

# Project Caledonia £28,500,000 Senior Facilities Agreement

Caledonia Topco Limited  
As Parent

Crescent Capital Group LP

The Royal Bank of Scotland Plc  
As Arrangers

Agensynd S.L.  
As Facility Agent

Agensynd S.L.  
As Security Agent

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**THIS AGREEMENT** is made on

2016

**BETWEEN:**

- (1) **CALEDONIA TOPCO LIMITED** (a company incorporated under the laws of England and Wales with registered number 10084852) (the "**Parent**");
- (2) **THE COMPANY** listed in part 1 of schedule 1 (The Original Parties) as the original borrower (the "**Original Borrower**");
- (3) **THE COMPANIES** listed in part 1 of schedule 1 (The Original Parties) as original guarantors (the "**Original Guarantors**");
- (4) **CRESCENT CAPITAL GROUP LP and THE ROYAL BANK OF SCOTLAND PLC** as arrangers (the "**Arrangers**");
- (5) **THE FINANCIAL INSTITUTIONS** listed in part 2 of schedule 1 (The Original Parties) as lenders (the "**Original Lenders**");
- (6) **THE PERSONS** listed in part 3 of schedule 1 (The Original Parties) as hedge counterparties (the "**Original Hedge Counterparties**");
- (7) **AGENSYND S.L.** as facility agent of the other Senior Finance Parties (the "**Facility Agent**"); and
- (8) **AGENSYND S.L.** as security agent of the other Secured Parties (the "**Security Agent**").

**THE PARTIES AGREE AS FOLLOWS:**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this agreement:

**"Acceptable Bank"** means:

- (a) a bank or financial institution which has a rating for its long-term unsecured and non-credit enhanced debt obligations of A or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or A2 or higher by Moody's Investors Service Limited or a comparable rating from an internationally recognised credit rating agency
- (b) any Lender; or
- (c) any other bank or financial institution approved by the Facility Agent;

**"Accession Deed"** means a document substantially in the form set out in schedule 6 (Form of Accession Deed);

**"Accountants' Report"** means the report by HMT LLP dated on or about the date of this agreement and capable of being relied upon by the Reliance Parties and their respective successors, assigns and transferees;

**"Accounting Principles"** means generally accepted accounting principles in the United Kingdom (including for the avoidance of doubt IFRS) or in the case of any relevant member of the Group incorporated outside the United Kingdom, generally accepted accounting principles in its jurisdiction of incorporation or establishment;

**"Acquisition"** means the acquisition by the Company of the Target Shares on the terms of the Acquisition Documents;

**"Acquisition Agreement"** means the agreement dated on or about the date of this agreement relating to the sale and purchase of the Target Shares and made between the Company and the Vendor;

**"Acquisition Costs"** means all fees, costs and expenses, stamp, registration and other Taxes incurred by the Parent or any other Group Company in connection with the Acquisition or the Transaction Documents;

**"Acquisition Documents"** means the Acquisition Agreement, the Disclosure Letter, any related warranty and indemnity agreement (or similar) if any and any other document designated as an **"Acquisition Document"** by the Facility Agent and the Parent;

**"Acquisition Purpose"** means the purposes set out in clause 4.1(a)(i) (Purpose);

**"Additional Borrower"** means a company which becomes a Borrower in accordance with clause 30 (Changes to the Obligors);

**"Additional Guarantor"** means a company which becomes a Guarantor in accordance with clause 30 (Changes to the Obligors);

**"Additional Obligor"** means an Additional Borrower or an Additional Guarantor;

**"Affiliate"** means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company. Notwithstanding the foregoing, in relation to The Royal Bank of Scotland plc, the term "Affiliate" shall not include (i) the UK government or any member or instrumentality thereof, including Her Majesty's Treasury and UK Financial Investments Limited (or any directors, officers, employees or entities thereof) or (ii) any persons or entities controlled by or under common control with the UK government or any member or instrumentality thereof (including Her Majesty's Treasury and UK Financial Investments Limited) and which are not part of The Royal Bank of Scotland Group plc and its subsidiaries or subsidiary undertakings;

**"Agreed Security Principles"** means the Agreed Security principles set out in schedule 10 (Agreed Security Principles);

**"Ancillary Commencement Date"** means, in relation to an Ancillary Facility, the date on which that Ancillary Facility is first made available, which date shall be a Business Day within the Availability Period for the Revolving Facility;

**"Ancillary Commitment"** means, in relation to an Ancillary Lender and an Ancillary Facility, the maximum Base Currency Amount which that Ancillary Lender has agreed (whether or not subject to satisfaction of conditions precedent) to make available from time to time under an Ancillary Facility and which has been authorised as such under clause 8 (Ancillary Facilities), to the extent that amount is not cancelled or reduced under this agreement or the Ancillary Documents relating to that Ancillary Facility;

**"Ancillary Document"** means each document relating to or evidencing the terms of an Ancillary Facility;

**"Ancillary Facility"** means any ancillary facility made available by an Ancillary Lender in accordance with clause 8 (Ancillary Facilities);

**"Ancillary Lender"** means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility in accordance with clause 8 (Ancillary Facilities);

**"Ancillary Outstandings"** means, at any time, in relation to an Ancillary Lender and an Ancillary Facility then in force the aggregate of the equivalents (as calculated by that Ancillary Lender) in the Base Currency of the following amounts outstanding under that Ancillary Facility then in force:

- (a) the principal amount under each overdraft facility or other on-demand short term loan facility (net of any Available Credit Balance);
- (b) the face amount of each guarantee, bond and letter of credit under that Ancillary Facility (to the extent not repaid or prepaid); and
- (c) the amount fairly representing the aggregate exposure (excluding interest and similar charges) of that Ancillary Lender under each other type of accommodation provided under that Ancillary Facility,

in each case as determined by such Ancillary Lender acting reasonably in accordance with its normal banking practice and in accordance with the relevant Ancillary Document;

**"Annual Financial Statements"** has the meaning given to that term in clause 24 (Information Undertakings);

**"Approved Country"** means the United Kingdom;

**"Approved List"** means the list of banks and financial institutions and entities in agreed form and as amended from time to time in accordance with clause 40.5 (Approved List);

**"Assignment Agreement"** means an agreement substantially in the form set out in schedule 5 (Form of Assignment Agreement) or any other form agreed between the relevant assignor and assignee provided that if that other form does not contain the undertaking set out in the form set out in schedule 5 (Form of Assignment Agreement) it shall not be a Creditor Accession Undertaking as defined in, and for the purposes of, the Intercreditor Agreement;

**"Auditors"** means any of:

- (a) PricewaterhouseCoopers, Ernst & Young, KPMG, Deloitte & Touche, Grant Thornton LLP or BDO LLP; or
- (b) any other firm of auditors appointed by the Parent;

**"Authorisation"** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration;

**"Availability Period"** means:

- (a) in relation to Facility A the period from and including the date of this agreement to and including the earlier of the Closing Date and the date falling 30 days after the date of this agreement;
- (b) in relation to any CAR Facility, subject to Clause 3 (CAR Facility), the period specified in the CAR Facility Establishment Notice; and
- (c) in relation to the Revolving Facility, the period from and including the date of this agreement to and including the date falling one month prior to the Termination Date for the Revolving Facility;

**"Available Commitment"** means, in relation to a Facility, a Lender's Commitment under that Facility minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under that Facility and, in the case of the Revolving Facility only, the Base Currency Amount of the aggregate of its (and its Affiliate's) Ancillary Commitments; and
- (b) in relation to any proposed Utilisation, the Base Currency Amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date and, in the case of the Revolving Facility only, the Base Currency Amount of its (and its Affiliate's) Ancillary Commitment in relation to any new Ancillary Facility that is due to be made available on or before the proposed Utilisation Date.

For the purposes of calculating a Lender's Available Commitment in relation to any proposed Utilisation under the Revolving Facility only, the following amounts shall not be deducted from that Lender's Revolving Facility Commitment:

- (i) that Lender's participation in any Revolving Facility Utilisations that are due to be repaid or prepaid on or before the proposed Utilisation Date; and
- (ii) that Lender's (and its Affiliate's) Ancillary Commitments to the extent that they are due to be reduced or cancelled on or before the proposed Utilisation Date;

**"Available Credit Balance"** means, in relation to an Ancillary Facility, credit balances on any account of any Borrower of that Ancillary Facility with the Ancillary Lender making available that Ancillary Facility to the extent that those credit balances are freely available to be set off by that Ancillary Lender against liabilities owed to it by that Borrower under that Ancillary Facility;

**"Available Facility"** means, in relation to a Facility, the aggregate for the time being of each Lender's Available Commitment in respect of that Facility;

**"Base Case Model"** means the financial model including profit and loss (or equivalent income statement), balance sheet and cash flow projections in agreed form relating to the Group (for these purposes assuming completion of the Acquisition);

**"Base Currency"** means sterling;

**"Base Currency Amount"** means:

- (a) in relation to a Utilisation, the amount specified in the Utilisation Request delivered by a Borrower for that Utilisation (or, if the amount requested is not denominated in the Base Currency, that amount converted into the Base Currency at the Facility Agent's Spot Rate of Exchange on the date which is three Business Days before the Utilisation Date or, if later, on the date the Facility Agent receives the Utilisation Request in accordance with the terms of this agreement); and
- (b) in relation to an Ancillary Commitment, the amount specified as such in the notice delivered to the Facility Agent by the Parent pursuant to clause 8.2 (Availability) (or, if the amount specified is not denominated in the Base Currency, that amount converted into the Base Currency at the Facility Agent's Spot Rate of Exchange on the date which is three Business Days before the Ancillary Commencement Date for that Ancillary Facility or, if later, the date the Facility Agent receives the notice of the Ancillary Commitment in accordance with the terms of this agreement),

as adjusted to reflect any repayment, prepayment, consolidation or division of a Utilisation, or (as the case may be) cancellation or reduction of an Ancillary Facility;

**"Base Reference Bank Rate"** means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Facility Agent at its request by the Base Reference Banks:

- (a) in relation to LIBOR, as the rate at which the relevant Base Reference Bank could borrow funds in the London interbank market; or
- (b) in relation to EURIBOR, as the rate at which the relevant Base Reference Bank could borrow funds in the European interbank market,

in the relevant currency and for the relevant period, were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period;

**"Base Reference Banks"** means, in relation to LIBOR and EURIBOR, the principal London offices of such banks as may be appointed by the Facility Agent in consultation with the Parent;

**"Borrower"** means the Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with clause 30 (Changes to the Obligors) and, in respect of an Ancillary Facility only, any Affiliate of a Borrower that becomes a borrower of that Ancillary Facility with the approval of the relevant Lender pursuant to the provisions of clause 8.9 (Affiliates of Borrowers);

**"Borrowings"** has the meaning given to that term in clause 25.1 (Financial Definitions);

**"Break Costs"** means the amount (if any) by which:

- (a) the interest (excluding the Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

- (b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Interbank Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period (the **"Deposit Period"**);

**"Budget"** means:

- (a) in relation to the period beginning on the Closing Date and ending on 31 March 2017, the Base Case Model in agreed form to be delivered by the Parent to the Facility Agent pursuant to clause 5.1 (Initial Conditions Precedent); and
- (b) in relation to any other period, any budget delivered by the Parent to the Facility Agent in respect of that period pursuant to clause 24.4 (Budget);

**"Business Day"** means a day (other than a Saturday or Sunday) on which banks are open for general business in London and:

- (a) (in relation to any date for payment or purchase of a currency other than euro) the principal financial centre of the country of that currency; or
- (b) (in relation to any date for payment or purchase of euro) any TARGET Day;



**"Capital Expenditure"** has the meaning given to that term in clause 25.1 (Financial Definitions);

**"Capex Budget"** has the meaning given to that term in clause 24.4 (Budget) save for the period from the Closing Date to 31 March 2017 it shall mean the amount of Capital Expenditure which the Group is expected to occur for such period as set out in the Base Case Model;

**"CAR Facility"** means the uncommitted term loan facility that may be made available in accordance with Clause 3 (CAR Facility) as described in Clause 2 (The Facilities) below.

**"CAR Facility Commitment"** means:

- (a) in relation to any CAR Facility Lender identified in a CAR Facility Establishment Notice, the amount set opposite its name under the heading "CAR Facility Commitment" in that CAR Facility Establishment Notice and the amount of any other CAR Facility transferred to it under this agreement or assumed by it, in accordance with Clause 2.2 (Increase); and
- (b) in relation to any other Lender, the amount in Sterling of any CAR Facility Commitment transferred to it under this agreement or assumed by it in accordance with Clause 2.2 (Increase),

to the extent:

- (i) not cancelled, reduced or transferred by it under this agreement; and
- (ii) not deemed to be zero pursuant to Clause 29 (Debt Purchase Transactions);

**"CAR Facility Date"** has the meaning given to that term in Clause 3.4(c) (CAR Facility);

**"CAR Facility Documents"** means any CAR Facility Fee Letter, any CAR Facility Establishment Notice and any related documents;

**"CAR Facility Establishment Notice"** means a notice substantially in the form set out in Schedule 13 (CAR Facility Establishment Notice) delivered by the Company to the Facility Agent in accordance with Clause 3 (CAR Facility);

**"CAR Facility Fee Letter"** means any fee letter or letters between any CAR Facility Lender and the Parent setting out any arrangement fees payable to that CAR Facility Lender in consideration of the CAR Facility Lender agreeing to make the CAR Facility Commitment available;

**"CAR Facility Lender"** has the meaning given to that term in Clause 3.1 (CAR Facility);

**"CAR Facility Loan"** means a loan made or to be made under the CAR Facility or the principal amount outstanding for the time being of that loan;

**"CAR Facility Margin"** means in relation to any CAR Facility Loan, the percentage rate per annum set out in the CAR Facility Establishment Notice, subject to any margin adjustment mechanism also specified therein;

**"CAR Facility Maximum Amount"** means the aggregate of the CAR Facility Commitments from time to time up to a maximum aggregate amount of £5,000,000;

**"CAR Facility Maximum Margin"** means an amount which is up to 1 per cent. higher than the highest Margin in respect of Facility A;

**"CAR Facility Repayment Date"** means each date set out in a CAR Facility Establishment Notice as being a CAR Facility Repayment Date;

**"CAR Facility Terms"** has the meaning given to it in Clause 3.3 (CAR Facility);

**"Cash Equivalent Investments"** means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by any government of, the United Kingdom or a country which has a rating for its short-term unsecured and non credit-enhanced debt obligations of A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited or by an instrumentality or agency of any such government having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
  - (i) for which a recognised trading market exists;
  - (ii) issued by an issuer incorporated in the United Kingdom or a country, the government of which has a rating for its short-term unsecured and non credit-enhanced debt obligations of A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited;
  - (iii) which matures within one year after the relevant date of calculation; and
  - (iv) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (d) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank (or their dematerialised equivalent);
- (e) any investment in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Services Limited, (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (d) (inclusive) above and (iii) can be turned into cash on not more than 30 days' notice; or
- (f) any other debt security approved by the Majority Lenders,

in each case, to which any Group Company is alone (or together with other Group Companies) beneficially entitled at that time and which is not issued or guaranteed by any Group Company or subject to any Security (other than Security arising under the Transaction Security Documents);

**"Cashflow"** has the meaning given to that term in clause 25.1 (Financial Definitions);