor Agent as its attorney (with full power of substitution and delegation) in its name and on its behalf to do anything which it has authorised the Investor Agent to do under the terms of this Intercreditor Agreement and/or is required and legally able to do under this Intercreditor Agreement but has failed to do.

21. PERPETUITY PERIOD

The perpetuity period for each trust created pursuant to this Intercreditor Agreement (if applicable to this Intercreditor Agreement) shall be 125 years from the date of this Intercreditor Agreement.

22. NOTICES

22.1 Communications in writing

- (a) All communications to be made hereunder to the Bank shall be made by facsimile or otherwise in writing and shall be made or delivered to the Bank at its address and/or facsimile number set out under its name at the end of the Fourth Intercreditor Amendment Agreement, or at such other address and/or facsimile number as the Bank may hereafter advise BCPE (in its capacities as First Ranking Creditors' Agent, Second Ranking Creditors' Agent and Investor Agent), the Managers' Agent and the Third Ranking Creditors' Agent in writing.
- (b) All communications to be made hereunder shall be made by facsimile or otherwise in writing and shall be made or delivered to BCPE (in its capacities as First Ranking Creditors' Agent, Second Ranking Creditors' Agent and Investor Agent) at its address and/or facsimile number set out under its name at the end of the Fourth Intercreditor Amendment Agreement, or at such other address and/or facsimile as that person may hereafter advise the Bank, the Managers' Agent and the Third Ranking Creditors' Agent in writing.
- (c) All communications to be made hereunder shall be made by facsimile or otherwise in writing and shall be made or delivered to the Managers' Agent on behalf of the Managers at his address set out under his name at the end of the Fourth Intercreditor Amendment Agreement, or at such other address and/or facsimile as that person may hereafter advise the Bank, BCPE (in its capacities as First Ranking Creditors' Agent, Second Ranking Creditors' Agent and Investor Agent) and the Third Ranking Creditors' Agent in writing.
- (d) All communications to be made hereunder shall be made by facsimile or otherwise in writing and shall be made or delivered to the Third Ranking Creditors' Agent at his address and/or facsimile number set out under his name at the end of the Fourth Intercreditor Amendment Agreement, or at such other address and/or facsimile as that person may hereafter advise the Bank, BCPE (in its capacities as First Ranking Creditors' Agent, Second Ranking Creditors' Agent and Investor Agent) and the Managers' Agent in writing.

22.2 Delivery

Any notice to any person hereunder (other than the Bank) shall be deemed to have been given:

- (a) if delivered personally, at the time of such delivery;
- (b) if posted, on the second Business Day following the day on which it was despatched by first class mail (airmail, if appropriate) postage prepaid; and
- (c) if sent by facsimile transmission, on the Business Day on which transmitted.

22.3 Notice to the Bank

Any notice to the Bank under this Intercreditor Agreement shall be deemed to have been given only on actual receipt by the Bank.

23. PARTIAL INVALIDITY

If, at any time, any provision of this Intercreditor Agreement is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24. REMEDIES AND WAIVERS

24.1 Waiver, rights and remedies

No failure to exercise, nor any delay in exercising, on the part of any Creditor, any right or remedy under this Intercreditor Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Intercreditor Agreement are cumulative and not exclusive of any rights or remedies provided by law.

24.2 Waivers

A waiver or other consent given by any Creditor under this Intercreditor Agreement will be effective if given in writing and then only in the instance and for the purpose for which it is given.

25. AMENDMENT TO FACILITY AGREEMENT

Prior to the Bank Discharge Date, the Bank will not amend clause 7.5.1 (*Mandatory Prepayments - Excess Cashflow*) and clause 13.4.3 (*Distributions and other payments*) of the Facility Agreement without the prior written consent of the Third Ranking Creditors.

26. APPOINTMENT OF THE FIRST RANKING CREDITORS' AGENT BY THE FIRST RANKING CREDITORS

26.1 Each of the First Ranking Creditors appoints the First Ranking Creditors' Agent to act as its agent under and in connection with this Intercreditor Agreement.

26.2 Each of the First Ranking Creditors authorises the First Ranking Creditors' Agent to exercise the rights, powers, authorities and discretions specifically given to the First Ranking Creditors' Agent under or in connection with this Intercreditor Agreement together with any other incidental rights, powers, authorities and discretions.

26.3 The First Ranking Creditors' Agent's duties under this Intercreditor Agreement are solely mechanical and administrative in nature.

26.4 Nothing in this Intercreditor Agreement constitutes the First Ranking Creditors' Agent as a trustee or fiduciary of any other person.

26.5 The First Ranking Creditors' Agent shall not be bound to account to any First Ranking Creditors for any sum or the profit element of any sum received by it for its own account.

26.6 The First Ranking Creditors' Agent may rely on:

- (a) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and

- (b) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within its knowledge or within its power to verify.
- 26.7 The First Ranking Creditors' Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.
- 26.8 The First Ranking Creditors' Agent may act in relation to this Intercreditor Agreement through its personnel and agents.
- 26.9 Notwithstanding any other provision of this Intercreditor Agreement to the contrary, the First Ranking Creditors' Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- 26.10 The First Ranking Creditors' Agent shall (a) exercise any right, power, authority or discretion vested in it as First Ranking Creditors' Agent provided it has received instructions to do so by a Requisite Majority of the First Ranking Creditors ("Instructions") (or, if so instructed by such persons, refrain from exercising any right, power, authority or discretion vested in it as First Ranking Creditors' Agent) and (b) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with such Instructions.
- 26.11 Any Instructions given by the Requisite Majority of the First Ranking Creditors will be binding on all the First Ranking Creditors.
- 26.12 The First Ranking Creditors' Agent may refrain from acting in accordance with the Instructions until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the Instructions.
- 27. APPOINTMENT OF THE SECOND RANKING CREDITORS' AGENT BY THE SECOND RANKING CREDITORS**
- 27.1 Each of the Second Ranking Creditors appoints the Second Ranking Creditors' Agent to act as its agent under and in connection with this Intercreditor Agreement.
- 27.2 Each of the Second Ranking Creditors authorises the Second Ranking Creditors' Agent to exercise the rights, powers, authorities and discretions specifically given to the Second Ranking Creditors' Agent under or in connection with this Intercreditor Agreement together with any other incidental rights, powers, authorities and discretions.
- 27.3 The Second Ranking Creditors' Agent's duties under this Intercreditor Agreement are solely mechanical and administrative in nature.
- 27.4 Nothing in this Intercreditor Agreement constitutes the Second Ranking Creditors' Agent as a trustee or fiduciary of any other person.
- 27.5 The Second Ranking Creditors' Agent shall not be bound to account to any Second Ranking Creditors for any sum or the profit element of any sum received by it for its own account.
- 27.6 The Second Ranking Creditors' Agent may rely on:
- (a) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and

- (b) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within its knowledge or within its power to verify.
- 27.7 The Second Ranking Creditors' Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.
- 27.8 The Second Ranking Creditors' Agent may act in relation to this Intercreditor Agreement through its personnel and agents.
- 27.9 Notwithstanding any other provision of this Intercreditor Agreement to the contrary, the Second Ranking Creditors' Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- 27.10 The Second Ranking Creditors' Agent shall (a) exercise any right, power, authority or discretion vested in it as Second Ranking Creditors' Agent provided it has received instructions to do so by a Requisite Majority of the Second Ranking Creditors ("Instructions") (or, if so instructed by such persons, refrain from exercising any right, power, authority or discretion vested in it as Second Ranking Creditors' Agent) and (b) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with such Instructions.
- 27.11 Any Instructions given by the Requisite Majority of the Second Ranking Creditors will be binding on all the Second Ranking Creditors.
- 27.12 The Second Ranking Creditors' Agent may refrain from acting in accordance with the Instructions until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the Instructions.
- 28. APPOINTMENT OF THE THIRD RANKING CREDITORS' AGENT BY THE THIRD RANKING CREDITORS**
- 28.1 Each of the Third Ranking Creditors appoints the Third Ranking Creditors' Agent to act as its agent under and in connection with this Intercreditor Agreement.
- 28.2 Each of the Third Ranking Creditors authorises the Third Ranking Creditors' Agent to exercise the rights, powers, authorities and discretions specifically given to the Third Ranking Creditors' Agent under or in connection with this Intercreditor Agreement together with any other incidental rights, powers, authorities and discretions.
- 28.3 The Third Ranking Creditors' Agent's duties under this Intercreditor Agreement are solely mechanical and administrative in nature.
- 28.4 Nothing in this Intercreditor Agreement constitutes the Third Ranking Creditors' Agent as a trustee or fiduciary of any other person.
- 28.5 The Third Ranking Creditors' Agent shall not be bound to account to any Third Ranking Creditors for any sum or the profit element of any sum received by it for its own account.
- 28.6 The Third Ranking Creditors' Agent may rely on:
 - (a) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and

- (b) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within its knowledge or within its power to verify.
- 28.7 The Third Ranking Creditors' Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.
- 28.8 The Third Ranking Creditors' Agent may act in relation to this Intercreditor Agreement through its personnel and agents.
- 28.9 Notwithstanding any other provision of this Intercreditor Agreement to the contrary, the Third Ranking Creditors' Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- 28.10 The Third Ranking Creditors' Agent shall (a) exercise any right, power, authority or discretion vested in it as Third Ranking Creditors' Agent provided it has received instructions to do so by a Requisite Majority of the Third Ranking Creditors ("Instructions") (or, if so instructed by such persons, refrain from exercising any right, power, authority or discretion vested in it as Third Ranking Creditors' Agent) and (b) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with such Instructions.
- 28.11 Any Instructions given by the Requisite Majority of the Third Ranking Creditors will be binding on all the Third Ranking Creditors.
- 28.12 The Third Ranking Creditors' Agent may refrain from acting in accordance with the Instructions until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the Instructions.
- 29. APPOINTMENT OF THE INVESTOR AGENT BY THE FOURTH RANKING CREDITORS**
- 29.1 Each of the Fourth Ranking Creditors appoints the Investor Agent to act as its agent under and in connection with this Intercreditor Agreement.
- 29.2 Each of the Fourth Ranking Creditors authorises the Investor Agent to exercise the rights, powers, authorities and discretions specifically given to the Investor Agent under or in connection with this Intercreditor Agreement together with any other incidental rights, powers, authorities and discretions.
- 29.3 The Investor Agent's duties under this Intercreditor Agreement are solely mechanical and administrative in nature.
- 29.4 Nothing in this Intercreditor Agreement constitutes the Investor Agent as a trustee or fiduciary of any other person.
- 29.5 The Investor Agent shall not be bound to account to any Fourth Ranking Creditors for any sum or the profit element of any sum received by it for its own account.
- 29.6 The Investor Agent may rely on:
 - (a) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and

- (b) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within its knowledge or within its power to verify.
- 29.7 The Investor Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.
- 29.8 The Investor Agent may act in relation to this Intercreditor Agreement through its personnel and agents.
- 29.9 Notwithstanding any other provision of this Intercreditor Agreement to the contrary, the Investor Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- 29.10 The Investor Agent shall (a) exercise any right, power, authority or discretion vested in it as Investor Agent provided it has received instructions to do so by a Requisite Majority of the Fourth Ranking Creditors ("Instructions") (or, if so instructed by such persons, refrain from exercising any right, power, authority or discretion vested in it as Investor Agent) and (b) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with such Instructions.
- 29.11 Any Instructions given by the Requisite Majority of the Fourth Ranking Creditors will be binding on all the Fourth Ranking Creditors.
- 29.12 The Investor Agent may refrain from acting in accordance with the Instructions until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the Instructions.

30. COUNTERPARTS

This Intercreditor Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Intercreditor Agreement.

31. THIRD PARTY RIGHTS

A person who is not a party to this Intercreditor Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Intercreditor Agreement. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to such legislation.

32. GOVERNING LAW AND JURISDICTION

- (a) This Intercreditor Agreement and any non contractual obligation arising out of or in connection with it shall be governed by English law.
- (b) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Intercreditor Agreement (including a dispute relating to the existence, validity or termination of this Intercreditor Agreement or any non-contractual obligation arising out of or in connection with this Intercreditor Agreement) (a "Dispute").

- (c) This clause 32 is for the benefit of the Bank only. As a result, the Bank shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Bank may take on current proceedings in any number of jurisdictions.

IN WITNESS of which this Intercreditor Agreement has been entered into on the date stated at the beginning of this Intercreditor Agreement.

SCHEDULE 1:**Part 1: Investors**

Name	Company number	Registered office
Baird Capital Partners Europe Fund L.P. (formerly Granville Baird Capital Partners Fund VII LP)	LP009876	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
The Growth Fund LP	LP007252	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
Baird Capital Partners Europe Fund B LP (formerly GBCP Fund VII B LP)	LP010782	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB
Baird Capital Partners Fund Europe Limited (as Investors Agent)	3024884	Finsbury Circus House 15 Finsbury Circus London EC2M 7EB

Part 2: Managers

Name	Address
Keith Parry	70 Hilltop Road, Dronfield, S18 1UL
David Barrass	43 Birkett Way, Chalfont St Giles, Buckinghamshire HP8 4BJ
Phillip Barker	7 Brecks Garden, Kippax, Leeds LS25 7LP

Part 3: Third Ranking Creditors

Name	Address
Deane Wakeling	Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ
James Hurn	Meadow View, Broughton Astley, Leicester LE9 6PQ

Part 4: Original Obligors

Name	Company number	Registered office
Engineering Special Steels Limited	02760491	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF

Name	Company number	Registered office
Ancon Special Alloy Steels Limited	01350389	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Gabbro Precisions Limited (formerly known as ESS Steel Holdings Limited)	05744593	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Sheffield Deep Bore Limited	02348148	Victoria Works, 31 Catley Road Darnall Sheffield S9 5JF
Nexus Precision Engineering Limited	SC178677	78 Carlton Place, Glasgow G5 5TH
Midland Precision Limited	2864637	Victoria Works, 31 Catley Road, Darnall, Sheffield, S9 5JF

SCHEDULE 2: DEED OF ACCESSION

THIS DEED is made on [◆]

BETWEEN

- (1) [◆ NAMES] (the "Acceding Party"); and
- (2) [◆ other parties].

BACKGROUND:

This Deed is supplemental to the intercreditor agreement dated [◆] and made between, inter alia, [◆] as Bank (1), the Subordinated Creditors as defined in it (2) [◆] Limited as Borrower (3) and the Original Obligors named in it (4) as amended and restated on [◆] (the "Intercreditor Agreement").

IT IS AGREED:

1. Words and expressions defined in the Intercreditor Agreement shall have the same meaning in this Deed.
2. The Acceding Party confirms it has been supplied with a copy of the Intercreditor Agreement and that [◆] (the "Transferor") has agreed to transfer to it the Subordinated Debt detailed in the schedule to this Deed.
3. The Acceding Party covenants with the Bank for the benefit of the Bank (including its respective assigns, transferees and successors in title) to be bound by all of the terms of the Intercreditor Agreement capable of applying to it to the intent and effect that the Acceding Party shall be a party to the Intercreditor Agreement as with effect from the date the Acceding Party is registered as a holder of any part of the Subordinated Debt.
4. This Deed shall be treated as having been executed and delivered as a deed only upon being dated.
5. This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
6. A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This clause does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to such legislation.
7. In accordance with clause 18.6 (*Authority to the Bank*) of the Intercreditor Agreement, each of the parties to this Deed, other than the Acceding Party, acknowledges that the Bank is authorised to execute this Deed as a deed on its behalf.
8. This Deed and any non-contractual obligation arising out of or in connection with it shall be governed by and construed according to English law.

IN WITNESS of which this Deed has been entered into the day and year stated at the beginning of this Deed.

Executed as a deed (but not delivered until the)
first date specified on page 1) by [])
acting by:)

Director

Director/Secretary

Address: [◆]

Facsimile No: [◆]

[◆ *other execution clauses*]

EXECUTION PAGES

THE BANK

Signed by KEVIN JOHN HAMBLING for)
and on behalf of YORKSHIRE BANK (a)
trading name of Clydesdale Bank PLC)

Signature K J Hambling

Address: 3 Broughton Lane, Sheffield
S9 2DD

Facsimile No: 0114 243 5030

Attention: Russell Fitzpatrick

THE BORROWER

Executed as a deed by MATERIAL)
ADVANTAGE GROUP LIMITED acting)
by:)

Address: Victoria Works, 31 Catley Road,
Darnall, Sheffield, S9 5JF

Facsimile No: 0114 2610103

Attention: Richard Keighley

Signature PHILIP KIRKHAM

Name (block capitals) PHILIP DAVID
KIRKHAM
Director

Signature RICHARD KEIGHLEY

Name (block capitals) RICHARD KEIGHLEY
Secretary/Director

THE MANAGERS

Signed as a deed by **STEVEN HORNE** in the)
presence of:)

Signature STEVEN HORNE

Address: Gothic Lodge, Compstall Road, Romiley,
Stockport, SK6 4JG

Facsimile No: 0114 2610103

Witness signature [REDACTED]

Witness name PHILIP DAVID JACKSON
(block capitals)

Witness address [REDACTED]

Occupation CHARTERED
ACCOUNTANT

Signed as a deed by **DUNCAN MILNER** in)
the presence of:)

Signature DUNCAN MILNER

Witness signature [REDACTED]

Witness name PHILIP DAVID JACKSON
(block capitals)

Witness address [REDACTED]

Occupation CHARTERED
ACCOUNTANT

Signed as a deed by **JOHN SENIOR** in the
presence of:

)
)

Signature JOHN SENIOR

Witness signature [REDACTED]

Witness name PHILIP DAVID JACKSON
(block capitals)

Witness address [REDACTED]
[REDACTED]

Occupation CHARTERED
ACCOUNTANT

Signed as a deed by **KEITH PARRY** in the
presence of:

)
)

Signature KEITH PARRY

Witness signature [REDACTED]

Witness name PHILIP DAVID JACKSON
(block capitals)

Witness address [REDACTED]
[REDACTED]

Occupation CHARTERED
ACCOUNTANT

Signed as a deed by **ALEX MILLER** in the
presence of:

)
)

Signature ALEX MILLER

Witness signature [REDACTED]

Witness name PHILIP DAVID JACKSON
(block capitals)

Witness address [REDACTED]
[REDACTED]

Occupation CHARTERED
ACCOUNTANT

THE INVESTORS

Executed and delivered as a deed by)
)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of **BAIRD CAPITAL**)
PARTNERS EUROPE FUND L.P.)
(FORMERLY GRANVILLE BAIRD)
CAPITAL PARTNERS FUND VII LP) in)
the presence of:)

Signature DENNIS HALL
BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Witness signature [REDACTED]

Witness name JULIE FROST
(block capitals)

Witness address [REDACTED]
[REDACTED] 2
[REDACTED]

Occupation P.A.

Executed and delivered as a deed by)
)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of **THE GROWTH**)
FUND LP in the presence of:)

Signature DENNIS HALL
BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Witness signature [REDACTED]

Witness name JULIE FROST
(block capitals)

Witness address [REDACTED]
[REDACTED] 2
[REDACTED]

Occupation P.A.

Executed and delivered as a deed by)
)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of **BAIRD CAPITAL**)
PARTNERS EUROPE FUND B LP)
(FORMERLY GCBP FUND VII B LP) in
the presence of:

Signature DENNIS HALL
BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Witness signature [REDACTED]

Witness name JULIE FROST
(block capitals)

Witness address [REDACTED]
[REDACTED]
[REDACTED]

P.A.
Occupation _____

**THE INVESTORS AGENT AND MEZZANINE
CREDITOR AGENT**

Executed and delivered as a deed by)
)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED in the presence of:)

Signature DENNIS HALL
BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Address: Mint House, 77 Mansell Street, London
E1 8AF

Facsimile No: 0207 6678481

Attention: Dennis Hall/James Benfield

Witness signature [REDACTED]

Witness name JULIE FROST
(block capitals)

Witness address [REDACTED]
[REDACTED]
[REDACTED]

P.A.
Occupation _____

ORIGINAL OBLIGORS

Executed as a deed, but not delivered until the)
first date specified on page 1, by ANCON)
SPECIAL ALLOY STEELS LIMITED acting)
by:

Director PHILIP KIRKHAM
Director/Secretary RICHARD KEIGHLEY
Address: Victoria Works, 31 Catley Road, Darnall,
Sheffield, S9 5JF
Facsimile No: 0114 2610103
Attention: Richard Keighley

Executed as a deed, but not delivered until the)
first date specified on page 1 by)
ENGINEERING SPECIAL STEELS)
LIMITED acting by:

Director PHILIP KIRKHAM
Director/Secretary RICHARD KEIGHLEY
Address: Victoria Works, 31 Catley Road, Darnall,
Sheffield, S9 5JF
Facsimile No: 0114 2610103
Attention: Richard Keighley

Executed as a deed, but not delivered until the)
first date specified on page 1, by SHEFFIELD)
DEEP BORE LIMITED acting by:)

Director PHILIP KIRKHAM
Director/Secretary RICHARD KEIGHLEY
Address: Victoria Works, 31 Catley Road, Darnall,
Sheffield, S9 5JF
Facsimile No: 0114 2610103
Attention: Richard Keighley

Executed as a deed, but not delivered until the)
first date specified on page 1, by **ESS STEELS**)
HOLDINGS LIMITED acting by:)

Director PHILIP KIRKHAM

Director/Secretary RICHARD KEIGHLEY

Address: Victoria Works, 31 Catley Road, Darnall,
Sheffield, S9 5JF

Facsimile No: 0114 2610103

Attention: Richard Keighley

Executed as a deed, but not delivered until the)
first date specified on page 1, by **NEXUS**)
PRECISION ENGINEERING LIMITED)
acting by:

Director PHILIP KIRKHAM

Director/Secretary RICHARD KEIGHLEY

Address: Victoria Works, 31 Catley Road, Darnall,
Sheffield, S9 5JF

Facsimile No: 0114 2610103

Attention: Richard Keighley

EXECUTION PAGES

THE BANK

EXECUTED as a DEED (but not delivered
until the first date specified on page 1) by
CLYDESDALE BANK PLC (TRADING
AS YORKSHIRE BANK) acting by

CRAIG BILLYS
and

MICHAEL PARKER
its duly authorised attorneys :

)
)
)
)
)
.....
Attorney

CRAIG BILLYS, SENIOR DIRECTOR

.....
Attorney Name and Position
(Block Capitals)

.....
Attorney

MICHAEL PARKER, EXECUTIVE

.....
Attorney Name and Position
(Block Capitals)

Address: 1st Floor, 94-96 Briggate
Leeds LS1 6NP

Facsimile No: 0800 0556367

Attention: Simon Murden

THE BORROWER

Executed as a deed by **GABBRO**
PRECISION HOLDINGS LIMITED by a
director in the presence of a witness:

)
)
) Signature



Name (block capitals)

PHIL BARKER
Director

Witness signature



Witness name
(block capitals)

T E MELLISH

Witness address







Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ

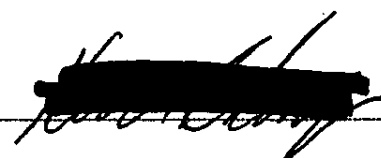
Facsimile No: 0114 2610103

Attention: Phil Barker

THE MANAGERS

Signed as a deed by **KEITH PARRY** in the
presence of:

)
) Signature



Witness signature



Witness name
(block capitals)

T E MELLISH

Witness address





Occupation

GROUP CREDIT MANAGER

Signed as a deed by **DAVID BARRASS** in)
the presence of:)

Signature _____

Witness signature _____


Witness name
(block capitals) _____

Witness address _____

Occupation _____

Signed as a deed by **PHILIP BARKER** in the)
presence of:)

Signature  _____

Witness signature  _____

Witness name
(block capitals) T E MELLISH

Witness address 



Occupation GROUP CREDIT MANAGER

THE INVESTORS

Executed and delivered as a deed by)
J. Benford on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of BAIRD CAPITAL)
PARTNERS EUROPE FUND L.P. in the)
presence of:)

Signature



BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Witness signature



Witness name
(block capitals)

ROBERT REID

Witness address



Occupation

INTERN

Executed and delivered as a deed by)
J. Benford on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of THE GROWTH)
FUND LP in the presence of:)

Signature



BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Witness signature



Witness name
(block capitals)

ROBERT REID

Witness address



Occupation

INTERN

Executed and delivered as a deed by)
J. Baird on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of **BAIRD CAPITAL**)
PARTNERS EUROPE FUND B LP in the)
presence of:

Signature



**BAIRD CAPITAL PARTNERS
EUROPE LIMITED**

Witness signature 

Witness name ROBERT REID
(block capitals)

Witness address 

Occupation INTERN

THE MIDLAND VENDORS

Signed as a deed by **DEANE WAKELING** in)
the presence of:)

Signature _____

Witness signature _____

Witness name _____
(block capitals)

Witness address _____

Occupation _____

Signed as a deed by JAMES HURN in the presence of:

)
)

Signature

Witness signature

Witness name
(block capitals)

Witness address

Occupation

THE OBLIGORS

Executed as a deed, but not delivered until the first date specified on page 1, by ANCON SPECIAL ALLOY STEELS LIMITED acting by:

)
)
)
)

Signature

Name (block capitals)



PHIL BARKER

Director

Witness signature

Witness name
(block capitals)

Witness address



T E MELLISH



Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

Executed as a deed, but not delivered until the)
first date specified on page 1 by)
ENGINEERING SPECIAL STEELS)
LIMITED acting by:)

Signature

Name (block capitals)



Phil Barker
Director

Witness signature

Witness name
(block capitals)

Witness address



T E MELLISH







Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

Executed as a deed, but not delivered until the)
first date specified on page 1 by **SHEFFIELD**)
DEEP BORE LIMITED acting by:)

Signature

Name (block capitals)



Phil Barker
Director

Witness signature

Witness name
(block capitals)

Witness address



T E MELLISH








Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

Executed as a deed, but not delivered until the)
first date specified on page 1 by GABBRO)
PRECISION LIMITED acting by:)

Signature

Name (block capitals)


Phil Barker
Director

Witness signature

Witness name
(block capitals)

T E MELLISH


Witness address

Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

Executed as a deed, but not delivered until the)
first date specified on page 1 by NEXUS)
PRECISION ENGINEERING LIMITED)
acting by:)

Signature

Name (block capitals)


Phil Barker
Director

Witness signature

Witness name
(block capitals)

T E MELLISH

Witness address

Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

Executed as a deed, but not delivered until the)
first date specified on page 1 by MIDLAND)
PRECISION LIMITED acting by:)

Signature



Name (block capitals)

Phil Barker
Director

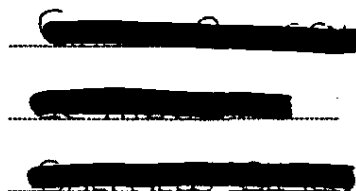
Witness signature



Witness name
(block capitals)

T E MELLISH

Witness address



Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

Executed as a deed by GABBRO)
PRECISION HOLDINGS LIMITED by a)
director in the presence of a witness:)

Signature



Name (block capitals)

Phil Barker
Director

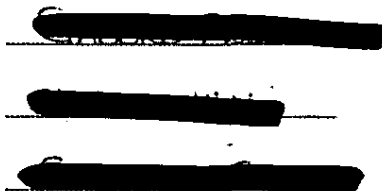
Witness signature



Witness name
(block capitals)

T E MELLISH

Witness address



Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ

Facsimile No: 0114 2610103

Attention: Phil Barker

Executed and delivered as a deed by
J. Bennett on behalf of
BAIRD CAPITAL PARTNERS EUROPE
LIMITED in the presence of:

Signature

Witness signature _____

Witness name ROBERT REID
(block capitals)

Witness address [REDACTED]

Occupation INTERN

Address: Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB

Facsimile No: 0207 6678481

Attention: Dennis Hall

THE FIRST RANKING CREDITORS' AGENT

Executed and delivered as a deed by)
J. DEJARD on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED in the presence of:) Signature


**BAIRD CAPITAL PARTNERS
EUROPE LIMITED**

Witness signature 

Witness name ROBERT RED
(block capitals)

Witness address 


Occupation INTERN

Address: Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB

Facsimile No: 0207 6678481

Attention: Dennis Hall

THE SECOND RANKING CREDITORS' AGENT

Executed and delivered as a deed by)
on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED in the presence of:) Signature

**BAIRD CAPITAL PARTNERS
EUROPE LIMITED**

Witness signature _____

Witness name
(block capitals) _____

Witness address _____

Occupation _____

Address: Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB
Facsimile No: 0207 6678481
Attention: Dennis Hall

THE MANAGERS' AGENT

Signed as a deed by **PHILLIP BARKER** in)
the presence of:) Signature

Witness signature _____

Witness name
(block capitals) T E MELLISH

Witness address _____

Occupation MANAGER

Address: 7 Brecks Garden, Kippax, Leeds LS25 7LP

THE MIDLAND VENDORS' AGENT

Signed as a deed by **DEANE WAKELING** in)
the presence of:) Signature _____

Witness signature _____

Witness name
(block capitals) _____

Witness address _____

Occupation _____

Address: Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ

THE BORROWER

Executed as a deed by **GABBRO**)
PRECISION HOLDINGS LIMITED by a)
director in the presence of a witness:)

Signature _____

Name (block capitals) _____

Director

Witness signature _____

Witness name
(block capitals) _____

Witness address _____

Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ

Facsimile No: 0114 2610103

Attention: Phil Barker

THE MANAGERS

Signed as a deed by **KEITH PARRY** in the)
presence of:)

Signature _____

Witness signature _____

Witness name
(block capitals) _____

Witness address _____

Occupation _____

Signed as a deed by **DAVID BARRASS** in)
the presence of:)

Signature



Witness signature



Witness name
(block capitals)

LOUISE MARGARET WALKER

Witness address



Occupation

COMPANY DIRECTOR

Signed as a deed by **PHILIP BARKER** in the)
presence of:)

Signature

Witness signature

Witness name
(block capitals)

Witness address

Occupation

Executed and delivered as a deed by)
on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED on behalf of **BAIRD CAPITAL**)
PARTNERS EUROPE FUND B LP in the)
presence of:

Signature _____
BAIRD CAPITAL PARTNERS
EUROPE LIMITED

Witness signature _____


Witness name _____
(block capitals)

Witness address _____

Occupation _____

THE MIDLAND VENDORS

Signed as a deed by **DEANE WAKELING** in)
the presence of:)

Signature  _____
ACTING BY HIS ATTORNEY

Witness signature  _____

Witness name Timothy Jane Hoos
(block capitals)

Witness address 



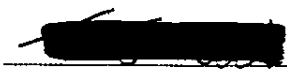
Occupation MANAGING DIRECTOR.

Signed as a deed by **JAMES HURN** in the presence of:

)
) Signature



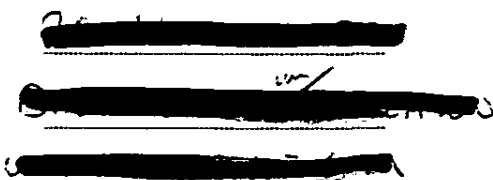
Witness signature



Witness name
(block capitals)

Timothy John Hoos

Witness address



Occupation

MANAGING DIRECTOR.

THE OBLIGORS

Executed as a deed, but not delivered until the first date specified on page 1, by **ANCON SPECIAL ALLOY STEELS LIMITED** acting by:

)
)
)
)

Signature

Name (block capitals)

Director

Witness signature

Witness name
(block capitals)

Witness address

Address: Distington House, 26 Atlas Way,
Sheffield, S4 7QQ
Facsimile No: 0114 2610103
Attention: Phil Barker

THE SECOND RANKING CREDITORS' AGENT

Executed and delivered as a deed by)
J. BARKER on behalf of)
BAIRD CAPITAL PARTNERS EUROPE)
LIMITED in the presence of:) Signature


**BAIRD CAPITAL PARTNERS
EUROPE LIMITED**

Witness signature 

Witness name ROBERT REID
(block capitals)

Witness address 

Occupation INTERN

Address: Finsbury Circus House, 15 Finsbury Circus, London, EC2M 7EB

Facsimile No: 0207 6678481

Attention: Dennis Hall

THE MANAGERS' AGENT

Signed as a deed by **PHILLIP BARKER** in)
the presence of:) Signature _____

Witness signature _____

Witness name _____
(block capitals)

Witness address _____

Occupation _____

Address: 7 Brecks Garden, Kippax, Leeds LS25 7LP

THE MIDLAND VENDORS' AGENT

Signed as a deed by **DEANE WAKELING** in)
the presence of:)

Signature _____

Witness signature _____

Witness name
(block capitals) _____

Witness address


Occupation _____

Address: Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ

THE MIDLAND VENDORS' AGENT


Signed as a deed by **DEANE WAKELING** in)
the presence of:)

Signature





ACTING BY HIS ATTORNEY.

Witness signature

Witness name
(block capitals)


TIMOTHY JOHN HORS

Witness address

Occupation

MANAGING DIRECTOR.

Address:

Valley Cottage, 31 School Lane, Woodhouse, Leicestershire, LE12 8UJ